

## **Zhen Ding Technology Holding Limited**

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

**Date of revision: August 13, 2024**

#### Article 1

##### (Basis)

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

##### (Scope)

With respect to the board of directors meetings ("board 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

##### (Convening)

1. The board of directors shall meet at least quarterly.
2. 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.
3. All matters set forth under Article 12, 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 except in the case of an emergency or for other legitimate reason.
4. The notice to be given under the preceding paragraph may be effected by means of electronic transmission with the prior consent of the recipients.

#### Article 4

##### (Meeting notification and meeting materials)

1. The deliberation unit designated by the company's board of directors is the Corporate Governance and Investor Relations Division.
2. The agenda working group shall prepare agenda items for board of directors meetings and provide comprehensive pre-meeting materials, to be sent together with the notice of the meeting.
3. A director of the opinion that the pre-meeting materials provided are insufficiently comprehensive may request the agenda working group to supplement the materials. If a



director is of the opinion that materials concerning any proposal are insufficient in content, the deliberation of such proposal may be postponed by a resolution of the board of directors.

#### Article 5

(Preparation of attendance book and other documents; attendance by proxy)

1. When a meeting of the board of directors is held, an attendance book shall be made ready for signature by directors attending the meeting and thereafter made available for future reference.
2. All board directors shall attend board meetings in person; if attendance in person is not possible, they may, pursuant to the company's articles of incorporation, appoint another director to attend as their proxy. Attendance via tele- or video-conference is deemed as attendance in person.
3. A director appointing another director to attend a board meeting in his or her place shall in each case give to that director a written proxy stating the scope of authorization with respect to the reasons for meeting.

A proxy under paragraph 2 may accept a proxy from one person only.

#### Article 6

(Principles for determining the place and time of a board meeting)

A board of directors meeting shall be held at the location and during the business hours of the company, or at a place and time convenient to attendance by all directors and suitable for holding a board of directors meeting.

#### Article 7

(Chair and acting chair of a board meeting)

1. Where a meeting of the board of directors is called by the chairperson of the board, the meeting shall be chaired by the chairperson. However, where the first meeting of each newly elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting.
2. When the chairperson of the board is on leave or for any reason is unable to exercise the powers of the chairperson, the vice chairperson shall do so in place of the chairperson, or, if there is no vice chairperson or the vice chairperson also is on leave or for any reason is unable to act, by a managing director designated by the chairperson, or, if there is no managing director, by a director designated thereby, or, if the chairperson does not make such a designation, by a managing director or director elected by and from among themselves.



## Article 8

(Reference materials, non-voting participants, and holding board meetings)

1. When a board meeting is held, the Corporate Governance and Investor Relations Division (or the designated unit responsible for the board meetings) should prepare relevant information for the directors attending the meeting to review at any time.
2. When holding a meeting of the board of directors, a company may, as necessary for the agenda items of the meeting, notify personnel of relevant departments or subsidiaries to attend the meeting as nonvoting participants. When necessary, the company may also invite certificated public accounts, attorneys, or other professionals to attend as nonvoting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.
3. 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. When the meeting time is due and one-half all board directors are not present, the meeting chair may announce that the meeting time will be postponed on the same day, provided that no more than two postponements are made. If the quorum is still not met after two postponements, the chair may re-convene the meeting following the procedures provided in Article 3, paragraph 2.
4. The number of "all directors," as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.

## Article 9

(Documentation of a board meeting by audio or video)

1. The company shall record on audio or video tape the entire proceedings of a board of directors meeting, and preserve the recordings for at least five years, in electronic form or otherwise.

If before the end of the preservation period referred to in the preceding paragraph any litigation arises in connection with a resolution of a board of directors meeting, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded.

2. Where a board of directors meeting is held via tele- or video conferencing, the audio and visual documentation of the meeting form a part of the meeting minutes and shall be well preserved during the existence of the company.

## Article 10

(Agenda items)

Agenda items for regular board meetings of this Corporation shall include at least the following:

1. Reports:
  - A. Minutes of the last meeting and actions arising.



- B. Reporting on important financial and business matters.
  - C. Reporting on internal audit activities.
  - D. Other important matters to be reported.
2. Matters for discussion:
- A. Items discussed and continued from the last meeting.
  - B. Items for discussion at this meeting.
3. Extraordinary motions.

#### Article 11

##### (Discussion of proposals)

1. A board of directors meeting shall be conducted in accordance with the order of business on the agenda as specified in the meeting notice. However, the order may be changed with the approval of a majority of directors present at the meeting.
2. The meeting chair may not declare the meeting closed without the approval of a majority of directors present at the meeting.
3. If at any time during the proceedings of a board of directors meeting the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, paragraph 3 shall apply mutatis mutandis.
4. During the proceedings of a board meeting, if the chair is unable to chair the meeting or fails to declare the meeting closed as provided in paragraph 2, the provisions of Article 7, paragraph 2 shall apply mutatis mutandis to the selection of the deputy to act in place thereof.

#### Article 12

##### (Matters requiring discussion at a board meeting)

1. The company shall submit the following items for discussion by the board of directors:
  - A. The Corporation's business plan.
  - B. Annual financial report and second quarter financial report that must be verified and certified by an accountant.
  - C. 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.
  - D. 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.
  - E. The offering, issuance, or private placement of any equity-type securities.
  - F. If the board of directors does not have managing directors, the election or discharge of the chairman of the board of directors.
  - G. The appointment or discharge of a financial, accounting, or internal audit officer.



- H. 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.
  - I. 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.
2. 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 CPA-attested financial report for the most recent year.
  3. 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 of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.
  4. At least one independent director of this Corporation shall attend the meeting in person. In the case of a meeting concerning any matter required to be submitted for a resolution by the board of directors under paragraph 1, each independent director shall attend in person; if an independent director is unable to attend in person, he or she shall appoint another independent director to attend as his or her proxy. If an independent director expresses any objection or reservation about a matter, it shall be recorded in the board meeting minutes. An independent director intending to express an objection or reservation but unable to attend the meeting in person shall, unless there is some legitimate reason to do otherwise, issue a written opinion in advance, which shall be recorded in the meeting minutes.

## Article 13

### (Voting)

1. When the chair at a board of directors meeting is of the opinion that a matter has been sufficiently discussed to a degree of putting to a vote, the chair may announce the discussion closed and bring the matter to vote.
2. When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.
3. One voting method for proposals 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:
  - A. A show of hands or a vote by voting machine.
  - B. A roll call vote.



C. A vote by ballot.

D. A vote by a method selected at this Corporation's discretion.

"Attending directors," as used in the preceding two paragraphs, does not include directors that may not exercise voting rights pursuant to Article 15, paragraph 1.

#### Article 14

(Methods for vote monitoring and counting)

1. Except where otherwise provided by the Securities and Exchange Act and the Company Act, a resolution on a matter at a board of directors meeting requires the approval of a majority of the directors present at the meeting that shall be attended by a majority of all directors.
2. When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If anyone among them is passed, the other proposals shall then be deemed rejected and no further voting on them shall be required.
3. If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.
4. Voting results shall be made known on-site immediately and recorded in writing.

#### Article 15

(Recusal system for directors)

1. If any director or a juristic person represented by a director is an interested party with respect to any 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 interests of the company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.
2. 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.
3. 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 16

(Meeting minutes and sign-in matters)

1. Minutes shall be prepared of the discussions at board of directors meetings. The meeting minutes shall record the following:

- A. The meeting session (or year) and the time and place of the meeting.
  - B. The name of the chair.
  - C. Attendance of directors at the meeting, specifying the names and number of members present, excused, and absent.
  - D. The names and titles of those attending the meeting as non-voting participants.
  - E. The name of the minute taker.
  - F. The matters reported at the meeting.
  - G. Agenda items: the method of resolution and the result for each proposal; 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 paragraph 1 of the preceding article, 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 12, paragraph 4.
  - H. Extraordinary 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 paragraph 1 of the preceding article, 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.
  - I. Other matters required to be recorded.
- 2. Any of the following matters in relation to a resolution passed at a meeting of the board of directors shall be stated in the meeting minutes and within two days of the meeting be published on an information reporting website designated by the competent authority:
    - A. Any matter about which an independent director expresses an objection or reservation that has been included in records or stated in writing.
    - B. If the company has an audit committee, any matter that has not been passed by the audit committee, but has been adopted with the approval of two-thirds or more of all board directors without having been passed by the audit committee.
  - 3. The attendance book forms a part of the minutes for each board of directors meeting and shall be well preserved during the existence of the company.
  - 4. The minutes of a board of directors meeting shall bear the signature or seal of both the meeting chair and the minute taker; a copy of the minutes shall be distributed to each director and supervisor within 20 days after the meeting and well preserved as important company records during the existence of the company.
  - 5. The production and distribution of the meeting minutes referred to in paragraph 1 may be done in electronic form.



#### Article 17

(Principles with respect to the delegation of powers by the board)

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:

1. Set the benchmark date for capital increase and new share issuance and the ex-dividend benchmark date for the company.
2. Issuing new shares due to employees exercising stock warrant certificates to subscribe for shares, setting the issuance conditions and the benchmark date for issuing new shares.

#### Article 18

(Supplementary provisions)

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.