

Innodisk Corporation Board of Directors' Meeting Procedure Rules

- Article 1: This Procedure Rules is established according to Article 2 of the “Regulations Governing the Procedure for Board of Directors Meetings of Public Companies” to establish a good board of directors governance system, improve supervision functions, and strengthen management functions of the Company.
- Article 2: The procedure rules for this Company’s board of directors meetings and the main discussion contents, operating procedures, matters that must be recorded in the meeting minutes, announcements, and other rules to be followed must be handled according to the provisions of this Procedure Rules.
- Article 3: The Company’s board of directors convenes quarterly.
The board of directors shall convene for the following reasons and notify all directors 7 days in advance. However, a meeting may convene at any time during an emergency.
The matters stipulated in the Subparagraphs of Paragraph 1, Article 12, shall be listed as the reason for convening and shall not be used for extraordinary motions.
When the counterparty approves a board of directors’ meeting, the directors may be notified in writing, e-mail, or fax.
- Article 4: The unit designated by the Company’s board of directors to handle meeting affairs is the Stock Affairs unit.
The meeting handling unit shall draft the board of directors meeting contents and provide sufficient meeting materials, which shall be delivered at the time of convening notice.
If the directors believe the existing meeting information is insufficient, they may request supplemental information from the meeting handling unit. The directors may resolve to postpone certain agendas if they consider the information presented to them to be inadequate.
- Article 5: Attendance books shall be provided during the Company’s board meetings and signed by all directors present for future reference.
Directors shall attend the board of directors meeting in person. If a director cannot attend in person, said director may delegate one of the other directors as a proxy. Directors who participate via video conferencing shall be deemed to have attended the meeting in person.
When a director entrusts another director to attend the board of directors meeting by proxy, a power of attorney listing the scope of authorization and the reason for convening shall be issued.
Any proxy prescribed in the preceding 2 paragraphs shall only represent one director in the meeting.
- Article 6: The place and time of the Company’s board of directors meeting shall be at the location and office hours of the Company or at the place and time suitable for the directors to attend and proper for holding the board of directors meeting.
- Article 7: The Company’s board meetings shall be convened by the Chairman and chaired by the Chairman. However, the first meeting of each newly elected board of directors shall be called and chaired by the single director who received votes representing the largest portion of voting rights at the shareholders’ meeting in which the directors were elected. If 2 or more directors are entitled to call the meeting, they shall choose one person by and from among themselves to do so.
The board of directors is convened by over half of the directors pursuant to Paragraph 4, Article 203 or Paragraph 3, Article 203-1 of the Company Act. The directors shall choose one person to serve as the chair.
If the Chairman cannot perform such duties due to a leave of absence or any reason, the Vice Chairman shall act on the Chairman’s behalf. If the Vice Chairman is also unavailable or cannot perform such duties due to leave of absence or any reason, the Chairman may appoint a Managing Director to act on the Chairman’s behalf. If there is no Managing Director, the Chairman shall appoint a proxy. If the Chairman has not appointed a proxy, the Managing Directors or other directors shall appoint one among them as a proxy.
- Article 8: When the Company’s board of directors meeting convenes, the relevant departments (or the meeting handling unit designated by the board of directors) shall prepare the relevant materials for the directors to inspect at any time.
When a board of directors meeting convenes, the Company may personnel from the relevant departments or subsidiaries shall be notified to attend according to the meeting agenda. CPAs, attorneys, or other professionals may be invited to attend and share their expert opinions when necessary. However, they must leave the meeting during discussions and voting.
The board of directors’ chair shall announce that the meeting is in session immediately when

over half of the directors have attended the meeting.

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 Paragraph 2, Article 3 herein.

The “all directors” referred to in the preceding paragraph and Article 16, Paragraph 2, Subparagraph 2 shall refer to the actual number of incumbent directors.

Article 9: The Company’s board of directors meetings must be entirely recorded on audio or video tape, which shall be preserved for at least 5 years in electronic form or otherwise.

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

For meetings held via video conferencing, the recorded video and audio shall be treated as part of the meeting minutes and kept properly throughout the Company’s existence.

Article 10: The agenda items for the Company’s board of directors meetings shall include at least the following:

I. Report items:

(I) Minutes of the last meeting and implementation status.

(II) Reporting on important financial business.

(III) Reporting on internal audit activities.

(IV) Other important matters to be reported.

II. Discussion items:

(I) Discussions carried forward from the previous meeting.

(II) Discussions scheduled for the current meeting.

III. Extraordinary motions.

Article 11: A board of directors meeting shall be conducted according to the order of business on the agenda as specified in the meeting notice. However, the order may be changed with the approval of the majority of the directors present at the meeting.

The Chairman shall not declare the meeting closed without the approval of a majority of directors present at the meeting.

If the directors sitting at a board of directors meeting are less than half of the directors scheduled to attend at any time during the proceeding, then upon motion by the directors sitting at the meeting, the Chairman shall declare a suspension of the meeting; in which case Paragraph 5 of Article 8 shall apply mutatis mutandis.

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 Paragraph 3, Article 7 herein shall apply mutatis mutandis to the selection of the deputy to act in place thereof.

Article 12: The following matters shall be submitted to the Company’s board of directors for discussion:

I. The Company’s business plan.

II. The annual financial report and the second quarter financial report are subject to verification by a CPA.

III. Establish or amend the internal control system and assess the internal control system’s performance according to Article 14-1 of the Securities and Exchange Act (hereafter the “Exchange Act”).

IV. Establishment or amendment of the asset acquisition/disposal procedures, derivative trading procedures, lending procedures, endorsement and guarantee procedures, and other procedures involving major financial consequences according to Article 36-1 of the Exchange Act.

V. Offering, issuance, or private placement of equity securities.

VI. The election or dismissal of the chairman if the board of directors does not have an executive director.

VII. The appointment or discharge of a financial, accounting, or internal auditing officer.

VIII. Donations to related parties or major donations to non-related parties. However, a charity-related donation for emergency relief against a major natural disaster may be submitted to the next board of directors meeting for ratification.

IX. Decisions that shall be resolved through a shareholders meeting or a board of directors meeting according to Article 14-3 of the Exchange Act, the Articles of Incorporation or other laws, and any major issues prompted by the competent authority.

The related parties specified in Subparagraph VIII of the preceding Paragraph shall refer to the related parties regulated by the Regulations Governing the Preparation of Financial

Reports by Securities Issuers. Major donations to non-related parties shall refer to any single or cumulative donations that amount to NT\$100 million or higher in a year to the same party or amounts that accumulate to over 1% of net revenue or 5% of paid-up capital, as shown in the latest audited financial statements.

The one-year period mentioned above shall refer to the one year from the current board meeting. Amounts already passed in board meetings may be excluded from the calculation. For foreign companies whose stock has no par value or a par value other than NTD 10, the "5 percent of paid-in capital" prescribed in Paragraph 2 above shall be calculated instead as 2.5% of shareholder equity.

At least one independent director must attend the board of directors meeting in person. In case of matters listed in Paragraph 1 that must be submitted to the board of directors meeting for resolution, all independent directors must be present at the board of directors meeting. If an independent director cannot attend in person, another independent director shall be appointed to attend by proxy. Independent directors must be recorded in the board of directors meeting minutes if they have objections or reservations. Suppose an independent director is unable to express objections or qualified opinions personally at the board of directors meeting. In that case, the opinion shall be raised in writing in advance unless there is a justifiable reason not to do so. Such opinions shall also be recorded in the board of directors meeting minutes.

Article 13: When the chair of a board of directors meeting believes that the matter discussed can be put to the vote, the chair may announce the discussion closed and bring the matter to vote.

When a proposal comes to a vote at the Company's board of directors meeting, the matter is deemed approved if the chair puts the matter before all directors present at the meeting and none voices an objection.

If there is an objection after consultation by the chair, the matter shall be put to the vote. The chair shall determine the voting method according to the following rules. However, if the participants have objections, the decision shall be made by seeking the opinion of the majority:

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

"All directors present at the meeting" in the preceding 2 paragraphs shall not include directors prohibited from exercising voting rights pursuant to Article 15, Paragraph 1.

Article 14: Unless otherwise specified by the Securities and Exchange Act and the Company Act, a resolution on a board of directors meeting agenda shall require the approval of a majority of the directors present at the meeting attended by a majority of all directors.

For the amendment or substitute of the same motion, the chair is to combine it with the original motion to determine the vote order. However, if one of these cases has already been resolved, the other cases shall be considered rejected. No further voting is required.

If it is necessary to appoint personnel to monitor or count the votes, the chair shall make such appointments accordingly. However, the monitors shall be the directors of the Company.

Voting results shall be made known on-site immediately and recorded in writing.

Article 15: If any director or a juristic person represented by a director is an interested party concerning 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 can express opinions and answer questions but may not participate in the discussion or voting on that agenda item, and 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.

Suppose a director's spouse, relatives of second degree, or a company with a controlling affiliation with the director has a stake in the meeting agenda item. In that case, the director shall be deemed an interested party in the agenda item.

For directors who are not allowed to exercise their voting rights during the Company's board of directors resolutions according to the 2 preceding rules; Paragraph 4, Article 206 of the Company Act shall apply; and the case shall be handled according to Paragraph 2, Article 180 of the Company Act.

Article 16: Minutes shall be taken for all of the Company's board of directors meetings. The meeting minutes shall record the following:

- I. Session (or year), time, and meeting place.
- II. Name of the chair.
- III. Attendance record for the directors at the meeting, including the names and number

- of members present, excused, and absent.
- IV. Names and job positions of those attending the meeting as non-voting participants.
 - V. Name of the minute taker.
 - VI. Report items.
 - VII. Discussion matters: Including the resolution method and the outcome of the motion and 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. Objections or qualified opinions expressed at the meeting included in records or stated in writing, and any opinion issued in writing by an independent director under Paragraph 5, Article 12 of this Procedure Rules.
 - VIII. Extraordinary motions: The proposer's name, the method of resolution and the result for each motion, and a summary of the comments made by directors, supervisors, experts, or others. 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 or qualified opinions expressed at the meeting were included in records or stated in writing.
 - IX. Other details that must be recorded in the meeting minutes.

Any of the following matters concerning a resolution passed at the board of directors meeting shall be recorded in the meeting minutes and shall be published on the Market Observation Post System designated by the Financial Supervisory Commission within 2 days after the board of directors meeting:

- I. Objections or qualified opinions expressed by independent directors on record or in writing.
- II. Any issues not agreed upon by the Audit Committee but passed by over two-thirds of the directors.

The attendance book shall constitute a part of the board of directors meeting minutes and be kept properly throughout the Company's existence.

The meeting minutes shall be signed/sealed by the chairperson and the minute taker and distributed to the directors within 20 days after the meeting. The minutes shall be retained as important documents of the Company and kept during the existence of the Company.

The preparation and distribution of meeting minutes prescribed in the first paragraph may be done electronically.

Article 17: Except for the matters that must be discussed by the board of directors as listed in Paragraph 1 of Article 12, when the board of directors authorizes the chairman to exercise the functions and powers of the board of directors according to the laws and regulations or the Company's articles of incorporation, the authorization contents shall be as follows:

- I. Review and approve various important contracts.
- II. Review and approve real estate mortgage loans and other loans.
- III. Review and approve the Company's general property as well as real estate purchase and disposal.
- IV. Appointment of directors and supervisors for reinvestment companies.
- V. Determine the capital increase or decrease and cash dividend distribution base dates.

Article 18: If the Company appoints an executive director according to the Articles of Incorporation; Article 2, Paragraph 2 of Article 3, Articles 4 to 6, and Articles 8 to 11 shall apply mutatis mutandis to the executive board meeting procedures for directors. Paragraph 3, Article 3 shall apply mutatis mutandis to the election or dismissal of the Chairman. However, if the executive board meeting regularly convenes within 7 days, the executive directors may be notified 2 days in advance.

Article 19: The amendment and revision of this Procedure Rules shall be approved by the Company's board of directors, and a report shall be submitted to the shareholders' meeting.

Article 20: The Rules were established on April 15, 2011.

1st amendments hereto were made on April 14, 2012.

2nd amendments hereto were made on October 29, 2012.

3rd amendments hereto were made on March 27, 2013.

4th amendments hereto were made on January 30, 2018.

5th amendments hereto were made on February 21, 2020.

6th amendments hereto were made on February 25, 2021.

7th amendments hereto were made on February 23, 2023.

[8th amendments hereto were made on February 22, 2024.](#)