

**Tong Ming Enterprise Co.,Ltd.**  
**Rules of Procedure for Board of Directors Meetings**

**1. Purpose**

The rule is established to ensure the Company has a good Board governance system, healthy supervisory ability, and to strengthen its management function.

**2. Scope and applicable objects:**

2.1 Scope: The procedure content, operating procedures, matters in the minutes of meeting, announcements, and other compliances of the Company's "Rules of Procedure for Board of Directors Meetings" must be processed in accordance with the Rules.

2.2 Applicable objectives: The Company and its consolidated subsidiaries.

**3. Units on duty: All departments**

**4. Work procedure**

4.1 Convening of the Board Meeting and Meeting Notice

4.1.1 The Board of the Company shall convene once quarterly.

4.1.2 Convening the Board Meeting shall state the purpose, and the Chairman needs to convene 7 days prior to the meeting during the listing period, and 48 hours before the meeting during the non-listing period. However, in case of emergency and when approved by more than half of the Directors, the Meeting may be convened at any time.

4.1.3 The items specified in 4.10 of the Procedures shall be itemized on the reason for the session unless it is an emergency or with justifiable reasons, and cannot be presented as extemporary motions.

4.2 Meeting Notice and meeting information

4.2.1 The Board appoints the General Manager's Office as the department handling all Board Meeting related matters.

4.2.2 The department responsible for the meeting affair shall have the contents of the procedure drafted up and have sufficient meeting materials prepared for distribution at the time of sending out the notice of convening the board meeting.

4.2.3 Board directors may request additional information from the department responsible for the meeting affair. The Board of Directors may resolve to have the board meeting postponed if the directors consider the proposal materials are insufficient.

4.3 Preparation of a Sign-in Registry and attendance at the session by proxy

4.3.1 A sign-in registry shall be prepared for the Directors to sign-in for the session as a reference.

4.3.2 Directors shall attend the board meeting in person. Directors who cannot attend the board meeting in person may have other directors attended the board meeting by proxy in accordance with the

Company's Articles of Incorporation, such as, attending the board meeting by video conference.

4.3.3 When directors have attended the board meeting by other directors, a proxy must be issued each time and the scope of authorization for the meeting convened must be cited.

4.3.4 The proxy here may only represent one person.

#### 4.4 The principles of the venue and time of the Board Meeting

The Company's board meeting location and time should be at the Company's premise and in the office hours, or, the location and time that is suitable for board directors' attending.

#### 4.5 The Chairman and proxy of the Board Meeting

4.5.1 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.

4.5.2 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.

#### 4.6 The reference information, attending members and convening of the Board Meeting

4.6.1 The General Manager's Office shall prepare all related information for the Directors' reference at the time of the Board Meeting.

4.6.2 The management of the relevant departments who is not a board director may be notified to attend the board meeting depending on the contents of the proposal. If necessary, the CPAs, lawyers, or other professionals may also be invited to attend the board meeting.

4.6.3 The Chairman shall declare the board meeting in session at the meeting time with the attendance of a majority of the directors. The Chairman may declare postponing the meeting at the meeting time with the attendance of less than a majority of the directors. The meeting is limited to two postpones. Even after delaying the Meeting

twice, there is still less than quorum to begin the Meeting, the Chairman may reconvene in accordance with 4.1.2.

All Directors referred to in 4.6.4 and 4.14.2 are referencing to Directors who are actually in office.

#### 4.7 Video and Audio Recording of Board of Directors Meetings

4.7.1 The Company's board meeting in session must be recorded or filmed for record for minimum five years and it can be reserved electronically.

4.7.2 If legal action has been instituted by a third party before the expiration of the aforementioned retention period, related voice records or videotapes kept as minutes of the meeting on record of the Board on certain resolutions shall be kept until the conclusion of the legal action.

4.7.3 Audiovisual data on video conferences of the Board shall be kept as an integral part of the minutes of the meeting on record, and shall be kept within the perpetuity of the Company.

#### 4.8 The contents of the Meeting: The Company's regular Board Meeting shall include at least the following:

##### 4.8.1 Reporting items:

4.8.1.1 Last minutes of meeting and its execution;

4.8.1.2 Important financial statement report;

4.8.1.3 Internal audit report;

4.8.1.4 Other important reporting matters.

##### 4.8.2 Items to be discussed:

4.8.2.1 The opening issues from the last session of the board meeting;

4.8.2.2 The matters scheduled for discussion in the current meeting;

##### 4.8.3 Motions.

#### 4.9 Discussion of Meeting Agenda

4.9.1 The Board shall proceed with the agenda for the session as inscribed in the notice. The agenda and the priority of the motions for discussion may be altered only at the approval of the Directors by a simple majority.

4.9.2 The Chairman shall not announce the adjournment of the session without the consent of the Directors by a simple majority.

4.9.3 If a session of the Board lacks the presence of more than half of the Directors, the Chairman may announce the suspension of the session at the suggestion of the Directors in a session where 4.6.3 shall be applicable.

#### 4.10 Items shall be discussed in the Board Meeting

4.10.1 The following matters shall be submitted to the Company's Board of Directors for discussion:

- 4.10.1.1 The Company's operating plan;
- 4.10.1.2 Annual financial reports and interim financial report. But the semi-annual financial report is not required by law and regulations to be audited by the CPAs; therefore, it is not subject to this requirement.
- 4.10.1.3 The institution or amendment to the internal control system pursuant to Article 14-1 of the Securities and Exchanges Act, and the evaluation of the effectiveness of the system.
- 4.10.1.4 Stipulate or revise the regulations governing the significant financial business behaviors, including the acquisition and disposal of assets, trading of financial derivatives, lending of capital, loaning of funds, and making of endorsement in accordance with Article 36.1 of the Securities and Exchange Act.
- 4.10.1.5 Public offering, issuance, or private placement of equity-type securities;
- 4.10.1.6 The appointment and dismissal of the Finance Officer, Accounting Officer, or Internal Chief Auditor;
- 4.10.1.7 Donation to a related party or a significant donation to a non-related party. However, the charitable donation for an emergency relief of major natural disasters may be submitted in the next Board meeting for ratification.
- 4.10.1.8 The matters to be resolved in the shareholders' meeting or Board meeting in accordance with Article 14-3 of the Securities and Exchange Act, the other laws and regulations, or the Articles of Association, or the major matters to be resolved in accordance with the requirements of the competent authorities;

The "related party" in Paragraph 7 in the preceding paragraph refers to the "related party" described in the "Regulations Governing the Preparation of Financial Reports by Securities Issuers." The alleged "significant donation to a non-related party" refers to the donation amount of each transaction or the cumulative donation amount to one donee within one year for over NTD100 million, 1% of the net operating income stated in the most recent financial report audited by the CPAs, or 5% of the paid-in capital. (If the shares issued by foreign companies have no face value or the face value is not NT\$10/share, the amount of 5% of the paid-in capital shall be based on 2.5% of the shareholders' equity.) The alleged "within one year" in the preceding paragraph is the year prior to the current Board meeting convening date, retroactively; also,

the proposal that is already resolved in the Board meeting is not subject to this requirement.

4.10.2 If the Company has reserved seats for Independent Directors, at least 1 seat shall be present in the session of the Board. In the resolution for motions presented in the Board session as stated in Paragraph 1, the presence of all independent Directors is required. If particular Independent Director cannot attend the meeting in person, another Independent Director shall be appointed as proxy to the meeting. The objections or reservations, if any, of the independent directors should be detailed in the minutes of the Board meeting. If the independent directors cannot attend the Board meeting in person to express their objections or reservations, in addition to being justified, they shall issue a written opinion in advance to be detailed in the minutes of Board meeting.

#### 4.11 Voting (1)

4.11.1 A Chairman who believes that the proposal under discussion is ready for voting may at his discretion stop the discussion and call for a vote.

4.11.2 A motion shall be deemed passed if there is no adverse opinion after the Chairman has asked for opinions from the Directors in the session. The effect shall be construed as the same as a motion passed by balloting. The Chairman is to put the motion to vote if there is any objection from any of the directors presented at the board meeting.

4.11.3 The Chairman is to have the way of balloting determined in accordance with one of the following alternatives; however, the opinion of the majority shall prevail upon the objection of the directors presented:

4.11.3.1 Balloting by raising hands or voting device

4.11.3.2 Roll-call vote;

4.11.3.3 Vote;

4.11.3.4 The Company's own choice of balloting

4.11.4 All attending Directors, not including Directors with no voting rights in accordance with the Articles of Incorporation.

#### 4.12 Vote (2) and method of poll watch, vote counting

4.12.1 The Board Meeting's resolution, unless otherwise stated in the Articles of Incorporation and related law, shall be attended by more than half of the Directors, and items approved are items approved by more than half of the attending Directors.

4.12.2 When there is an amendment or alternative for the same motion, the Chairman shall have the order of vote, including the original proposal, determined accordingly. However, if one of the proposals is balloted and passed, other proposals shall be deemed as vetoed without the need of further balloting.

4.12.3 The Chairman is to appoint the controllers of ballot and tally clerks who are board directors for the proposals put to vote, if any. The outcome of the vote must be documented and announced on site.

#### 4.13 Directors' Conflict of Interest Prevention

4.13.1 If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of the Company, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.

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.

4.13.2 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.

#### 4.14 Meeting Minutes and Signed Items

4.14.1 The minutes of meeting must be prepared for the Company's board meeting with the following information detailed:

4.14.1.1 The session (or year), time, and place of the meeting;

4.14.1.2 The name of the chairman;

4.14.1.3 Directors' attendance, including the name and the number of the directors who are or are not (leave of absence or absence) at the meeting;

4.14.1.4 Name and title of the attendees;

4.14.1.5 The names inscribed;

4.14.1.6 Reporting Items;

4.14.1.7 Issues to be discussed: Proposal resolution methods and results, statements of the directors, experts, and other staff, and documented or written objections or reservations, including the written opinions proposed by the independent directors in accordance with 4.10.2.

4.14.1.8 Motion: The names of the proposer, the proposal resolution methods and results, the statement of the directors, experts, and other staff, and documented or written objections or reservations.

4.14.1.9 Other remarks.

4.14.2 If any of the following is applicable to the matters for resolutions of the Board, specify the detail in the minutes of the meeting on record, and announce the declaration at MOPS as designated within 2 days after the session of the Board.

4.14.2.1 The objections or reservations of the independent directors that are recorded or in writing.

4.14.2.2 If the Company has the Audit Committee, but was not approved by the Audit Committee and rather was approved by two-thirds of the entire Directors.

4.14.3 The attendance register is an integral part of the minutes of meeting and should be reserved properly throughout the duration of the company.

4.14.4 The presiding Chairman and the clerk must sign the minutes of the meeting. In addition, it should be distributed to all directors within twenty days after the meeting. The minutes of the meeting should be classified as an important document of the Company and should be properly reserved throughout the duration of the Company.

4.14.5 The preparation and distribution of the minutes of shareholders' meeting can be processed electronically.

#### 4.15 Authorization

Other than 4.10.1 being discussed in the Board Meeting, the level and content of the Board's authorization shall be clearly stated in accordance with the law or Articles of Incorporation.

**5. Related attachment:** None

**6. Related departments:** All departments

This procedure was established on April 16, 2010 after approved in the Board Meeting.

This procedure was first amended on May 19, 2010 after approved in the Shareholders' Meeting.

This procedure was second amended on May 13, 2013 after approved in the Shareholders' Meeting.

The procedure was third amended on June 27, 2016 after being approved by the Shareholders' Meeting.

The procedure was fourth amended on June 19, 2018 after being approved by the Shareholders' Meeting.

The fifth revision date of this procedure is June 14, 2019, after being approved by the Shareholders' Meeting.

The fifth revision date of this procedure is June 15, 2020, after being approved by the Shareholders' Meeting.