

GROUNDHOG INC.
RULES AND PROCEDURES OF BOARD
OF DIRECTORS MEETINGS

Last Amendment Date: March 14, 2024

Notice To Readers

This English version is a machine-translated of Chinese version and is not an official document of Groundhog Inc. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Article 1

In order to establish a sound board governance system, enhance supervisory functions, and strengthen management capabilities of the company, this regulation is hereby formulated in accordance with Article 2 of the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" for compliance.

Article 2

The deliberation rules of the company's board of directors, including the main agenda items, operating procedures, matters to be recorded in the minutes, announcements, and other matters to be followed, shall be conducted in accordance with the provisions of this regulation.

Article 3

1. The company's board of directors shall convene once every quarter.
2. The convocation of the board of directors shall specify the reasons and notify all directors seven days in advance, but in case of emergencies, it may be convened at any time.
3. Notices of convocation as mentioned in the preceding paragraph may be sent electronically with the consent of the relevant parties.
4. Matters specified in Article 12, paragraph 1 of this regulation shall be listed in the convocation reasons and cannot be proposed as ad hoc motions.

Article 4

1. Administrative Division designated by the company's board of directors is responsible for the board's affairs.
2. The designated department shall prepare the content of the board meetings and provide sufficient meeting materials, which shall be sent together with the convocation notice.
3. Directors who find the meeting materials insufficient may request supplementary materials from the designated department. If directors

find the proposal materials insufficient, the deliberation may be postponed after approval by the board of directors.

Article 5

1. A sign-in book should be prepared for directors to sign when convening the company's board of directors for attendance reference.
2. Directors should personally attend the board of directors' meetings. If unable to attend in person, they may delegate another director in accordance with the company's articles of incorporation. Participation via video conferencing is considered as attending in person.
3. When directors delegate other directors to attend the board of directors, they should issue a proxy for each session and specify the authorized scope in the convocation reasons.
4. The proxy stated at second paragraph is limited to one person per appointment.

Article 6

The location and time for convening the company's board of directors should be within the company's place of business and during office hours or at a location and time suitable for director attendance.

Article 7

1. The company's board of directors convened by the chairman of the board shall have the chairman serve as the presiding officer. However, for the first board meeting of each term, it shall be convened by the director with the most votes represented by shareholders, and the chairman of the meeting shall be the person with the convening authority. When there are two or more convening authorities, they shall mutually select one person to preside.
2. If the board of directors is convened by more than half of the directors in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, one person shall be chosen to serve as the

chairman by mutual agreement among the directors.

3. When the chairman of the board is on leave or unable to exercise his/her duties for any reason, the vice chairman shall act as a substitute. In the absence of a vice chairman or if the vice chairman is also on leave or unable to exercise his/her duties, one person shall be designated as a substitute by the chairman of the board. If there is no executive director, one person shall be designated as a substitute, and if the chairman of the board does not designate a substitute, one person shall be selected by mutual agreement among the executive directors or directors.

Article 8

1. When the board of directors' meeting is convened, the secretariat shall prepare relevant documents for attending directors to inspect at any time.
2. In convening a board of directors' meeting, personnel from relevant departments or subsidiaries may be notified to attend, depending on the agenda.
3. When necessary, accountants, lawyers, or other professionals may be invited to attend the meeting and provide explanations. However, they should leave during discussions and voting.
4. The chairman of the board shall declare the meeting open when the meeting time has arrived and a majority of the directors are present.
5. At the scheduled meeting time, if less than half of the directors are present, the chairman may announce the postponement of the meeting to the same day. The meeting may be postponed up to two times. If there are still insufficient attendees after two postponements, the chairman may reconvene the meeting in accordance with the procedures specified in Article 3, Paragraph 2.
6. The term "all directors" as referred to in the preceding paragraph and in Article 16, paragraph 2, item 2, shall be calculated based on the actual incumbents.

Article 9

1. The entire proceedings of the board of directors' meeting of the company shall be recorded in audio or video and preserved for at least five years, which may be done in electronic form.
2. If the preservation period specified in the preceding paragraph has not expired and litigation arises regarding decisions made in board of directors' meetings, the relevant audio or video records shall continue to be preserved until the conclusion of the litigation.
3. In the case of meetings conducted via video conferencing, the video and audio data constitute a part of the meeting record and should be properly preserved throughout the company's existence.

Article 10

The agenda for the regular meetings of the Board of Directors of the Company shall include at least the following items:

1. Reports:
 - (1) Minutes of the previous meeting and its implementation status.
 - (2) Significant financial and business reports.
 - (3) Internal audit reports.
 - (4) Other important matters.
2. Discussion:
 - (1) Discussion carried over from the previous meeting.
 - (2) Scheduled discussions for the current meeting.
3. Extempore motion

Article 11

1. The proceedings of the Board of Directors of the Company shall be conducted according to the agenda specified in the meeting notice. However, with the consent of a majority of the attending directors, it may be altered.
2. The Chairperson shall not adjourn the meeting without the consent of a

majority of the attending directors.

3. During the proceedings of the Board of Directors' meeting, if the number of attending directors does not reach a majority of the directors, the Chairperson, upon a proposal by an attending director, shall announce a temporary adjournment and follow the provisions of Article 8, Section 5.
4. During the proceedings of the board meeting, if the chairman is unable to preside over the meeting due to reasons or fails to adjourn the meeting in accordance with the provisions of Paragraph 2, the appointment of a proxy shall be governed by the provisions of Article 7, Paragraph 3.

Article 12

1. The following matters shall be discussed at the Board of Directors' meeting of the Company:
 - (1) The Company's operational plan.
 - (2) Annual financial reports and the second-quarter financial reports that require verification by an auditor.
 - (3) The establishment or amendment of internal control systems as required by Article 14-1 of the Securities Exchange Act, and the assessment of the effectiveness of the internal control systems.
 - (4) Procedures for handling significant financial transactions, including the acquisition or disposal of assets, engaging in derivative product transactions, lending funds to others, endorsing for others, or providing guarantees, as specified by Article 36-1 of the Securities Exchange Act.
 - (5) The issuance, offering, or private placement of equity-like securities.
 - (6) The appointment or removal of the Chairman of the Board if there is no President of the Board of Directors.
 - (7) The appointment or removal of the heads of finance, accounting, or internal audit.

- (8) Donations to related parties or significant donations to non-related parties. However, donations of a charitable nature for emergency relief due to major natural disasters may be ratified at the next Board of Directors' meeting.
- (9) Matters specified in Article 14-3 of the Securities Exchange Act, other matters required to be resolved by the shareholders' meeting or the Board of Directors under laws, regulations, or the company's bylaws, and significant matters as defined by competent authorities.
2. In the preceding paragraph, "related parties" means those defined in the financial report preparation guidelines for securities issuers.
- "Significant donations to non-related parties" refer to donations to the same recipient, where the amount of each donation or the cumulative amount within one year exceeds NT\$100 million, or exceeds 1% of the net operating revenue or 5% of the paid-in capital as verified by the auditor in the most recent fiscal year.
3. In the preceding paragraph, the term "within one year" is calculated retroactively from the date of the current Board of Directors' meeting, and resolutions that have already been passed at previous Board of Directors' meetings are not counted.
4. There shall be at least one independent director personally present at the board of directors' meeting. For the matters to be resolved by the board of directors as set forth in paragraph 1, all independent directors shall be present at the board of directors' meeting. If an independent director cannot be present in person, another independent director shall be entrusted to attend. If an independent director has opposing or reserved opinions, it shall be recorded in the board of directors' meeting minutes. If an independent director who cannot be present in person expresses opposing or reserved opinions at the board of directors' meeting, except for legitimate reasons, a written opinion shall be prepared in advance and included in the board of directors' meeting minutes.

Article 13

1. When the Chairperson believes that the discussion of a proposal at the Board of Directors' meeting has reached a level suitable for a vote, they may announce the cessation of discussion and proceed to a vote.
2. When voting on a proposal at the Company's Board of Directors' meeting, if the Chairperson finds that all attending directors have no objections after inquiry, it is considered as passed. If there are objections after inquiry, the proposal should be put to a vote.
3. The voting method shall be chosen by the Chairperson from the following options, but when there are objections among the attendees, the majority's opinion should be sought to determine the voting method:
 - (1) Voting by a show of hands or by electronic voting devices.
 - (2) Voting by calling out names.
 - (3) Voting by written ballot.
 - (4) A voting method selected by the company.
4. In the preceding two paragraphs, "all attending directors" does not include directors who are prohibited from exercising voting rights as per the provisions of Article 15, paragraph 1.

Article 14

1. Resolutions of the Board of Directors of the company, unless otherwise provided by the Securities and Exchange Act and the Company Act, shall require the presence of a majority of directors and the consent of a majority of the attending directors.
2. In the case of the same motion having amendments or alternative motions, the order of voting shall be determined by the chairman together with the original motion. However, if one of the motions has already been approved, the other motions shall be deemed rejected and no further vote is required.
3. If it is necessary to appoint scrutineers and vote counters for the vote, they shall be designated by the chairman, but scrutineers shall have the status of directors.

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

Article 15

1. Directors with conflicts of interest in matters to be discussed at the meeting, whether related to themselves or their represented legal entities, shall explain the essential details of their conflicts of interest at the current board meeting. If there is a risk of harm to the company's interests, they may not participate in the discussion and voting, and they shall abstain from the discussion and voting. They may not act as proxies for other directors to exercise their voting rights.
2. Spouses, direct blood relatives within the second degree, or companies with a controlling or subordinate relationship to a director that have conflicts of interest in meeting matters are considered to have a personal interest in those matters.
3. Resolutions of the company's Board of Directors regarding directors who are not allowed to exercise voting rights in accordance with the regulations shall be handled in accordance with Article 206, Paragraph 3, of the Company Act, applying the provisions of Article 180, Paragraph 2.

Article 16

1. The Board of Directors meetings of this company shall maintain minutes, which shall comprehensively record the following items:
 - (1) Meeting session (or year) and time and place.
 - (2) Name of the Chairman.
 - (3) Attendance status of directors, including the names and numbers of those present, on leave, and absent.
 - (4) Names and titles of attendees.
 - (5) Name of the recorder.
 - (6) Reports presented.
 - (7) Discussion items: Methods and results of resolutions on each

agenda, summaries of statements made by directors, experts, and other personnel, names of directors with conflicts of interest as defined in the preceding article, explanations of the significant content of conflicts of interest, reasons for recusal or non-recusal, recusal situations, opposition or reservations with recorded or written statements, and written opinions issued by independent directors in accordance with Article 12, paragraph 4.

(8) Extempore motion: Name of the proposer, methods and results of resolutions on the agenda, summaries of statements made by directors, experts, and other personnel, names of directors with conflicts of interest as defined in the preceding article, explanations of the significant content of conflicts of interest, reasons for recusal or non-recusal, recusal situations, and opposition or reservations with recorded or written statements.

(9) Other items that should be recorded.

2. The minutes shall be signed or stamped by the Chairman of the meeting and the recorder and shall be distributed to all directors within twenty days after the meeting. They shall be included in the important files of this company and shall be properly retained during the existence of this company.
3. The preparation and distribution of the minutes in the first paragraph may be conducted electronically.

Article 17

Except for matters to be discussed by the Board of Directors of this company as stipulated in Article 12, paragraph 1, the level, content, and matters of authorization for exercising the powers of the Board of Directors shall be specifically defined in accordance with laws and the company's articles.

Article 18

This regulation shall be implemented after approval by the Board of

Directors and reported to the shareholders' meeting. Any future amendments shall be decided by the authorized Board of Directors.