



# 銘旺實業股份有限公司

## HAKERS ENTERPRISE CO., LTD.

### Rules and Procedures of Board of Director Meetings

#### **Article 1**

In order to establish a strong corporate governance system, strengthen the supervisory function, and enhance management efficiency, these rules are established in accordance with Article 2 of the "Regulations Governing the Meetings of the Board of Directors of Publicly Traded Companies" for compliance.

#### **Article 2**

The rules of proceedings for the company's board of directors, including the main agenda items, operating procedures, items to be recorded in the meeting minutes, notifications, and other matters to be followed, shall be conducted in accordance with the provisions of these rules.

#### **Article 3**

The company's board of directors shall meet quarterly.

The convening of the board of directors' meetings shall specify the reasons for the meeting and provide notice to all directors seven days in advance. In case of emergencies, meetings may be called at any time.

Notifications for meetings, as per the preceding paragraph, may be made electronically with the consent of the parties involved.

Items specified in Article 12, paragraph 1 of these rules shall be listed in the convening notice and shall not be raised as ad hoc motions.

#### **Article 4**

The administrative department is designated to handle board meeting affairs for the company.

The administrative department shall prepare the board meeting agenda and provide comprehensive meeting materials to be sent along with the convening notice.

Directors, if they find the meeting materials insufficient, may request additional information from the administrative department. If directors find the proposal materials insufficient, the discussion may be postponed after a resolution by the board of directors.

### **Article 5**

A sign-in book shall be provided when holding the company's board meetings for attending directors to sign in for reference.

Directors should attend the board meetings in person. If unable to attend in person, they may delegate another director to attend in accordance with the company's articles of incorporation. If directors participate in the meeting via video, it is considered as being present.

When a director delegates another director to attend the board meeting, a delegation letter should be issued for each meeting, listing the scope of authorization related to the reasons for the meeting.

A delegate may only represent one director, as per the second paragraph.

### **Article 6**

The location and time for the company's board meetings shall be set at the company's registered office and during office hours, or at a location and time suitable for the board meeting that is convenient for the directors to attend.

### **Article 7**

When the company's board of directors is convened by the chairman of the board, the chairman shall serve as the chair of the meeting. However, for the first meeting of each term, it shall be convened by the director with the most votes from the shareholders' meeting. The chairman of the meeting shall be the person with the right to convene, and when there are two or more such persons, they shall mutually elect one.

When the board of directors convenes a meeting by a majority of directors as required by Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the chairman of the meeting shall be designated by the directors by mutual consent.

In the event of the chairman's leave of absence or inability to exercise their duties for any reason, the vice-chairman shall act on their behalf. If there is no vice-chairman or if the vice-chairman is also on leave or unable to exercise their duties, the chairman shall appoint one of the managing directors to act on their behalf. In the absence of a managing director, the directors shall mutually select one to act on the chairman's behalf. If the chairman does not designate a proxy, the managing director or the directors shall mutually select one.

### **Article 8**

When the company's board of directors convenes, the administrative department should prepare relevant materials for the attending directors to review at any time.

During the board meeting, relevant personnel from related departments or subsidiary companies may be notified to attend, depending on the agenda. When necessary,

accountants, lawyers, or other professionals may also be invited to attend the meeting and provide explanations. However, they should leave the room during discussions and voting.

The chairman of the board of directors shall declare the meeting open when the meeting time has arrived, and more than half of the directors are in attendance.

If, by the time of the meeting, less than half of the directors are present, the chairman may announce a postponement of the meeting. The meeting may be postponed up to two times, and if there is still an insufficient quorum after two postponements, the chairman may reconvene the meeting following the procedures specified in Article 3, paragraph 2.

In the preceding provisions and Article 16, paragraph 2, "all directors" refers to those currently in office.

#### **Article 9**

The proceedings of the company's board of directors' meetings shall be recorded, and the recordings or videos shall be kept for at least five years. Electronic means may be used for storage.

If there is any lawsuit related to the board of directors' resolution, during the period of record preservation mentioned in the preceding paragraph, the recordings or videos regarding the relevant board of directors' decisions should be kept until the lawsuit is concluded.

For meetings held via video conferencing, the meeting recordings and videos are part of the meeting records and should be properly preserved during the company's existence.

#### **Article 10**

The company's regular board meetings should include at least the following items:

1. Reporting Items:

- (1) Minutes of the last meeting and its implementation status.
- (2) Important financial business reports.
- (3) Internal audit business reports.
- (4) Other important reporting items.

2. Discussion Items:

- (1) Matters for discussion that were retained from the last meeting.
- (2) Scheduled discussion items for the current meeting.

3. Ad Hoc Motions.

#### **Article 11**

The board of directors of the company shall conduct proceedings in accordance with

the procedures specified in the meeting notice. However, with the consent of the majority of attending directors, the procedures may be changed.

Without the consent of the majority of attending directors, the chairman shall not announce the adjournment directly.

During the board of directors' proceedings, if the number of directors present is less than the majority of attending directors, upon the proposal of the directors present, the chairman should announce a temporary adjournment and follow the procedures specified in Article 8, paragraph 5.

## **Article 12**

The following matters shall be discussed at the company's board of directors' meetings:

1. The company's operational plan.
2. Annual financial reports and the second-quarter financial reports requiring verification by certified public accountants.
3. The establishment or amendment of the internal control system in accordance with Article 36-1 of the Securities Exchange Act, including the assessment of the effectiveness of the internal control system.
4. Procedures for significant financial transactions related to the acquisition or disposal of assets, derivative transactions, lending of funds to others, endorsement or guarantees provided to others, in accordance with Article 36-1 of the Securities Exchange Act.
5. The issuance, offering, or private placement of equity securities.
6. The appointment or removal of the chairman of the board when the board of directors has not established a managing director.
7. The appointment or removal of the heads of finance, accounting, or internal auditing.
8. Donations to related parties or significant donations to unrelated parties; however, in the case of donations of a charitable nature for urgent disaster relief, they may be submitted for retrospective approval at the next board meeting.
9. Other significant matters as required by the Securities Exchange Act, the Company Act, the company's articles of incorporation, or other laws, or matters specified by the competent authority.

In the eighth item of the preceding paragraph, the term "related parties" refers to parties defined by the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "significant donations to unrelated parties" refers to donations that exceed NT\$100 million to a single recipient or accumulate to NT\$100 million or more in the last fiscal year as verified by a certified public accountant in accordance with Article 14-1 of the Securities Exchange Act, and are equivalent to one

percent of the net sales revenue or five percent of the paid-in capital as of the most recent fiscal year.

In the preceding paragraph, the term "within one year" shall be calculated from the date of the current board of directors' meeting. Matters resolved by the board of directors that have already been approved by the board of directors need not be recounted.

At least one independent director must be present at the board meeting. For matters that require a board resolution as specified in the first paragraph, all independent directors must be present at the board meeting. If an independent director cannot attend in person, they may appoint another independent director to attend on their behalf. If an independent director expresses dissent or reservation, it should be recorded in the board meeting minutes. If an independent director cannot attend in person to express dissent or reservation, except for valid reasons, written opinions should be provided in advance and recorded in the board meeting minutes, as specified in Article 12, paragraph 2.

### **Article 13**

The chairman may announce the suspension of a discussion and proceed to voting when they believe that the discussion has reached a level where a vote can be taken.

For resolutions of the company's board meetings, upon the chairman's inquiry, if there are no objections from the attending directors, it is deemed as approved. If there are objections upon inquiry, the matter shall be put to a vote.

The term "attending directors" in the second paragraph does not include directors who are not allowed to exercise voting rights as stipulated in Article 15.

The chairman may choose one of the following methods for voting, except when there are objections from the attending directors. In the event of objections, the majority opinion should be sought to determine the voting method:

1. Voting by show of hands or using electronic voting devices.
2. Roll-call vote.
3. Ballot vote.
4. Other voting methods chosen by the company.

### **Article 14**

The resolutions of the company's board meetings shall be passed with the attendance of more than half of the directors and the consent of the majority of the attending directors.

When there are amendments or alternative proposals for the same resolution, the chairman shall determine the order of voting, but if one of the proposals has already passed, the others shall be deemed rejected without a further vote.

If there is a need to appoint inspectors and vote counters for the resolution of a motion, the chairman shall appoint them. The inspectors shall be directors themselves.

The results of the vote shall be reported on the spot and recorded.

#### **Article 15**

Directors who have an interest in the matters to be discussed at the meeting with their own or their representative's legal persons shall explain the important content of their interest, and if there is a risk of harm to the company's interests, they shall not participate in the discussion and voting, and should abstain. They shall not act on behalf of other directors to exercise their voting rights.

Directors' spouses, relatives within the second degree of kinship, or companies with a controlling or subordinate relationship with directors in terms of meeting matters shall be deemed to have an interest in the meeting's matters.

For the company's board meeting resolutions that the directors should not vote on according to the preceding two paragraphs, the provisions of Article 186, paragraph 4 of the Company Act shall apply to the directors.

#### **Article 16**

The proceedings of the company's board meetings shall be documented, and the minutes shall include the following items:

1. The meeting session (or annual meeting) and time and location.
2. The name of the chairman.
3. The attendance of directors, including the names and numbers of those present, on leave, or absent.
4. The names and titles of those in attendance.
5. The name of the recorder.
6. Reporting items.
7. Discussion items: The method and results of each resolution, summaries of statements made by directors, experts, and other personnel, the names of directors with an interest as specified in the first paragraph of the preceding article, explanations of the important content of their interest, reasons for abstaining or not abstaining, the abstention status, and any opposition or reservations recorded or provided in writing, and written opinions given by independent directors as per Article 12, paragraph 2.
8. Ad hoc motions: The name of the proposer, the method and results of each resolution, summaries of statements made by directors, experts, and other personnel, the names of directors with an interest as specified in the first paragraph of the preceding article, explanations of the important content of their interest, reasons for abstaining or not abstaining, the abstention status, and any opposition or reservations recorded or provided in writing.

9. other matters to be recorded.

For decisions made by the board of directors, if any of the following circumstances apply, in addition to being recorded in the minutes, they shall be announced and reported on the information disclosure website designated by the competent authority within two days from the date of the board meeting:

- 1) Independent directors expressing opposition or reservations with recorded or written statements.
- 2) In the case of a company with an audit committee, when it is approved by more than two-thirds of the total directors without the prior approval of the audit committee.

The board of directors' sign-in book is a part of the minutes and should be properly retained for the duration of the company's existence.

The minutes shall be signed or sealed by the meeting chairman and the recording personnel and shall be distributed to each director within twenty days after the meeting. They shall also be included in the company's important records and be permanently retained for the duration of the company's existence.

The production and distribution of the minutes specified in paragraph 1 can be carried out electronically.

#### **Article 17**

The board of directors, in accordance with statutory requirements and the company's articles of incorporation, may authorize the Chairman of the Board to exercise the duties and powers of the board of directors during board meeting recesses. However, matters or issues that require discussion by the board of directors as stipulated by laws, regulations, the company's articles of incorporation, the powers and responsibilities of independent directors, and related-party transactions must still be subject to board resolution. The scope and specifics of this authorization shall be determined in accordance with the company's internal control system, relevant management procedures, and regulations.

#### **Article 17-1**

For matters not covered by these rules, they shall be handled in accordance with the Securities Exchange Act, the Company Act, the company's articles of incorporation, and other relevant laws and regulations.

#### **Article 18**

The establishment of these rules should be approved by the company's board of directors and reported to the shareholders' meeting. Any future amendments may be

authorized by the board of directors.

#### **Article 19**

These rules were established on December 22, 2009.

First amendment on May 13, 2011.

Second amendment on December 27, 2012.

Third amendment on March 25, 2013.

Fourth amendment on May 10, 2013.

Fifth amendment on November 10, 2017.

Sixth amendment on March 25, 2020.

Seventh amendment on March 26, 2021.

Eighth amendment on December 30, 2022.