

Capital Securities Corporation

Code of Ethical Conduct

Date of establishment: April 25 2012

1st amendment: March 28, 2016

2nd amendment: September 28, 2018

3rd amendment: November 12, 2020

- Article 1: These Guidelines are adopted for the purpose of encouraging the Company's personnel to act in line with ethical standards, and to help interested parties better understand the ethical standards of the Company.
- Article 2: The definitions of terminology used in the Code are as follows:
1. The Company's personnel: The term refers to the Company's directors, managerial officers and other employees.
 2. The Company's employees: The term refers to the Company's managerial officers and other employees.
 3. Managerial officers: The term includes chairman, vice-chairmen, assistant managers, unit manager and the responsible persons at the branch offices.
 4. Conducts of morality: The term refers to conducts that are abided by professional standards, including dealing with incidents of conflict of interests in a fair manner.
- Article 3: The Company personnel shall comply with all regulations and the Code, pursuing high-level compliance of ethical conduct.
The Company's directors and managerial officers shall set as examples, promoting the practice of the Code.
In the execution of their duties, the Company's personnel shall be proactive, responsible and prudent, abandon sectionalism, focus on teamwork, and diligently comply with the principle of honesty and credibility.
- Article 4: The directors and managerial officers shall avoid allowing his/her personal interest to intervene, actually or potentially, the overall interest of the Company which may lead to the following matters:
1. A director or managerial officer is unable to perform his/her duty in an objective and efficient manner.
 2. A director or managerial officer takes advantage of his/her position in the Company and obtains improper benefits for either himself/herself or his/her spouse, relatives within the second degree of kinship, or entity solely-owned by or partnership of the aforementioned persons or companies or organizations such aforementioned person serve as representative, in particular, in matters involving the Company in respect of provisions of loans, transactions of substantial assets, purchase (sale) of goods or provisions of guarantees.

The directors and managerial officers shall voluntarily disclose and explain whether there are potential conflicts of interest between such person and the Company.

Article 5: The Company shall prevent its directors or managerial officers from engaging in any of the following activities:

- (1) Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions.
- (2) Obtaining personal gain by using company property or information or taking advantage of their positions.
- (3) Competing with the Company

When the Company has an opportunity for profit, it is the responsibility of the directors and managerial officers to maximize the reasonable and proper benefits that can be obtained by the Company.

Article 6: The Company personnel shall prudently manage matters, confidential information or customer data that they learn in the course of their duties. Unless such a matter or information has already been disclosed by the Corporation, or may be disclosed under regulations and law, the personnel may not disclose such matters or information to any other person, nor use them for any purpose other than the purposes of work. This confidentiality obligation shall continue even after the Company personnel has departed from employment.

Confidential information under the preceding paragraph includes all information that has not been publicly disclosed and the competitors' possible exploitation or disclosure of which could harm the Corporation or its customers.

Article 7: Directors and managerial officers shall treat all customers, dealers, competitors, and employees fairly, and shall not engage in following illegal and unethical activities:

1. Spreading false rumors about customers, dealers or competitors;
2. Intentionally misrepresenting the function, quality or content of the Company's products and services; or
3. Obtaining improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

- Article 8: All directors and managerial officers have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; avoiding any theft, negligence in care, or waste of the assets are conducts that directly impact the Company's profitability.
- Article 9: The Company directors or managerial officers shall abide by the Company Act, Securities and Exchange Act and other related laws, and shall raise awareness of ethics.
- Article 10: The Company shall raise awareness of ethics internally and encourage employees to report to a director, managerial officer, chief internal auditor, or other competent personnel upon suspicion or discovery of any activity in violation of a law or regulation or the Code. To encourage employees to report illegal conduct, the company shall establish a concrete whistle-blowing system and make employees aware that the company will use its best efforts to ensure the safety of whistleblowers and protect them from reprisals.
- Article 11: If any Company personnel is suspected of serious violations of laws and regulations, the Company shall pursue their civil and criminal liabilities to protect the rights and interests of the Company and its shareholders. A Company employee shall comply with the Code, and the Company shall impose disciplinary action in accordance with relevant rules. The same shall apply when a unit manager knows of a violation and fails to correct it or fails to handle it in accordance with the Company's rules. The Company personnel who violate the Code shall be reported and disciplined by the responsible unit pursuant to the relevant procedures. The disciplined personnel may file an appeal providing relevant evidence. The Company shall take the concerned party's appeal into consideration and take appropriate measures. A director or managerial officer who violates the Code and is held against laws upon a court's judgment in the first instance, or held against laws upon resolution by the Company's board of directors, and the board of directors renders discipline, the Company shall immediately disclose on MOPS the date and cause of the violation, violated guidelines, and the actions taken in response.
- Article 12: Should there be a necessity for an exemption for directors or managerial officers from the Code, such exemption is required to be adopted by a resolution of the board of directors, and that information on the date on which the board of directors adopted the resolution for , the period of, reasons for, and the principles behind the application of the exemption and objections or reservations of independent directors be disclosed without delay on the

MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the Code, and to safeguard the interests of the Company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.

Article 13: When a director discovers that the Company is likely to be materially harmed, the director shall handle the matter as quickly as possible, and immediately notify the independent director members of the audit committee and report to the board of directors, and shall see to it that the Company reports to the competent authority.

Article 14: The Company shall disclose the Code it has adopted, and any amendments to it, on its intranet, company website, in its annual reports and prospectuses and on the MOPS.

Article 15: The Code, and any amendments to it, shall enter into force after it has been adopted by the board of directors, and submitted to a shareholders meeting.