

## **Rules and Procedure for Meeting of the Board of Directors**

### **Article 1** (Basis for the adoption of these Rules)

In order to establish a good Board of Directors governance system, improve supervision functions and strengthen management functions of the company, these Rules is formulated in accordance with the company law and securities-related laws and regulations for compliance.

### **Article 2** (Scope of these Rules)

With respect to the board of directors meeting of the Company, the main agenda items, operational procedures, matters that should be stated in minutes, announcements and other matters that should be followed, should be handled in accordance with the provisions of these Rules.

### **Article 3** (Convening Board Meetings and Meeting Notice)

The board of directors of the Company meets once a quarter.

The reason for the convening of the board meeting shall be clearly stated, and each director shall be notified in writing, email (e-mail) or fax 7 days in advance. However, in case of emergency, a meeting may be held at any time.

The matters specified in the first paragraph of Article 12 of these Rules shall be listed in the agenda item for convening and shall not be raised by temporary motions.

### **Article 4** (Meeting Notice and Meeting and Meeting Information)

The meeting affairs unit for the board of directors of the Company shall be the finance department.

The meeting affairs unit should formulate the content of the board meeting, provide sufficient meeting information, and send it together with the meeting notice. If the director believes that the meeting information is insufficient, he may request the meeting affairs unit to make up for them. If the directors believe that the information on the proposal is insufficient, they may postpone the review upon resolution of the board of directors.

### **Article 5** (Preparation of attendance book, other documents and attendance of directors by proxy)

When a board meeting is held, an attendance book should be set up for the attending directors to sign in.

Directors should attend the board meeting in person. If they are unable to attend in person, they may entrust other directors to attend on their behalf in accordance with the company's articles of association. Those who participate in the meeting via video conference will be deemed to have attended in person.

When a director entrusts another director to attend the board meeting as a proxy, he should issue a power of attorney each time and list the scope of authorization for the meeting agenda items. The agents mentioned in the preceding two paragraphs are limited to being entrusted by one person.

A Director's proxy as mentioned in the preceding two paragraphs may act as a proxy for only one other Director.

**Article 6** (Principles of place and time for board meeting)

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

**Article 7** (Chairman of the Board of Directors and Proxy)

The board of directors is called by the chairman and chaired by the chairman.. 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.

Where a meeting of the board of directors is called by more than half of the directors on their own initiative in accordance with the provisions of Paragraph 4 of Article 203 or Paragraph 3 of Article 203-1 of the Company Law, the directors shall choose one person by and from among themselves to chair the meeting.

If the chairman is on leave or cannot exercise his duties due to any reason, the chairman shall appoint one director to act on his behalf. If the chairman does not appoint a representative, the directors shall elect one person from among themselves.

**Article 8** (Board of Directors Reference information, Non-voting Personnel and Board of Directors Meetings)

When the board meeting convenes, the meeting affairs unit designated by the board of directors should prepare relevant information for the directors attending the meeting to check at any time.

When convening a board meeting, personnel from relevant departments or subsidiaries may be notified to attend the meeting depending on the content of the proposals. If necessary, accountants, lawyers or other professionals may also be invited to attend the meeting and give explanations. However, members should leave the meeting during discussions and voting.

The chairman of the board of directors shall declare the meeting to be convened as soon as the meeting time has expired and more than half of the directors are present. If half of all directors are not present at the meeting time, the chairman may announce the postponement of the meeting on the same day, and the number of postponements is limited to two times. If the meeting is still insufficient after two postponements, the chairman shall reconvene according to the procedure stipulated in Paragraph 2 of Article 3.

The total number of directors referred to in the preceding paragraph and Article 16, Paragraph 2, Subparagraph 2 shall be calculated based on those who are actually in office.

**Article 9** (Audio or Video Recording of Meetings)

Board meetings shall be fully recorded by audio or video and such recordings shall be maintained for at least 5 years and saved in electronic file.

In case of litigation related to any decision made in the board meeting before the expiry of the

maintenance period under the previous paragraph, the relevant audio or video recording shall continue to be maintained until the end of the litigation. The provisions of the preceding paragraph shall not apply.

When board meetings are held through video conference, the video conference information shall be integral part of the minutes and shall be maintained permanently.

**Article 10 (content of agenda)**

The content of regular board meetings agenda shall at least include the following matters:

1. Report matters:

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

2. Matters discussed:

- (1) Discussion items retained from the previous meeting.
- (2) Matters scheduled to be discussed at this meeting.

3. Motion.

**Article 11 (Proposal Discussion)**

The board meeting shall proceed in accordance with the agenda items scheduled in the meeting notice. However, it may be changed with the consent of more than half of the directors present. The chairman shall not declare an adjournment without the approval of more than half of the directors present regarding the agenda items and temporary motions scheduled in the preceding paragraph.

During a board meeting, if the directors in the meeting does not exceed half of the directors present, upon the proposal of the directors present, the chairman shall declare the meeting to be suspended, and the provisions of Article 8, Paragraph 3 shall apply.

If the chairman of the board of directors was unable to chair the meeting for some reason or failed to declare the adjournment of the meeting in accordance with the provisions of paragraph 2, the selection and appointment of its agent shall apply to the provisions of Paragraph 3 of Article 7.

**Article 12 (Matters subject to discussion by the board of directors)**

The following matters should be brought to the board of directors for discussion:

1. Corporate business plan.
2. The annual financial report signed or sealed by the chairman, manager and accounting supervisor and the second quarter financial report that must be verified and certified by certified public accountant.
3. Establish or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Act (hereinafter referred to as the Securities and Exchange Act), and evaluate the effectiveness of the internal control system.
4. Procedure for handling important financial and business activities such as the acquisition or disposition of assets, derivative products transactions, lending of capital, endorsement for third party, provision of

guarantee, established or amended in accordance with Article 36-1 of the Securities and Exchange Act.

5. Offering, issue or private placement of securities of the nature of equity;

6. Performance appraisal and remuneration standards for managers.

7. Directors' remuneration structure and system.

8. Matters involving the directors' own interests.

9. Significant asset or derivatives transactions.

10. Significant capital loans, endorsements or guarantees.

11. Appointment, dismissal or remuneration of certified public accountants.

12. The election or dismissal of the chairman of the board of directors.

13. Appointment and removal of finance, accounting or internal audit supervisors.

14. Donations to related parties or major donations to non-related parties. However, public welfare donations for emergency relief due to major natural disasters may be submitted to the next board of directors for ratification.

15. In accordance with Article 14-3 of the Securities and Exchange Act, other matters that should be resolved by the shareholders' meeting or proposed to the board of directors in accordance with laws or articles of association, or other major matters stipulated by the competent authority.

The term "related party" in subparagraph 14 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers under the Applicable Listing Rules. The term "major donation to a non-related party" means any 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 audited by the accountant for the most recent year.

The term "within 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 are exempted from inclusion in the calculation.

There shall be at least one of the Independent Directors attending the Board meeting. For the first matter that should be submitted to the board meeting for resolution, all of the Independent Directors shall attend a Board meeting in person or appoint another Independent Director to attend the Board meeting on his or her behalf. Any objection or reservation that an Independent Director may have shall be specified in the minutes of proceedings of the Board meeting. If an Independent Director wishing to express his or her objection or reservation is unable to attend the Board meeting in person, he or she shall issue a written opinion beforehand and such objection or reservation shall be specified in the minutes of proceedings of the Board meeting, unless there is good cause.

### **Article 13 (Voting "1")**

The Chairman may declare end of discussion of a proposal in the agenda and have the proposal voted on if he or she deems the proposal in discussion is ready for a vote.

When the board of directors votes on a resolution, if the chairman consults and the directors present have no objections, it will be deemed to be passed, and its effect will be the same as voting. If there is any objection after being consulted by the chairman, it shall be put to a vote. Votes may be cast in one of the following manners as determined by the Chairman; provided, however, that when a person present at the meeting files an objection, the decision shall be made according to

majority votes:

1. Vote by show of hands or by voting system.
2. Roll-call vote.
3. Vote by ballots.
4. Voting method as determined by the Company.

**Article 14** (Voting "II" and methods of scrutinizing and counting votes)

Unless otherwise provided for under the Securities and Exchange Law and the Company Law, a Proposal to be resolved at the Board meeting shall be approved by consent of a majority of the Directors present at the meeting attended by a majority of all Directors.

When there are amendments or substitutions to the same motion, the chairman shall determine the order of voting based on the original motion. However, if one of the motions has been passed, the other motions will be deemed to have been rejected and no further vote is required.

If certain persons shall be designated to scrutinize balloting and count ballots for voting on proposals, these persons shall be appointed by the Chairman. The persons responsible for scrutinizing balloting shall be Directors.

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

**Article 15** (Director's Avoidance of Conflict of Interest)

Directors who have an interest in matters at the meeting, or the legal person they represent, shall explain the important content of their interests at the current board meeting. If there is a risk of harm to the interests of the company, they shall not participate in the discussion and voting, and during the discussion and voting shall be recused and shall not act on behalf of other directors to exercise their voting rights.

If a director's spouse, second degree of consanguinity, or a company that has a controlling or subordinate relationship with the director has an interest in the matter of the meeting referred to in the preceding paragraph, the director shall be deemed to have his or her own interest in the matter.

For directors who are not allowed to exercise voting rights in accordance with the provisions of the preceding two paragraphs, the resolution of the board meeting shall be handled in accordance with Paragraph 4 of Article 206 of the Company Law and the provisions of Paragraph 2 of Article 180.

**Article 16** (Meeting Minutes and Signature)

Proceedings of Board meetings shall be recorded in the meeting minutes, which shall specify the following matter in detail:

1. Term (or year) of the meeting, and time and place.
2. Name of Chairman.
3. Attendance of Directors, including names and numbers of Directors who are present at the meeting, on leave or absent from the meeting;
4. Names and titles of the guests to the Board meeting.
5. Name of the secretary of the Board meeting.

6. Matters to be reported.

7. Discussion matters: resolution methods and results of each proposal, summaries of speeches made by directors, experts and other personnel, names of directors involved in interests in accordance with the paragraph 2 of the preceding article, explanations of important contents of interests, reasons why they should recuse themselves or not, objection or reservation with records or written statements and written opinions issued by independent directors in accordance with the provisions of Article 12, Paragraph 5.

8. Motion: the name of the proposer, the resolution method and result of the motion, the summary of the speeches of directors, experts and other personnel, the names of directors involved in the interest in accordance with the paragraphs 2 of the preceding article, the explanation of the important contents of the interest, and whether they should recuse themselves or not, reasons for recusal, objections or reservations and have records or written statements.

9. Other matters that should be recorded.

If any of the following matters are resolved by the board of directors, in addition to being stated in the minutes, the matter shall also be announced to the Market Observatory Post System designated by the Financial Supervisory Commission two hours before the start of trading on the business day following the day of the board meeting.

1. The independent directors have objections or reservations and have records or written statements.

2. Matters that have not been approved by the company's audit committee but has been adopted with the approval of more than two-thirds of all directors.

The board accordance book is part of the minutes and should be kept permanently.

The minutes must be signed or sealed by the chairman of the meeting and the secretary of the Board meeting, and distributed to all directors within 20 days after the meeting. It should also be included in the company's important files and be permanently and properly preserved during the company's existence.

The production and distribution of the meeting minutes referred to in paragraph 1 may be done in electronic form.

### **Article 17** (Principles of Authorization of the Board Meeting)

When the board of directors authorizes the chairman of the board of directors to exercise the powers of the board of directors during the recesses of the board meeting in accordance with the provisions of the company's articles of association, in addition to the powers of the board of directors and independent directors and related party transactions that are required by laws or relevant regulations, they shall still be subject to the resolution of the board of directors. The authorized content or matters are as follows:

(1) Sign contracts, memorandums and letters of intent on behalf of the company externally.

(2) Company business strategies and policies.

(3) Appointment of directors and supervisors of the reinvested company.

(4) The part of the company's "Acquisition or Disposal of Assets Procedures" authorized to the chairman of the board.

(5) The part of the company's "Regulations Governing Making of Endorsements/Guarantees" that

authorizes the chairman of the board.

(6) The part authorized by the chairman of the company's "Regulations Governing Loaning of Funds".

(7) Authorization matters stipulated in the company's "Approval Authority Principle" and relevant management regulations.

(8) Determination of the base date for capital increase or capital reduction and the base date for cash dividend distribution.

(9) Sign credit, loan, financial transaction and other contracts with banks.

(10) Matters passed by the shareholders' meeting or the board meeting, and the resolution authorizes the chairman to handle matters in accordance with the law or with full power.

#### **Article 18** (Supplementary Provisions)

These rules and procedure shall come into effect after being passed by the board meeting, and the same shall apply to any amendments.

#### **Article 19** (Revision Date)

The date of establishment of these rules and procedure is April 13, 2007.

The first revision date was May 14, 2012.

The second revision date was September 19, 2012.

The third revision date was August 6, 2013.

The fourth revision date was April 25, 2014.

The fifth revision date was March 29, 2016.

The sixth revision date was November 10, 2016.

The seventh revision date was November 13, 2017.

The eighth revision date was March 25, 2020.

The ninth revision date was November 7, 2022.

The tenth revision date was May 09, 2024.

-----Disclaimer-----

THIS IS A TRANSLATION OF RULES OF PROCEDURE FOR SHAREHOLDERS' MEETINGS OF ADVANCED OPTOELECTRONICS TECHNOLOGY INC. THE TRANSLATION IS FOR REFERENCE ONLY. IF THERE IS ANY DISCREPANCY BETWEEN THE ENGLISH VERSION AND CHINESE VERSION, THE CHINESE VERSION SHALL PREVAIL.