

# ITEQ CORPORATION

## Rules and Procedures of the Shareholders' Meeting

### 1. Purpose

These Rules and Procedures are established in order to provide for compliance with the convening, procedures, resolutions and records related to the shareholders' meetings ("Meeting") held by the Corporation and to comply with the provisions of relevant laws and regulations.

### 2. Applicable Scope

Unless otherwise prescribed by relevant laws and regulations, the Corporation shall duly convene the Meetings in accordance with these Rules and Procedures, including matters relating to the convening, proceedings, resolutions and minutes of the Meetings.

### 3. Operating Rules

#### 3.1. Convening of the Meetings

3.1.1. If the Meeting is convened by the Board of Directors, the one presiding over the Meeting shall be the chairperson of the Board of Directors. If the chairperson of the Board of Directors is absent from work or is unable to perform his/her duties for any reason, the chairperson of the Board of Directors shall designate a director to act on his/her behalf. If the chairperson of the Board of Directors does not designate such a person, the Directors shall elect one of them from amongst themselves to act on his/her behalf. If the Meeting is convened by a person with the authority to convene other than the Board of Directors, such person shall act as the chairperson to preside over that Meeting.

3.1.2. The Meeting shall be held in the city or county where the Corporation is located or at any other place that is convenient for the shareholders to attend and appropriate to convene such Meeting, and shall commence at a time no earlier than 9:00 a.m. And no later than 3:00 p.m.  
The restrictions on the place of the Meeting shall not apply when the Corporation convenes a virtual-only Meeting.

3.1.3. Shareholders' meeting may be held with virtual conferencing or other methods promulgated by the central competent authority. The shareholders' meeting held with virtual conferencing shall be subject to prescriptions provided for by the competent authority in charge of securities affairs, including the prerequisites, procedures, and other compliance matters.

3.1.4. Changes to how the Corporation convenes its shareholders' meeting shall be resolved by the Board of Directors, and shall be made no later than mailing of the shareholders' meeting notice.

#### 3.2. Attendance of the Meetings

3.2.1. Shareholders or their proxies (collectively "shareholders") attending the Meeting shall sign in and the sign-in procedure shall be replaced by submitting their sign-in cards. The calculation of the number of shares present shall be based on the sign-in cards submitted by the shareholders and the shares checked in on the virtual meeting platform. Those shares whose votes are exercised by

correspondence or electronically.

- 3.2.2. Attendance and voting at shareholders' meetings shall be based on shares.
- 3.2.3. The Corporation may appoint the retained attorney(s)-at-law, certified public accountant(s) or relevant personnel attend the Meeting as non-voting delegates. Staff at the Meetings shall wear identification badges or arm badges.
- 3.2.4. In the event of a virtual shareholders' meeting, shareholders wishing to attend the Meeting online shall register with the Corporation two days before the meeting date.
- 3.2.5. When the Corporation convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the Meeting online in accordance with preceding paragraph decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.
- 3.2.6. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the Meeting starts. Shareholders completing registration will be deemed as attend the shareholders' meeting in person. The Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the Meeting starts, and keep this information disclosed until the end of the meeting.
- 3.2.7. When convening a virtual-only shareholders' meeting, the Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholder meeting online.

### 3.3. Proceedings and Resolutions of the Meeting

- 3.3.1. The chairperson shall call the Meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares presented by shareholders attending the meeting. However, when the attending shareholders not represent a majority of the total number of issued shares, the chairperson may declare a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted in accordance with the provisions of the Company Act. Upon passing of the preceding tentative resolution, if the attending shareholders or proxies represent a majority of the total number of issued shares, the chairperson may re-submit said tentative resolution to the Meeting for a vote.
- 3.3.2. During the Corporation's virtual shareholders' meeting, when the Meeting is called to order, the total number of shares represented at the Meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the Meeting and a new tally of the votes is released during the Meeting.
- 3.3.3. The agenda for the Meeting shall be set by the Board of Directors if such Meeting is convened by the Board of Directors. Unless otherwise resolved by a resolution at the Meeting, the Meeting shall be carried out in accordance with

the scheduled agenda. The preceding paragraph shall apply mutatis mutandis to the Meeting convened by any person other than the Board of Directors, with the authority to convene such Meeting. The chairperson shall not adjourn the Meeting until the proceedings (including extraordinary motions) scheduled in the preceding agenda are completed unless a resolution is duly resolved in the Meeting. Upon the adjournment of the Meeting, the shareholders are not entitled to elect another chairperson to continue the Meeting at the same place or another venue; however, if the prior chairperson violates these rules and procedures and adjourns the Meeting, another chairperson may be elected by a majority of the voting rights of the shareholders present to continue the Meeting.

Election or dismissal of Directors; amendments to the Articles of Incorporation; capital reduction; application for halting public offering; permission for Directors to compete with the Corporation; capitalization of retained earnings; capitalization of capital reserves; dissolution, merging or demerger of the Corporation; or any matter under Article 185, paragraph 1 of the Company Act; Article 26-1 and 43-6 of the Securities and Exchange Act; Article 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the Meeting. None of the above matters may be raised by an extraordinary motion.

A shareholder holding 1% or more of the total number of issued shares may submit a proposal to the Corporation for discussion at the regular Meeting, limited to only one proposal, and if the number of proposals submitted exceeds one, they shall be all excluded from the agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act applies to a proposal put forward by a shareholder, the Board of Directors may exclude said proposal from the agenda. A shareholder may propose a recommendation for urging the Corporation to promote the public interest or fulfill its social responsibilities, procedurally limited to only one proposal persuasive to Article 172-1 of the Company Act, and if the number of proposals submitted exceeds one, they shall be all excluded from the agenda. The order of discussion and voting on each of the proposal proposed by the shareholders in the extraordinary motions shall be determined by the chairperson.

- 3.3.4. Before speaking, an attending shareholder or his/her proxy must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be determined by the chairperson. A shareholder or one with his/her authorization who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. If there is any discrepancy between the contents of the shareholder's speech and the subject given on the speaker's slip, the contents of the speak shall prevail. When an attending shareholder is speaking, no other shareholder shall interrupt the speaking shareholder unless otherwise permitted by the chairperson and said speaking shareholder; the chairperson shall stop any such violations.
- 3.3.5. No shareholder or one with his/her proxy may speak more than twice on the same proposal, and each time for not more than five minutes, without the consent of the chairperson. The chairperson may terminate the speech of any shareholder that is in violation of the preceding provisions or exceeds the scope

of the agenda item.

- 3.3.6. When a juristic person is appointed to attend as proxy, it may designate only one representative to attend said Meeting. When a juristic person shareholder appoints two or more representatives to attend a Meeting, only one representative of them is allowed to speak for the same proposal. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- 3.3.7. After a shareholder present speaks on the floor; the chairperson may respond either in person or designate relevant personnel to reply.  
Where a virtual shareholder meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chairperson declaring the Meeting open until the chairperson declaring the Meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 3.3.4. to 3.3.6. do not apply.  
As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.
- 3.3.8. When the chairperson considers that the discussion on a proposal has reached the point where a vote can be taken, the chairperson may announce that the discussion has ceased and a vote is taken. The result of a vote shall be announced on-site and recorded in writing.  
When the Corporation convenes a virtual shareholders' meeting, after the chairperson declares the meeting open, shareholders attending the Meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chairperson announces the voting session ends or will be deemed abstained from voting.  
In the event of a virtual shareholders' meeting, votes shall be counted at once after the chairperson announces the voting session ends, and results of votes and elections shall be announced immediately.
- 3.3.9. The chairperson shall designate the person(s) to monitor the votes and count the votes, but the person(s) to monitor the votes shall be a shareholder and the results of the voting shall be reported on site and recorded.
- 3.3.10. During the Meeting, the chairperson may announce a break at his/her discretion.
- 3.3.11. Unless otherwise provided in the Company Act and the Corporation's Articles of Incorporation, a proposal resolution is adopted by a majority of voting rights owned by the shareholders or proxies present at the meeting. During a vote, for each proposal, the chairperson or his/her designated person shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. The results of each proposal, based on the numbers of votes for and against and the number of abstentions shall be entered into the market observation post system on the same day after the Meeting.  
In the event of a virtual shareholders' meeting, the Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this

disclosure shall continue at least 15 minutes after the chairperson has announced the Meeting adjourned.

- 3.3.12. If there is an amendment or an alternative to a proposal, the chairperson shall put them together and determining the voting order therein. If one of them is adopted, the others shall be deemed to be rejected and no further vote is required.
- 3.3.13. The chairperson may direct proctors (or security personnel) to assist in maintaining the order at the meeting place. Said proctors (or security personnel) shall wear arm badges marked “proctor” while assisting in maintaining the order at the meeting place.
- 3.3.14. When the Corporation convenes a virtual-only Meeting, both the chairperson and secretary shall be in the same location, and the chairperson shall declare the address of their location when the Meeting is called to order.
- 3.3.15. In the event of a virtual shareholders’ meeting, when declaring the Meeting open, the chairperson shall also declare, unless under a circumstance where a Meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual Meeting is obstructed due to natural disasters, accidents or other force majeure events before the chairperson has announced the Meeting adjourned, and the obstruction continues for more than 30 minutes, the Meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.
- 3.3.16. For a Meeting to be postponed or resumed as described in the preceding paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders’ meeting and have successfully signed in the Meeting, but do not attend the postpone or resumed session, at the affected shareholders’ meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session. Shareholders who have not registered to participate in the affected shareholders video conference shall not attend the postponed or resumed session.
- 3.3.17. When the Corporation convenes a hybrid shareholders’ meeting, and the virtual meeting cannot continue as described in the preceding paragraph, if the total number of shares represented at the Meeting, after deducting those represented by shareholders attending the virtual shareholders’ meeting online, still meets the minimum legal requirement for a shareholders’ meeting, then the shareholders’ meeting shall continue, and not postponement or resumption thereof.
- 3.3.18. Under the circumstances where a Meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual shareholders’ meeting online shall be counted towards the total number of shares represented by shareholders present at the Meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders’ meeting.

#### 3.4. Election Matters of Shareholders’ Meeting

In the event of an election of directors at a shareholders' meeting, the election shall be conducted in accordance with the relevant election regulations of the Corporation and the election results shall be announced on site, including a list of newly elected directors and the number of voting rights they obtained, together with a list of those failed to be elected and their number of voting rights obtained.

The ballots shall be sealed with the signatures of the ballot monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

### 3.5. Meeting Minutes

3.5.1. The Corporation shall record on audio or video the entire Meeting and keep it for at least one year.

3.5.2. Where a shareholders' meeting is held online, the Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

## **4. These Rules and Procedures shall be implemented upon their adoption by the Meeting, and the same applies to the amendments thereto.**

These Rules and Procedures were formulated on June 20, 2002.

The 1st amendment was made on June 15, 2006.

The 2nd amendment was made on June 15, 2018.

The 3rd amendment was made on July 02, 2021.

The 4th amendment was made on June 14, 2022.