

# **TPK Holding Co., Ltd.**

## **The Rules of Board Meeting Procedures**

- 1 Purpose:** To establish a strong governance system and sound supervisory capabilities for the Company's Board of Directors, and to strengthen management capabilities, these Rules are adopted to be followed by the Company.
- 2 Scope:** With respect to the Board of Directors meetings of the Company, the main agenda items, operating procedures, required contents of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the provisions of these Rules, unless otherwise provided in laws or the articles of incorporation. Any matters not covered herein shall be implemented in accordance with related laws and regulations.
- 3 Operating procedure:**
  - 3.1** The Board of Directors convenes the meeting and sends the meeting notice.
    - 3.1.1** The Board of Directors meeting shall be convened at least once per quarter.
    - 3.1.2** A notice of the reasons for convening a board meeting shall be given to each director and supervisor 7 days before the meeting is to be convened. In emergency circumstances, however, a board meeting may be convened at any time. The notice referred to herein may be served in the form of correspondence, via fax or email, or in any other sufficient manner.
    - 3.1.3** The following matters to be submitted for discussion at a board meeting shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extemporary motion:
      - (1) The Company's business plan.
      - (2) Annual and semi-annual financial reports, unless with the semi-annual financial reports are not required under relevant laws and regulations to be audited and attested by a certified public accountant (CPA).
      - (3) Adoption of or amendment to an internal control system and assessment on the effectiveness of the internal control system.
      - (4) Adoption of or amendment to any operating procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
      - (5) The offering, issuance, or private placement of equity-type securities.
      - (6) The election or discharge of chairman.
      - (7) The appointment or discharge of a financial, accounting, or internal audit officer.
      - (8) A donation to a related party or a major donation to a non-related party. provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board meeting for confirmation.
      - (9) A matter bearing on the personal interest of a director.
      - (10) A material asset or derivatives transaction.
      - (11) A material monetary loan, endorsement, or provision of guarantee.
      - (12) Hiring or dismissal of an attesting CPA, or the compensation given thereto.
      - (13) Any matter that, under laws and regulations or the articles of incorporation, must be approved by resolution at a shareholders'

meeting or board meeting,

or any material matter as may be prescribed by the competent authority

- 3.1.4** The term "related party" in subparagraph 8 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means an individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the financial report attested by a CPA for the most recent year.
- 3.1.5** The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board meeting is convened. Amounts already submitted to and passed by a resolution of the Board of Directors are exempted from inclusion in the calculation.
- 3.1.6** At least one independent director of the Company shall attend the meeting in person. With respect to the matters which must be approved by resolutions at a board meeting as provided in Article 3.1.3 herein, any and all independent directors shall attend the meeting. Where an independent director is unable to attend the meeting, that independent director shall appoint another independent director to attend the meeting as proxy. Any objections or reservations of any independent director shall be recorded in the minutes of the Board of Directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board meeting.
- 3.2** Main agenda items of board meeting
- 3.2.1** Agenda items for regular board meetings of the Company shall include at least the following:
- (1) Matters to be reported:
    - A. Minutes of the last meeting and action taken.
    - B. Important financial business reports.
    - C. Internal audit business reports.
    - D. Other important matters to be reported.
  - (2) Matters for discussion:
    - A. Items for continued discussion from the last meeting.
    - B. Items for discussion at this meeting.
  - (3) Extemporary Motions
- 3.3** Parliamentary unit and meeting materials
- 3.3.1** The designated unit responsible for the board meetings of the Company shall be the financial unit.
- 3.3.2** The parliamentary unit shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the meeting notice.
- 3.3.3** A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the parliamentary unit. If a director is of the opinion that materials concerning any motion are insufficient, the deliberation of such motion may be postponed by a resolution of the Board of Directors.
- 3.4** Preparation of attendance book and other documents, and attendance by proxy

- 3.4.1** 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.
  - 3.4.2** 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 the Company's articles of incorporation. Attendance by video conference will be deemed attendance in person.
  - 3.4.3** 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.
  - 3.4.4** The proxy referred to in paragraph 2 may be the appointed proxy of only one person.
- 3.5** Place and time of a board meeting
  - 3.5.1** A board meeting shall be held at the premises and during the business hours of the Company, or at a place and time convenient for all directors to attend and suitable for holding board meetings.
- 3.6** Chair and acting chair of a board meeting
  - 3.6.1** If the Board meeting is convened by the Chairman of Board, the meeting shall be chaired by the Chairman of Board. Notwithstanding, with respect to the first meeting of each newly elected board of directors, it shall be convened and chaired by the director that receives votes representing the largest portion of voting rights at the shareholders meeting in which the directors are elected. If two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as the chair.
  - 3.6.2** According to Paragraph 4 of Article 203 or Paragraph 3 of Article 203-1 of the Company Act, if the Board meeting is convened by a majority of the directors, they shall select from among themselves one director to serve as the chair.
  - 3.6.3** When the Chairman of Board is on leave or for any reason unable to exercise the powers of the chairman, the Chairman shall appoint one of the directors to act on behalf of him. If no such designation is made by the Chairman, the directors shall select one person from among themselves to serve as the chair.
- 3.7** Non-voting participants
  - 3.7.1** As merited by the contents of a motion to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys-at-law, or other professionals retained by the Company may also be invited to attend the meeting as non-voting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation and voting take place.
  - 3.7.2** Proceedings of a board meeting shall be recorded in their entirety in audio or video, and the recording shall be retained for a minimum of 5 years. The record may be retained in electronic form.
  - 3.7.3** If any litigation arises with respect to a resolution of a board meeting before the end of the retention period of the preceding paragraph, the relevant audio or video record shall be retained until the conclusion of the litigation.
  - 3.7.4** Where a board meeting is held by video conference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of the Company.
- 3.8** Convening of board meetings

**3.8.1** The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3.1.2 herein.

**3.8.2** The term "all directors" referred to in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.

### **3.9** Proceeding

**3.9.1** A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.

**3.9.2** With respect to the main agenda items and extemporary motions decided in the preceding paragraph, the chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.

**3.9.3** At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 3.8.1 shall apply *mutatis mutandis*.

### **3.10** Voting

**3.10.1** When the chair at a board meeting is of the opinion that a motion has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.

**3.10.2** When a motion comes to a vote at a board meeting, and if no attending director voices an objection following an inquiry by the chair, the motion will be deemed approved. If there is an objection following an inquiry by the chair, the motion shall be brought to a vote.

**3.10.3** One voting method for motions at a board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:

- (1) A show of hands or a vote by voting machine.
- (2) A roll call vote.
- (3) A vote by ballot.
- (4) A vote by a method selected at the Company's discretion.

**3.10.4** Vote monitoring and counting personnel for the voting on a motion shall be appointed by the chair, provided that all monitoring personnel shall be directors of the Company.

**3.10.5** Voting results shall be made known on-site by the chair immediately and recorded in writing.

**3.10.6** "Attending directors" as used in Paragraph 2, do not include directors that may not exercise voting rights pursuant to Article 3.12.1.

### **3.11** Resolution

**3.11.1** Except where otherwise provided by related laws and regulations or the Company's articles of incorporation, the passage of a motion at a board meeting shall require the approval of a majority of the directors in attendance at a board meeting attended by a majority of all directors.

**3.11.2** When there is an amendment or an alternative to a motion, the chair shall

present the amended or alternative motion together with the original motion and decide the order in which they will be put to a vote. When any one among them is passed, the other motions will then be deemed rejected, and no further voting shall be required.

**3.12 Avoidance of conflict of interest by directors**

**3.12.1** When a proposal at a given board meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the Company, he/she may not participate in discussion of or voting on the proposal but shall recuse himself or herself from the discussion or the voting, or be prohibited from exercising voting rights as proxy for another director.

**3.12.2** Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

**3.12.3** Where a director is prohibited by the preceding two paragraphs from exercising voting rights with respect to a resolution at a board meeting, the number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

**3.13 Meeting minutes and sign-in matters**

**3.13.1** Discussions at a board meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

- (1) The meeting session (or year) and the time and place of the meeting.
- (2) The name of the chair.
- (3) The directors' attendance at the meeting, including the names and the number of directors in attendance, excused, and absent.
- (4) The names and titles of those attending the meeting as non-voting participants.
- (5) The name of the minutes taker.
- (6) Matters reported at the meeting.
- (7) Agenda items: the method of resolution and the result for each motion; a summary of the comments made by directors, supervisors, experts, or other persons; the name of any director that is an interested party as referred to in Article 3.12.1 herein, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director pursuant to Article 3.1.4 herein.
- (8) Extemporaneous motions: The name of the mover, the method of resolution and the result, a summary of the comments of any director, supervisor, expert, or other person; the name of any director that is an interested party as referred to in Article 3.12.1 herein, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal;

and their objections or reservations and any recorded or written statements.

(9) Other matters required to be recorded.

**3.13.2** The attendance book constitutes part of the meeting minute and shall be retained for the duration of the existence of the Company.

**3.13.3** The minute of a board meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minute shall be distributed to each director within 20 days after the meeting. The minute shall be deemed important corporate records and appropriately preserved during the existence of the Company.

**3.13.4** The preparation and distribution of the meeting minute referred to in Paragraph 1 may be effected by means of electronic transmission.

**3.14** Delegation of powers during adjournment of a board meeting

With the exception of matters required to be discussed at a board meeting under Article 3.1.3 herein, when the Board of Directors appoints a party to exercise the powers of the Board in accordance with applicable laws and regulations or the Company's articles of incorporation, the levels of such delegation and the content or matters it covers shall be definite and specific.

**3.15** The enactment of these Rules shall be subject to approval of the Board of Directors, and reported at a shareholders' meeting. The amendments hereto, if any, shall be approved by the Board of Directors.

These Rules were implemented upon approval by 1st shareholders' meeting on January 8, 2010.

1st amendments hereto were approved by the Audit Committee and Board of Directors on April 12, 2010.

2nd amendments hereto were approved by the Audit Committee and Board of Directors on August 23, 2010.

3rd amendments hereto were approved by the Audit Committee and Board of Directors on March 13, 2013.

4th amendments hereto were approved by the Audit Committee and Board of Directors on November 10, 2017.

5th amendments hereto were approved by the Audit Committee and Board of Directors on February 21, 2020.

6th amendments hereto were approved by the Audit Committee and Board of Directors on March 8, 2023.

#### **4 Focus of management:**

**4.1** Whether these Rules include the main agenda items, operating procedures, required contents of meeting minutes, public announcements, and other compliance requirements.

**4.2** Whether, except in the case of an emergency under which a board meeting is convened, a parliamentary unit is appointed to draft agenda items and prepare sufficient meeting materials, and deliver them together with the meeting notice to each director and Audit Committee within 7 days prior to the meeting.

**4.3** Whether the Company prepares the attendance book and counts the attendance ratio when convening a board meeting, and whether a proxy form stating the scope of authorization is issued in the case of attendance by proxy.

**4.4** Whether the Company creates and maintains the name list and profile of directors and their related parties, and whether the parliamentary unit of the Board of Directors reminds in the board meeting notice or related documents that participants in

discussion and voting at the board meeting shall note the avoidance of conflict of interest.

**4.5** If the Company has appointed independent directors, whether the dissent or reservation expressed by an independent director, if any, is specifically recorded in the minutes of the board meeting.

**4.6** Whether the board meeting minutes is distributed to each director and Audit Committee within 20 days after the meeting.

**4.7** If any resolution made by the board meeting (1) is dissented or reserved by any independent director, and the dissent or reservation is included in records or stated in writing, or (2) is not passed by the Audit Committee but subject to approval of more than second-thirds of the whole directors, whether it is recorded in the minutes of the board meeting, and announced and reported on the information reporting website designated by the competent authority within 2 days after the board meeting.

**4.8** Whether the attendance book for a board meeting constitutes part of the meeting minutes.

**4.9** Whether the proceedings of a board meeting is recorded in their entirety in audio or video (required, in the case of a video conference).

**4.10** Whether the internal audit officer attends the board meeting as a non-voting participant and submits the audit business report.

**5 Reference:**

**5.1** Regulations Governing Procedure for the Board of Directors Meetings for Public Companies

**6 Form:**

**6.1** Meeting Notice

**6.2** Meeting Minutes