

Capital Securities Corporation

Articles of Incorporation

Chapter 1 General Provisions

- Article 1 The Company is duly incorporated in accordance with the Company Act and bears the title of Capital Securities Corp.
- Article 2 The Company is engaged in the following business:
1. H301011 Securities Brokerage
 2. H401011 Futures Brokerage
 3. H408011 Futures Exchange Supporting Services
 4. H105011 Trust
 5. H304011 Securities Investment Consulting Services
 6. H405011 Futures Consultation Services
- Article 2-1 The scope of business undertaken by the Company:
1. Underwriting of securities.
 2. Trading securities in the centralized exchange market on its own.
 3. Trading securities in the centralized exchange market on an engaged basis.
 4. Trading securities at its business offices on its own.
 5. Trading securities at its business offices on an engaged basis.
 6. Financing and short selling for securities trade.
 7. Agency of stock affairs in relation to securities.
 8. Trading foreign securities on an engaged basis.
 9. Providing services for short-term bills.
 10. Providing supporting services for futures trade.
 11. Futures proprietary business.
 12. Money lending in connection with securities business.
 13. Agency services engaged by customers to invest their securities trading balances.
 14. Trust services.
 15. Offshore securities.
 16. Other securities-related services approved by the competent authority.
- Article 3 The Company is headquartered in Taipei and may establish branches domestically and internationally at the resolution of the Board where necessary.
- Article 4 Any and all public announcements made by the Company shall be published in a newspaper or electronic newspaper, or website for public announcements designated by the central competent authority. The Company shall comply with the provisions otherwise prescribed by the competent authority in charge of securities affairs.
- Article 4-1 The Company may make Re-investment in related enterprises in which the competent authority has

approved investment and the proportion of the total investment of which to the paid-in capital shall not be governed by Article XIII of the Company Act unless otherwise require by law.

Article 4-2 The Company may act as guarantor in favor of a third party as dictated by business needs within the scope permitted by the competent authority.

Chapter 2 Shares

Article 5 The Company has authorized capital of NT\$30 billion evenly split up into 3 billion shares at NT\$10/share for offering in tranches by the Board under authorization. Preferred shares may be offered among the aforementioned authorized capital.

Of the aforementioned total quantity of shares, 150 million shares may be retained for the offering of subscription warrants in tranches by the Board under authorization.

Article 6 The Company issues registered shares and each stock certificate shall be affixed with the authorized signature/seal of the Chairman and at least two other Directors, and shall be duly certified or authenticated by the competent authority or a certifying institution appointed by the competent authority before issuance thereof.

The Company may be exempted from printing any share certificate for the shares issued, but shall appoint a centralized securities custody enterprise/institution to record the issue of such shares.

Article 7 Assignment and transfer of shares shall not be permitted in the period of 60 days prior to the date of the scheduled regular session of the General Meeting of Shareholders and 30 days prior to the date of special session of the General Meeting of Shareholders, and also 5 days prior to the dividend day or the day on which other benefit will be paid out.

Article 8 The processing of share registration and related matters shall be governed by the rules and regulations of the competent authority.

Article 8-1 TDCC may request the company to consolidate the shares to exchange for broad lot securities.

Chapter 3 The General Meeting of Shareholders

Article 9 The General Meeting of Shareholders consists of regular sessions and special sessions. Regular session will be convened once a year within 6 months after close of each fiscal year. Special session will be called for at any time under law as necessary.

The General Meeting of Shareholders may be held via video conference or other methods as announced by the central competent authority.

Article 10 The General Meeting of Shareholders shall be convened by the Board, and the Chairman shall preside over the meeting. In the absence of the Chairman, the Vice Chairman shall act on behalf of and in the name of the Chairman to preside over the meeting. In the absence of the Chairman and the Vice Chairman, the Chairman shall appoint a particular Director to preside over the meeting, or the Directors shall nominate one among themselves to preside over the meeting. This requirement shall not apply if otherwise regulated under the Company Act.

If a third party beyond the Board of the Company calls for the meeting, the convener of the meeting shall preside over the meeting. If there are two parties calling for the meeting, one of whom shall be nominated to preside over the meeting.

Article 11 Shareholders of the Company shall be entitled to one voting right for the holding of each share unless they hold non-voting shares as stated in Article 179 of the Company Act. If specific shareholders cannot attend the General Meeting of Shareholders in person, a shareholder may appoint a proxy to attend a General Meeting of Shareholders in his/her/its behalf by executing a power of attorney printed

by the company stating therein the scope of power authorized to the proxy. Except for trust enterprises or stock agencies approved by the competent authority, when a person acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the company. If the voting power represented by the proxy exceeds 3% of the total number of voting shares of the company, the portion of excessive voting power shall not be counted. The aforementioned written proxy to the Company must be submitted no later than 5 days prior to the meeting date of the General Meeting of Shareholders. In the event that two or more written proxies are received from one shareholder, the first one received by the Company shall prevail, unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.

After the power of attorney of a proxy has been served to the company, if the shareholder who issued the proxy intends to attend the General Meeting of Shareholders in person, a notice of proxy rescission shall be filed with the company two days prior to the date of the General Meeting of Shareholders as scheduled in the General Meeting of Shareholders notice. This is done in order to rescind the proxy at issue. If this is not done, the voting power exercised by the authorized proxy at the meeting shall prevail.

Article 12 Resolutions at a General Meeting of Shareholders shall, unless otherwise provided for Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 12-1 Resolutions adopted at a General Meeting of Shareholders shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the Chairman of the meeting and shall be effected by means of a public notice within twenty (20) days after the close of the meeting.

Chapter 4 Directors and the Board of Directors

Article 13 The Company shall establish 9 to 13 seats of Directors each with term of office for 3 years. The system of candidate nomination is adopted where the General Meeting of Shareholders shall elect prospective Directors from the list of candidates. Directors may be eligible for re-election.

According to Article 14-2 of the Securities and Exchange act and Article 4 of the Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers. The Company appoints Independent Directors, not less than three in number and not less than one-third of the total number of Directors. The system of candidate nomination is adopted and the General Meeting of Shareholders shall elect the Independent Directors from the list of candidates for Independent Directors. The election of Directors and Independent Directors shall be held simultaneously and the votes for the candidates to the seats shall be counted separately.

In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office.

Article 13-1 All Independent Directors of the Company shall be organized into the Audit Committee pursuant to Article XIV-IV of the Securities and Exchange Act. The size of the Audit Committee, the term of office and function of the members, rules and procedure of the committee and the exercise of authority shall comply with the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies and as stated in the Organization Code of the Audit Committee.

The Audit Committee shall perform the function of the Supervisors as stated in the Securities and Exchange Act, the Company Act, and other applicable laws. The code of ethical conduct for the

Supervisors or acting on behalf of the Company shall also be applicable to the Independent Directors of the Audit Committee.

Article 14 The Directors shall be organized into the Board. The Board shall elect a Chairman and a Vice Chairman from among the Directors by a majority vote at a meeting attended by over two-thirds of the directors. The Chairman shall represent the Company externally.

Article 15 The Chairman of the Board shall call for the sessions of the Board, unless otherwise provided for Company Act, resolutions of the Board shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

Notice to Board session may be effected by means of electronic transmission for flexibility and efficiency. In calling a meeting of the Board, a notice setting forth therein the subject(s) to be discussed at the meeting 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 notice shall be made in the speediest mean.

Directors may appoint another director as proxy to attend the meetings of the Board but one director may accept the appointment of one other director only.

In case a meeting of the board of directors is 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 15-1 The Company shall take professional liabilities insurance for the protection of the Directors within their scope of assigned duties against claim for damages under law.

Article 16 In case the Chairman is on leave or absent or cannot exercise his power and authority for any reason, the Vice Chairman shall act on his behalf. In case the Vice Chairman is also on leave or absent or unable to exercise his power and authority for any reason, the Chairman shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting Chairman.

Article 17 The remuneration to the Directors shall be commensurate with their degree of participation in the operation of and the contribution to the Company and at industry standard through authorization to the Board.

Chapter 5 Managers

Article 18 The Company shall establish the position for a President who shall be appointed or removal by the Board under law. Vice presidents, assistant vice presidents, managers and branch managers of the Company shall be appointed and removal by the Board upon the recommendation by the President and The President shall appoint and removal employees at all other levels.

Chapter 6 Accounting

Article 19 The fiscal year of the company starts on January 1st and ends on December 31st of each year. At the end of each fiscal year, the Board of Directors shall prepare (1) the business report, (2) the financial statements, and (3) proposals for profit distribution or deficit compensation, among other relevant documents. These documents shall be submitted to the shareholders' meeting for approval in accordance with legal procedures.

Article 20 The Company pursues the residual dividend policy in consideration of capacity expansion and reinforcement of the capacity in profitability and capital adequacy ratio.

The Company shall appropriate 0.6% to 2% of its earnings, if applicable, as remuneration to

employees, including at least 0.4% as remuneration to non-executive employees. The Board shall determine if remuneration is effected in stock or in cash. The targets of remuneration shall include the employees of subsidiaries to the Company meeting specific conditions that shall be determined by the Board. The Company shall also allocate no more than 3% of the aforementioned amount of earnings as remuneration to the Directors. Any proposal for distribution of remuneration for employees and directors shall be submitted to the shareholders' meeting for reporting.

Where the Company still has any accumulated loss, an amount shall be retained for make-up, and then the remuneration for employees and directors may be appropriated based on the aforesaid percentage.

Article 20-1 If the Company has earnings after account settlement in the year, appropriate the amount for applicable taxes, covering loss carried forward, followed by the appropriation of 10% as retained earnings, 20% as special reserve, and any other amount as required by law.

The Board of Directors submits a proposal for distribution of earnings to the shareholders' meeting for a resolution to be adopted for distribution of dividends to shareholders. The amount of the abovementioned distributable balance minus the retained earnings may not be less than 10% of the distributable balance. Types of dividends: According to the capital budget plan of the Company, stock dividends are distributed to retain the funds required, and the remaining portion will be distributed in cash, with the amount of cash dividends not less than 10%.

Article 20-2 The Company may assign its shares to the employees at a price lower than the actual bid price for repurchase at the approval of the General Meeting of Shareholders by the consent of at least 2/3 of the shareholders attending the meeting with the presence of shareholders representing no less than half of the outstanding shares required for a quorum.

Chapter 7 Supplementary Provisions

Article 21 Issues that are not fully addressed in the Articles of Incorporation shall be processed in accordance with the Company Act and other related act or regulation.

Article 22 The Articles of Incorporation was instituted on March 12 1988.
Amendment for the 1st instance: March 15 1989 Amendment for the 2nd instance: September 8 1989
Amendment for the 3rd instance: April 20 1990 Amendment for the 4th instance: October 30 1990
Amendment for the 5th instance: May 26 1992 Amendment for the 6th instance: December 3 1992
Amendment for the 7th instance: December 14 1993 Amendment for the 8th instance: February 23 1995
Amendment for the 9th instance: April 29 1996 Amendment for the 10th instance: June 27 1997
Amendment for the 11th instance: April 10 1998 Amendment for the 12th instance: June 13 2000
Amendment for the 13th instance: April 3 2001 Amendment for the 14th instance: April 3 2001
Amendment for the 15th instance: May 15 2002 Amendment for the 16th instance: June 16 2003
Amendment for the 17th instance: June 14 2005 Amendment for the 18th instance: June 9 2006
Amendment for the 19th instance: June 15 2007 Amendment for the 20th instance: June 10 2009
Amendment for the 21st instance: June 15 2010 Amendment for the 22nd instance: December 23 2010
Amendment for the 23rd instance: June 15 2011 Amendment for the 24th instance: June 27 2012
Amendment for the 25th instance: June 25 2013 Amendment for the 26th instance: June 22 2015
Amendment for the 27th instance: June 27 2016 Amendment for the 28th instance: June 24 2019
Amendment for the 29th instance: June 27 2023 Amendment for the 30th instance: June 27 2024
Amendment for the 31th instance: May 28 2025
The Articles of Incorporation shall be implemented after adoption by the General Meeting of Shareholders.