

E & E Recycling

Articles of Incorporation

Chapter 1 General Provisions

Article 1

The company is incorporated in accordance with the Company Act and its name shall be E&E Recycling. The English name is E&E Recycling.

Article 2

The Scope of business of the Corporation shall be as follows,

1. J101030 Waste Disposing.
2. J101040 Waste Disposing.
3. CA01070 Used Vehicles and Vessels Dismantling and Processing.
4. CB01030 Pollution Controlling Equipment Manufacturing.
5. F113100 Wholesale of Pollution Controlling Equipments.
6. F213100 Retail Sale of Pollution Controlling Equipments.
7. F401010 International Trade.
8. C805990 Other Plastic Products Manufacturing.
9. C901020 Glass and glass made products Manufacturing.
10. CA01990 Other Non-ferrous Metal Basic Industries.
11. CA03010 Metal Heat Treating.
12. J101080 Waste Recycling
13. J101090 Waste Collecting and Disposing
14. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The company is situated in Taoyuan City, and as required by the board of directors to set up branches, offices and factories throughout the country and abroad.

Article 4

The announcement of the company shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 5

Due to business needs, the company may provide endorsement guarantees and reinvestment, and the total reinvestment may be more than forty percent of the Corporation paid-in capital. The Corporation endorsement and guarantees is not restricted by Articles 16 of the Company Act, and shall be constitute by the "Regulations Governing of endorsements guarantees". The Regulations Governing of endorsements guarantees shall be adopted in accordance with the resolution of the shareholders' meeting, same as the revision.

Article 6

The reinvestment shall not be subject to the limit of the total investment of Articles 13 of the Company Act, which shall not exceed 40 percent of the paid-in capital, but shall not exceed the total amount of paid-in capital of the Company. The matters relating to the reinvestment shall be subject to the resolution of the board of directors.

Article 7

The total capital of the company is NT\$ 500,000,000 divided into 50,000,000 shares with amount of NT\$10 per share. The Board of Directors is authorized to issue the shares in installment in consideration of the business needs of the Corporation.

The Corporation may apply to the securities authority for the public issuance procedure in accordance with the resolution of the board of directors. If it applies for the suspension of public offering, the resolution may be adopted by two-third of voting rights exercised by the shareholders present at the shareholders' meeting who represent a majority of the outstanding shares of the company.

In the event the total number of shares represented by the shareholders present at the shareholders' meeting of the Corporation whose shares is less than the percentage of the total shareholdings required in the preceding Paragraph, the resolution may be adopted by two-third of the voting rights exercised by the shareholders present at the shareholders' meeting who represent a majority of the outstanding shares of the company.

Article 8

The company may be exempted from printing any share certificate for the shares issued. If the company prints share certificate, then shall be issued in accordance with the Company Act of the Republic of China and other relevant laws and regulations.

Article 9

Shareholders' roster for transfer of shares shall be suspended within sixty days immediately before the date of regular meeting of shareholders, within thirty days immediately before the date of special meeting of shareholders, or within five days before the ex-rights record day on which dividend, bonus, or other benefit is scheduled as book closure period.

Article 10

Shareholders of the company shall handle stock matters such as stock transfer of share ownership, creation of pledge, reporting of loss, Transfer via inheritance, Transfer via gift, report of loss of seal, lost or change specimen chop, change of address, etc., in accordance with the "Company Act", the regulations of the competent securities authority and "Regulations Governing the Administration of Shareholder Services of Public Companies".

Article 11

The shareholder shall supply a specimen chop to the Corporation or Agent for stock affairs which fill in their name, address, chopped, and attach photocopy of the National Identity Card (the corporate shareholder attach photocopy of the certificate of incorporation and Business registration). Specimen chop is used to received dividend or exercise the shareholder rights, same as revision.

Article 12

Shareholders' meeting shall be of the following two kinds:

1.Regular meeting of shareholders

2.Special meeting of shareholders:

Regular meeting of shareholders shall be held at least once every year. The regular meeting of shareholders shall be convened within six months after close of each fiscal year. Special meeting of shareholders approved by the competent authority for good cause shown. Shareholders meeting shall, unless otherwise provided for in the Company Act, be convened by the Board of Directors.

The company's shareholders meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

The company shall prevail unless otherwise stipulated by the authority if relevant regulations such as the conditions, operating procedures, and other matters to be complied with for the adoption of a visual shareholder meeting.

Article 13

The notice to convene a regular meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. In case a public company intends to convene a special meeting of shareholders, The meeting notice shall be given to each shareholders no later than 15 days prior to the scheduled meeting date. The 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

Article 14

Except as provided the Company Act, shareholders' meeting may be held if attended by shareholders in person or by proxy representing more than half of the total issued and outstanding shares of the corporation, and resolution shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting.

According to the regulations of the competent authority, shareholders may vote via electronic voting system. Shareholders who exercise their voting rights via electronic voting system are

deemed to be present in person, and relevant matters are handled in accordance with laws and regulations.

Article 15

If shareholder is unable to attend the shareholders' meeting for any reason, shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization. In addition to the provisions of Article 177 of the Company Act, the procedures for shareholder attendance by proxy shall be handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".

Article 16

Except in the circumstances for the limited or no voting shares stipulated of Articles 192 of the Company Act, a shareholder shall have one voting power in respect of each share in its possession.

Article 17

The shareholders' meeting shall be presided over by the Chairman of the board of the directors in the company. In case the Chairman of the board of directors is not able to exercise his power, the Chairman may appoint one director of the board of directors to act as agent, if the Chairman not appointed one, the board of directors elected one direct to act as agent.

Article 18

The resolutions of the shareholders' meeting shall be recorded in the minutes, and the minutes shall be signed by or sealed with the chop of the Chairman of the meeting. The minutes of shareholders' meeting may be delivering by electronic transmission. The minutes with the attendance of the shareholder's signature book and the proxies shall be kept in the Corporation.

Chapter 4 Directors and Supervisors

Article 19

The company shall have 7-9 directors, who shall be elected by the shareholders' meeting from among the persons with disposing capacity, and may be re-elected.

Directors shall be elected by adopting candidate nomination system, prudently evaluate the nominee's qualifications and whether there are any matters listed in Article 30 of the Company Act, and handle it in accordance with the provisions article 192 of Company Act.

The company may appoint independent directors in accordance with the Articles 14-2 of Securities and Exchange Act, the independent directors not less than two in number and not less than one-third of the total number of directors. The independent directors elected by adopting candidate nomination system which from the listed of the independent directors candidates of Shareholders' Meeting. Regulation governing the professional qualifications, restrictions on shareholdings, concurrent positions held, method of nomination, and other matters for compliance with respect to independent directors shall be prescribed by the competent authority.

The board of directors of the company may to set up various functional committees.

In the process of electing directors at a shareholders' meeting, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. Independent directors and directors are elected concurrently and calculated the numbers of election respectively, if the higher number of ballot papers will be elected as Independent directors and directors.

Independent directors and directors shall not change their identities during their term of period.

Article 20

The company has set up an audit committee in accordance with Article 14-4, paragraph 5, of the Securities and Exchange Act. The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be committee convenor, and at least one of whom shall have accounting or financial expertise. The members of the Audit Committee and its independent directors are responsible for implementing the duties and powers of supervisors stipulated in the Company Act, Securities and Exchange Act and other laws and regulations.

Article 21

The board of directors is organized by directors. The directors shall elect a chairman of the board of directors from among the directors by a majority vote at a meeting which attended by over two-thirds of the directors.

Article 22

The chairman shall externally represent the company, then shall internally preside the shareholders' meeting and the meeting of the board of directors.

Article 23

Meetings of the board of directors shall be convened by the chairman of the board of directors unless otherwise specified by the company Act. The chairman as a president in the board of directors, if the chairman absent or not exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the directors; if the chairman not designate, the directors shall elect one from among themselves as an acting chairman of the board of directors.

In calling a meeting of the board of directors, the notice including the subjects to be discussed at the meeting, and shall be given to each director no later than 7 days prior to the scheduled meeting date. However, in the case of emergency, the meeting may be convened at any time. The notice of the board of the directors may be delivered by means of papers or electronic transmission or facsimile.

The functions and powers of the board of directors as follows,

To determine business plan.

To examine and determine important bylaw and contract.

To establish and abolish of branches.

To examine and determine budgets and final accounting.

To appoint and discharge managerial officers.

Other functional authority stated by Company Act and the Articles of Incorporation.

Article 24

The directors exercise their functions and powers at resolutions of the board meeting, the board of directors shall meet at least quarterly. Except as otherwise stated in the Company Act, a resolution on a matter at a board of directors meeting requires the approval of a majority of the directors present at the meeting that shall be attended by a majority of all directors. However, some resolutions of the important matters shall be approved from the Board of Directors by over two-thirds of the directors as below,

To acquire the proposal or purchase the main assets of other company, or to transfer, sell, lease, pledge, mortgage or other sanctions on the corporation's main assets or all assets.

To approve the contract with a term more than 1 year or over fifty million Taiwan New Dollars. In the scope of the approved budget which amount over fifty million Taiwan New Dollars, or Unapproved budget which amount over twenty million Taiwan New Dollars. However, if the budget to use the same purpose must not be disassembled the expenses.

To approve the amount is above Taiwan New Dollars fifty million application which for financing, guarantee, acceptance, loans, debt and temporary payments for non-operating expenses.

To approve financing and other loans to foreign financial institutions.

To change the proposal for the Articles of Incorporation.

To formulate the Regulations Governing of endorsements guarantees, loaning of funds.

To approve the proposal for the surplus earning distribution or covering of losses.

To approve the company's budget and final accounts.

To approve the reinvestment or other business.

Other important matters specified in the resolution of the shareholders' meeting.

To appoint and dismissal of accountants and legal advisors by the Corporation.

Approval, amendment and termination of contracts for acquisition, transfer, grant and technical cooperation of know-how and patents.

To revise and terminate the business plan, business policy and organizational system. Except for the above matters, other matters concerning the operation of the corporation are governed by the provisions of the Company Act.

Article 25

In case a director appoints another to attend a meeting the board of directors to issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. The director may accept the appointment to act as the proxy referred to one of other director only. However, a director is only limited to acting as the proxy for one of director. In case a meeting of the board of directors may proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 26

The meeting minutes shall be taken of the proceedings of the board of directors which the chairman shall signature or personal seals thereon, then delivery to each director. The minutes of the board of directors may be delivering by electronic transmission. The minutes with the attendance signature book and the proxies of the board of directors shall be kept in the Corporation.

The board of directors' base on suggestion of the remuneration committee is authorized to the salary for the directors, taking account the extent and value the services provided for the management of the Corporation and the standards of the industry within the R.O.C and overseas. The company may set a reasonable remuneration for independent directors. The company shall be responsible for the liability insurance of the director in the term of the scope of its execution of the business in accordance with the law, and the scope of the insurance shall be authorized by the board of directors.

Chapter 5 Human Resources

Article 27

The General Manager and Chief Financial Officer (CFO) which nominated by Chairman then determined by the Board of Directors. Their appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Law.

Article 28

The General Manager shall perform such duties as designated by the chairman which responsible for the daily operation and supervise, execute and manage the operation of the corporation.

Chapter 6 Financial Statements

Article 29

The fiscal year for the Corporation shall be from 1st January of each year to 31st December of the same year. After the close of each fiscal year, the following reports shall be prepared by the board of directors, then submitted to the regular Shareholder's Meeting for acceptance,

1. Business Report.
2. Financial Statements.
3. Proposal for the surplus earning distribution or covering of losses.

Article 30

The annual profits of Corporation shall set aside two percentages of distribution for remuneration to employees, who distributed by way of stock or cash should be resolved by the board of directors. Employees of affiliated companies are also entitled to remuneration to employees. Not more than five percentages of annual profits as compensation to directors should determine by the board of directors.

Remuneration to employees shall resolved by the Shareholder's Meeting.

However, when the Corporation has accumulated losses, it should reserve the covering of losses, then refer to the remuneration for employees and directors in the preceding paragraph shall be made in proportion.

Article 31

The Corporation shall, after its losses have been covered and all taxes and dues have been paid and at the time of allocating surplus profits, first set aside ten percentages of such profits as a legal reserve. However, when the legal reserve amounts to the authorized capital, this shall not apply. The Corporation may set aside another sum as special reserve according the regulation of the law. If there is still has the accumulated undistributed earnings, the board of directors shall prepare a proposal for earnings distribution, to submit the resolution of dividends to shareholders in the Shareholders' Meeting.

The Corporation is in a mature stage of growing industry; dividend policy shall base on the financial structure, operating conditions and capital budget etc., also shall consider the profits of the shareholders and balance the dividend. Therefore, the Corporation shall aside not less than ten percentages of the annual profits to shareholders, however if the annual profits less than one percentage, the Corporation may not distribute the annual profits. The surplus earning distribution may reserve or payment for stock dividend or payment for cash dividend which the cash dividend not less than ten percentage of the total amount of retained earnings, then others as issuance of bonus shares that depend on the situation of the Corporation.

Chapter 7 Supplementary Provisions

Article 32

In regard to all matters not provided for in these Articles of Incorporation, the Company Act of the Republic of China shall govern.

Article 33

These Articles of Incorporation was established on 30th July 1998 and subsequently amended as follows

The first amendment on 9th June 1999

The second amendment on 23rd April 2003

The third amendment on 20th March 2008

The fourth amendment on 16th April 2010

The fifth amendment on 24th February 2012

The sixth amendment on 28th May 2012

The seventh amendment on 22nd April 2013

The eighth amendment on 21st April 2016

The ninth amendment on 24th March 2017

The tenth amendment on 25th April 2022

The eleventh amendment on 26th April 2023.