

SDI Corporation's Articles of Incorporation

- Chapter 1. General Provisions
- Article 1 The Company is incorporated in accordance with the provisions relating to companies limited by shares of the Company Act. The Company is named SDI Corporation. (English Name: SDI CORPORATION)
- Article 2 The Company's business is as follows:
- I. CA02010 Metal Architectural Components Manufacturing
 - II. CA02030 Screw, Nut and Rivet Manufacturing
 - III. CA02040 Metal Spring Manufacturing
 - IV. CA02090 Metal Line Products Manufacturing
 - V. CA02990 Other Fabricated Metal Products Manufacturing Not Elsewhere Classified
 - VI. CA03010 Metal Heat Treating
 - VII. CC01080 Electronic Parts and Components Manufacturing.
 - VIII. CC01110 Computers and Computing Peripheral Equipment Manufacturing
 - IX. CH01030 Stationery Articles Manufacturing
 - X. CQ01010 Die Manufacturing
 - XI. F401010 International Trade
 - XII. I301030 Digital Information Supply Services
 - XIII. J399010 Software Publication
 - XIV. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The Company's investment in other entities shall be passed by the Board of Directors, but the total amount of investment shall not be limited by the amount limit under Article 13 of the Company Act.
- Article 4 The Company may act as a guarantor for its business needs.
- Article 5 The Company is incorporated in Changhua County. Where necessary, the Board of Directors may resolve to set up branches or factories both at home or abroad. The same applies to setting up or moving factories.
- Article 6 Deleted
- Chapter 2. Shares
- Article 7 The total capital of the Company is set at NT\$2.7 billion, divided into 270 million shares. Each share is worth NT\$10. The Board of Directors is authorized to issue them in installments.
- Article 8 The Company's share certificate is registered, which is issued after being signed or sealed by a director representing the Company and attested in accordance with laws. The Corporation may be exempted from printing any stock certificate for the shares issued. However, the Corporation shall appoint a centralized securities custody enterprise/institution to make registration of such shares.
- Article 9 Deleted
- Article 10 Deleted
- Article 11 The shares shall not be transferred within sixty days prior to the convening date of a regular Shareholders' Meeting, or within thirty days prior to the convening date of a special Shareholders' Meeting, or within five days prior to the target date fixed by the Company for distribution of dividends, bonus or other benefits. The transfer registration of shares is stopped thereof.
- Article 12 Deleted
- Chapter 3. Shareholders' Meeting
- Article 13 Shareholders' meeting shall be of regular meeting and special meeting. The regular meeting

of shareholders referred to in the preceding Paragraph shall be convened within six months after close of each fiscal year, unless otherwise approved by the competent authority for good cause shown. Special meetings shall be convened according to the law when necessary. A shareholders meeting shall, unless otherwise provided for in the Company Act, be convened by the Board of Directors.

Article 14 A notice to convene a regular meeting of shareholders shall be given to each shareholder no later than thirty days prior to the scheduled meeting date. A notice to convene a special meeting of shareholders shall be given to each shareholder no later than fifteen days prior to the scheduled meeting date. The date, venue, cause(s) or subject(s) of a meeting of shareholders to be convened shall be indicated in the individual notice to be given to shareholders and the announcement.

Article 15 In the event a shareholder cannot attend shareholders' meeting, he or she may, in accordance with Article 177 of the Company Act, execute a proxy form printed and issued by the Company stating therein the scope of authorization and appoint a proxy to attend on his or her behalf. Save and except for Article 177 of the Company Act, methods for shareholders to appoint proxy for attendance shall be handled in accordance with Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies stipulated by the competent authority.

Article 16 The Chair of the Board shall serve as the chairperson when a shareholders' meeting is convened by the Board of Directors. If the Chair of the Board is absent or cannot perform his duty for any reason, the delegation process shall be carried out in accordance with Article 208 of the Company Act.
For a shareholders meeting convened by any other person having the convening right, he or she shall act as the chairperson of that meeting. However, if there are two or more persons having the convening right, the chairperson of the meeting shall be elected from among them.

Article 17 Unless otherwise stipulated for in the Company Act, resolutions at a shareholders' meeting shall be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 18 The shareholders of the Company shall have one voting right for each share, unless otherwise regulated under Article 179 of the Company Act or other laws and regulations.

Article 19 Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall include: the date and place of the meeting, number of shareholders attended, number of shares represented, number of voting shares, the name of the chairperson, adopting items and the method of adopting resolutions. The minutes of the shareholders' meeting shall be affixed with the signature or seal of the chairperson of the meeting, and then be kept in the Company with shareholders' sign-in book and proxy forms in accordance with Article 183 of the Company Act. The minutes of the meeting shall be distributed to each shareholder within twenty days after the meeting. The preparation and distribution of the minutes of shareholders' meeting may be effected by means of electronic transmission, and may be effected by entering the same to the Market Observation Post System for announcement.

Chapter 4. Directors and Audit Committee

Article 20 The Company has seven to eleven directors with adoption of a candidate nomination system. The directors shall be elected by the shareholders' meeting from the list of the candidates. The term of office of a director is 3 years, but he or she may be eligible for re-elections. In case no election of new directors is affected after expiration of the term of office of existing directors, it will be handled in accordance with Article 195 of the Company Act.

Among the directors under the preceding section, independent directors shall not be less than two in number and not less than one-fifth of the total number of directors. Regulations

governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors shall be prescribed by the competent authority in charge of securities.

After being elected, liability insurance shall be purchased for Directors according to its scope of business during their tenure upon a resolution at the Board meeting.

The percentage of shareholdings of all directors shall be in accordance with regulations prescribed by the competent authority in charge of securities.

Article 21 The directors shall elect from among themselves a Chair of the Board by a majority in a meeting attended by over two-thirds of the directors. The directors may elect a Vice Chair of the Board. The Chair of the Board shall have the authority to represent the Company. The Company's Board of Directors' meeting shall be convened by the Chair of the Board, who shall act as chairperson of the meeting, provided the first Board of Directors' meeting of each term after an election of directors shall be convened in accordance with Article 203 of the Company Act. Reasons for convening a Board of Directors' meeting shall be notified to the directors no later than 7 days before the meeting. In the event of an emergency, a meeting may be convened at any time. The notice of convening the Board of Directors' meeting shall be delivered in written, fax, or electronic form.

Article 22 When the vacancies on the Board of Directors exceed one-third of the total number of the directors, the Board of Directors shall convene a special shareholders' meeting within sixty days for by-election. The newly elected directors shall serve the remaining terms.

Article 23 Directors form the Board of Directors, which has the following functions and powers:

- I. Formulation of various articles of association.
- II. Decision of business policies.
- III. Review of budgets.
- IV. Decision of important personnel placement.
- V. Formulation of earnings distribution or loss make-up.
- VI. Planning and approval of important property and real property acquisition and disposal.
- VII. Proposals of capital increase or decrease.
- VIII. Planning and approval of investments in other businesses.
- IX. Other functions and powers conferred by the shareholders' meeting.

Article 24 Unless otherwise provided by the Company Act, a resolution of the Board of Directors shall be adopted by the consent of a half of the directors in attendance at the meeting where a half of the total number of Directors presents. If a director is unable to personally attend the Board of Directors' meeting for cause, he or she may authorize another director to attend on his or her behalf in accordance with the laws. No director may act as a proxy for more than one other director.

The Board of Directors' meeting is convened by video conference. Attendance via video conference is deemed to be attendance in person.

Article 25 Deleted

Article 26 Deleted

Article 26-1 The Company establishes an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act.

Article 27 Deleted

Article 28 The Board of Directors is authorized to determine the remunerations of directors according to their participation in and contribution to the Company's operation and with reference to the common remuneration level of counterparts in the industry.

The Board of Directors is authorized to determine and distribute the remunerations for independent directors according to the Company's business.

Chapter 5. Managers

- Article 29 The Company may have managerial officers. Appointment, dismissal and compensation of the managerial officers shall be decided in accordance with Article 29 of the Company Act.
- Chapter 6. Accounting
- Article 30 The Company's fiscal year starts from January 1 to December 31 each year. At the end of each fiscal year, the Company shall prepare final accounts.
- Article 31 At the end of each fiscal year, the Board of Directors shall make the following books and submit the same to the Audit Committee for audit 30 days prior to the shareholders' meeting. The Audit Committee shall issue a report and submit it with the books to the shareholders' meeting for recognition.
- I. Business report
 - II. Financial statements
 - III. Earnings distribution or loss make-up proposals
- Article 32 In the event the Company's final accounts of the year have earnings, the Company shall set aside 1.5% as employee's remuneration and no more than 1.5% as directors' remuneration. After the Board of Directors resolves for distribution, taxes shall be filed in accordance with laws. Then, 10% will be set aside as legal reserve. However, when the legal reserve amounts to the Company's paid-up capital, this may not apply. After setting aside or reversing the capital reserve, together with the accumulated undistributed earnings, the Board of Directors shall propose earnings distribution in accordance with the Company's dividends policy under Article 32-1 and submit the same to the shareholders' meeting for resolution.
- In the event the Company accumulated loss from the previous years and the Company has distributable earnings in the current year, the loss shall be covered before setting aside employees' compensation and directors' remuneration. Reservation per ratio set forth in the preceding paragraph shall be applied to the remaining balance. Where employees' compensation is paid in shares or cash, it shall be distributed to employees of subsidiaries meeting certain requirements.
- For earnings distribution, in the event the number of outstanding shares is affected by repurchase of the Company's shares or transfer, conversion, cancellation of treasury shares, and the allotment ratio of shareholders is thus changed, the Board of Directors is authorized to handle the change of registration.
- Article 32-1 The Company's dividends policy is stipulated by the Board of Directors based on business plans, investment plans, capital budgeting and changes in internal and external circumstances. The Company is now in a stage of stable business growth. The earnings distribution shall primarily be made in cash dividends, but stock dividends is allowed. However, in principle, the ratio of stock dividends shall not be higher than fifty percent of the total amount of dividends.
- Chapter 7. Supplementary Provisions
- Article 33 The Company's organizational rules and regulations shall be stipulated separately by the Board of Directors.
- Article 34 Matters not stipulated in these Articles shall be handled in accordance with the Company Act and other laws and regulations.
- Article 35 These Articles were stipulated on August 7, 1967. The first amendment was on August 30, 1969. The second amendment was on November 11, 1973. The third amendment was on February 9, 1976. The fourth amendment was on December 1, 1978. The fifth amendment was on June 19, 1982. The sixth amendment was on January 12, 1983. The seventh amendment was on March 25, 1983. The eighth amendment was on February 15, 1986. The ninth amendment was on December 15, 1989. The tenth amendment was on November 1, 1991. The eleventh amendment was on August 26, 1992. The twelfth amendment was on September 23, 1992. The thirteenth amendment was on April 27, 1993. The fourteenth amendment was on July 20, 1993. The fifteenth amendment was on February 19, 1994. The

sixteenth amendment was on June 10, 1994. The seventeenth amendment was on May 16, 1995. The eighteenth amendment was on March 21, 1996. The nineteenth amendment was on May 16, 1997. The twentieth amendment was on April 23, 1998. The twenty-first amendment was on May 12, 1999. The twenty-second amendment was on May 24, 2000. The twenty-third amendment was on June 12, 2001. The twenty-fourth amendment was on June 21, 2002. The twenty-fifth amendment was on June 25, 2003. The twenty-sixth amendment was on March 23, 2005. The twenty-seventh amendment was on June 23, 2005. The twenty-eighth amendment was on June 23, 2006. The twenty-ninth amendment was on June 25, 2009. The thirtieth amendment was on June 25, 2010. The thirty-first amendment was on June 28, 2012. The thirty-second amendment was on June 24, 2014. The thirty-third amendment was on June 22, 2016. The thirty-fourth amendment is made on June 23, 2020. The thirty-fifth amendment was made on August 26, 2021.

SDI Corporation

Responsible Person: S.J. Chen