

# Bora Pharmaceuticals Co., Ltd.

## Rules of Procedure for Board of Directors Meetings

### Article 1 (Purpose)

In order to establish a good governance system for the Board of Directors, improve the supervisory function and strengthen the management function of the Company, these Rules are formulated in accordance with the “Regulations Governing Procedure for Board of Directors Meeting of Public Companies” for compliance.

### Article 2 (Scope of application)

The contents of the agenda, operating procedures, matters to be recorded in the meeting minutes, public announcements, and other matters for compliance of the Board of Directors meetings shall follow the Rules.

### Article 3 (Meeting notice and meeting materials)

The Board of Directors meeting shall be convened at least once per quarter.

A notice of the reasons for convening a board meeting shall be given to each director within seven days prior to the meeting. In emergency circumstances, however, a board meeting may be called on shorter notice.

The notice referred to in the preceding paragraph may be made in writing or via fax or email.

All matters set out in Paragraph 1, Article 11 herein shall be specified in the notice of the reasons for calling a board of directors meeting, and none of them may be raised by an extemporary motion.

The parliamentary unit designated by the Board of Directors is the financial unit.

The parliamentary unit shall prepare agenda items for the Board of Directors meetings and provide comprehensive pre-meeting materials, to be sent together with the notice of the meeting.

A director of the opinion that the pre-meeting materials provided are insufficiently comprehensive may request that the parliamentary unit supplement the materials. If a director is of the opinion that materials concerning any proposal are insufficient in the contents, the deliberation of such proposal may be postponed by a resolution of the Board of Directors.

### Article 4 (Preparation of attendance books and attendance of directors by proxy)

When a board of directors meeting is convened, an attendance book shall be made ready for signature by directors attending the meeting and thereafter made available for future reference.

Directors shall attend all Board of Directors meetings in person. If specific Director cannot attend a session in person, he/she may attend the meeting via video conference or appoint a proxy to attend the meeting on behalf of him/her in accordance with the Company’s Articles of Incorporation. If the Board convenes the meeting via video conference, directors participating in the video conference shall be deemed attending the meeting in person.

In case a director appoints another director to attend the board of directors meeting on behalf of him/her, he/she shall, in each case, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting.

The proxy as referred to in the preceding two paragraphs shall accept the authorization of only one other Director.

Article 5 (Guidelines for Location and Time of Board Meetings)

The Board of Directors shall convene the meeting at the business place of the Company during regular business hours, or at a place and time convenient for the Directors to attend.

Article 6 (Chairman and deputy)

Where the Board of Directors meeting is convened by the Chairman, the meeting shall be chaired by the Chairman. However, where the first meeting of each newly elected board of directors is convened by the director who receives votes representing the largest portion of voting rights at the shareholders' meeting in which the directors are elected, the meeting shall be chaired by that director. If there are two or more directors so entitled to convene the meeting, they shall choose one person by and from among themselves to chair the meeting.

Where the Board of Directors meeting is convened by a majority of directors on their own initiative in accordance with Paragraph 4, Article 203 or Paragraph 3, Article 203-1 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

When the Chairman is on leave or for any reason is unable to exercise the powers of the chairperson, the Vice Chairman shall do so on behalf of the Chairman, or, if there is no Vice Chairman or the Vice Chairman also is on leave or for any reason is unable to act, by a managing director designated by the Chairman, or, if there is no managing director, by a director designated thereby, or, if the Chairman does not make such a designation, by a managing director or director elected by and from among themselves.

Article 7 (Reference materials of the Board of Directors meetings, attendees and the convening of the Board of Directors meetings)

When convening a board meeting, the management department (or the parliamentary unit designated by the Board of Directors) shall prepare relevant information available to the directors attending the meeting at any time.

When convening a board of directors meeting, the Company may, as necessary for the agenda items of the meeting, notify personnel of relevant departments or subsidiaries to attend the meeting as nonvoting participants. When necessary, the Company may also invite CPAs, attorneys-at-law, or other professionals to attend as nonvoting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

The chairperson shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance.

When the meeting time is due and one-half of the Board directors are not present, the chairperson 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 chairperson may re-convene the meeting following the relevant procedures provided herein.

The term "all board directors" as used in the preceding paragraph and in subparagraph 2, Paragraph 2, Article 15 herein shall be calculated as the number of directors then in office.

- Article 8 (Evidence for audio or video recordings of board meetings)
- The Company shall record on audio or video tape the entire proceedings of a board of directors meeting, and preserve the recordings for at least five years, in electronic form or otherwise.
- If before the end of the preservation period referred to in the preceding paragraph any litigation arises in connection with a resolution of a board of directors meeting, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded.
- If a video conference is convened, the video and audio data shall be an integral part of the meeting minutes and shall be properly kept by the Company during the existence of the Company.
- Article 9 (Agenda)
- The contents of regular board meetings shall at least include the following items:
- I. Reports:
    1. Minutes of the previous meeting and their implementation.
    2. Important financial and business reports.
    3. Internal audit report.
    4. Other important reporting matters.
  - II. Discussion Matters:
    1. Discussion items reserved from the previous meeting.
    2. Matters scheduled for discussion at the meeting.
  - III. Extemporary Motion.
- Article 10 (Proposal Discussion)
- A board of directors meeting shall be conducted in accordance with the order of business on the agenda as specified in the meeting notice. However, the order may be changed with the approval of a majority of directors present at the meeting.
- The chairperson may not declare the meeting closed without the approval of a majority of directors present at the meeting.
- If at any time during the proceedings of a board of directors meeting the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chairperson shall declare a suspension of the meeting, in which case Paragraph 4, Article 7 herein shall apply *mutatis mutandis*.
- During the proceedings of a board meeting, if the chairperson is unable to chair the meeting or fails to declare the meeting closed as provided in Paragraph 2, the provisions of Paragraph 3, Article 6 shall apply *mutatis mutandis* to the selection of the deputy to act on behalf of him/her.
- Article 11 (Items to be discussed by the Board of Directors)
- The following matters shall be submitted to the Board of Directors for discussion:
- I. The Company's business plan.
  - II. Annual financial report.

- III. The internal control system established or amended in accordance with the Securities and Exchange Act, and evaluation of the effectiveness of the internal control system.
- IV. The procedures for the acquisition or disposal of assets, derivative transactions, loaning of funds to others, endorsements or guarantees for others stipulated or amended in accordance with the Securities and Exchange Act.
- V. Offering, issuance or private placement of equity-type securities.
- VI. Election or dismissal of the Chairman.
- VII. Appointment and dismissal of financial, accounting or internal auditing officers.
- VIII. Donations to related parties or significant donations to non-related parties. However, the public welfare donations for emergency relief due to major natural disasters may be submitted to the next board meeting for ratification.
- IX. Matters that should be resolved by the shareholders' meeting or the board of directors in accordance with the Securities and Exchange Act, other laws and regulations, or the Articles of Association, or major matters as required by the competent authorities.

The term "related party" referred to in subparagraph 8 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. 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 NT\$100 million or more, or at an amount equal to or greater than 1% of net operating revenue or 5% of paid-in capital as stated in the CPA-attested financial report for the most recent year.

The term "within a 1-year period" in the preceding paragraph means a period of one year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the Board of Directors are exempted from inclusion in the calculation.

At least one independent director shall attend each meeting in person. In the case of a meeting concerning any matter required to be submitted for a resolution by the Board of Directors under paragraph 1, each independent director shall attend in person. If an independent director is unable to attend in person, he or she shall appoint another independent director to attend as his or her proxy. If an independent director expresses any objection or reservation about a matter, it shall be recorded in the board meeting minutes. An independent director intending to express an objection or reservation but unable to attend the meeting in person shall, unless there is some legitimate reason to do otherwise, issue a written opinion in advance, which shall be recorded in the meeting minutes.

## Article 12 (Voting (1))

When the chairperson at a board of directors meeting is of the opinion that a matter has been sufficiently discussed to a degree of putting to a vote, the chairperson may announce the discussion closed and bring the matter to vote.

Votes shall be cast on the Board of Directors' agenda.

When a proposal comes to a vote at a board of directors meeting, if the chairperson puts the matter before all directors present at the meeting and none voices an objection, the matter is deemed approved. If there is adverse opinion on particular motion in response to the inquiry of the chairperson, the motion shall be resolved by voting.

“All directors present at the meeting” in the preceding paragraph does not include directors prohibited from exercising voting rights pursuant to Article 14 herein.

The method of voting shall be determined by the Chairman from one of the following provisions. However, if the attendees have objections, they shall be decided by a majority opinion:

- I. By show of hands or voting machine.
- II. Vote by roll call.
- III. Vote by balloting.
- IV. Any mean as adopted by the Company.

Article 13 (Voting (2) and methods of vote monitoring and counting)

Unless otherwise provided in the Securities and Exchange Act, the Company Act or the Articles of Incorporation, a resolution of a board meeting shall be made with the attendance of a majority of the directors and the consent of a majority of the directors present.

When there is an amendment or substitute to the same proposal, the chairperson shall determine the order of voting together with the original proposal. However, if any one of the proposals has been passed, the other proposals shall be deemed rejected and no further voting is required.

Vote monitoring and counting personnel for the voting on a proposal, if necessary, shall be appointed by the chairperson, provided that all voting monitoring personnel shall be directors.

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

Article 14 (Recusal from conflict of interest of directors)

If a director has an interest relationship (whether directly or indirectly) with the legal person they represent in a matter of the board meeting, including but not limited to contracts, proposals or agreements under contracts, or transactions to be conducted by the Company and, therefore, such matters may be detrimental to the interest of the Company, the director shall refrain from voting or participating in discussion, but shall explain the important contents of his/her own interests at the current board meeting and shall recuse themselves during discussion and voting, but shall not exercise voting rights on behalf of the other directors. If a director casts a vote in person or by proxy in violation of the preceding paragraph, the votes cast shall not be counted by the Company, but the director shall be still included in the quorum for attendance at the meeting.

Where the spouse or a relative by blood within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item, such director shall be deemed to be an interested party with respect to that agenda item.

The provisions of Paragraph 2, Article 180 of the Company Act, as applied mutatis mutandis under Paragraph 4, Article 206 of the same Act, apply to resolutions of the board of directors meeting when a director is prohibited by the preceding two paragraphs from exercising voting rights.

Article 15 (Meeting minutes and signatures)

Minutes shall be prepared of the discussions at the board of directors meeting. The meeting minutes shall record the following:

- I. The session and the term of the Board (or year), and the place and time of the meeting.
- II. Name of the chairperson.
- III. Attendance of directors at the meeting, specifying the names and number of members present, excused, and absent.
- IV. Names and titles of those attending the meeting as nonvoting participants.
- V. Name of minutes taker.
- VI. Matters reported on.
- VII. Matters for discussion: the method of resolution and the result for each proposal; a summary of the comments made by directors, 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; opinions expressing objections or reservations at the meeting that are included in records or stated in writing; and any opinion issued in writing by an independent director under Paragraph 2, Article 11 herein.
- VIII. Extemporary motions: the name of the mover; the method of resolution and the result for each motion; a summary of the comments made by directors, 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; opinions expressing objections or reservations at the meeting that are included in records or stated in writing.
- IX. Other matters required to be recorded.

Any of the following matters in relation to a resolution passed at a board of directors meeting shall be stated in the meeting minutes and within two days of the meeting be published on the MOPS designated by the Financial Supervisory Commission:

- I. Any matter about which an independent director expresses an objection or reservation that has been included in records or stated in writing.
- II. Any matter that has been adopted with the approval of two-thirds or more of all board directors without having been passed by the Audit Committee.

The attendance book forms a part of the minutes for each board of directors meeting and shall be well preserved during the existence of the Company.

The minutes of a board of directors meeting shall bear the signature or seal of both the chairperson and the minutes taker. A copy of the minutes shall be distributed to each director within 20 days after the meeting. and well preserved as important company records during the existence of the Company.

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

Article 16 (Principle of authorization by the Board of Directors)

When the Board of Directors authorizes the Chairman to exercise the powers of the Board of Directors during the recess of the Board of Directors, in addition to the matters that should be resolved by the Board of Directors in accordance with the laws and regulations and the Articles of Incorporation of the Company, the contents or matters of authorization shall be as follows:

- I. Externally represent the Company within the Company's scope of business.
- II. Authorization matters pursuant to the Company's "Regulations on Approval Authority" and related management regulations.
- III. Review of the Company's accounting system, financial position and financial reporting procedures.
- IV. Review of the procedures for the significant financial activities, such as the acquisition or disposal of assets, derivative transactions, loaning of funds to others, endorsements or guarantees for others.
- V. Communication with the Company's external auditors.
- VI. Evaluation of internal auditors and their work.
- VII. Review of the Company's internal control.
- VIII. Assessment, inspection and supervision of the existing or potential risks of the Company.
- IX. Check of the Company's compliance with laws and regulations.
- X. Review of transactions in which a director should recuse himself from the exercise of voting power due to a conflict of interest referred to in Article 14, in particular, a transaction with a significant related party, acquisition or disposal of assets, engagement in derivative transactions, loaning of funds to others, endorsements/guarantees for others, and establishment of Investment companies, etc.
- XI. To deal with the limits and terms of loans with financial institutions with full discretion, subject to the Company's capital needs, and to report the implementation to the Board of Directors.
- XII. Subject to the Company's capital requirements, deal with endorsements/guarantees within the limits specified in the Operating Procedures for Loaning of Funds and Endorsements/Guarantees, and proceed with transactions within the limits specified in the Procedures for Acquisition or Disposal of Assets, and report the progress to the Board of Directors.
- XIII. Election of directors, supervisors and representatives of subsidiaries (including overseas branches).
- XIV. The Company's organizational adjustments and amendments to the organizational charters.
- XV. Assessment on the qualifications of CPAs and nomination of suitable candidates.
- XVI. Other functions and powers authorized by the Board of Directors to the Chairman.

Article 17 (Supplementary Provisions)

The Rules shall be approved by the Board of Directors and by an ordinary resolution of the shareholders' meeting. The Board of Directors may be authorized to resolve any amendments in the future.