

CSBC CORPORATION,  
TAIWAN  
Articles of Incorporation

Amended on June 22, 2022

# CSBC CORPORATION, TAIWAN

## Articles of Incorporation

### Chapter I General Principles

- Article 1 The Company is incorporated under the Company Act of the Republic of China and named “CSBC CORPORATION, TAIWAN.”
- Article 2 The scope of business operated by the Company is as follows:
- (1) CA01030 Iron and Steel Casting
  - (2) CA02010 Metal Architectural Components Manufacturing
  - (3) CB01010 Machinery and Equipment Manufacturing
  - (4) CB01030 Pollution Controlling Equipment Manufacturing
  - (5) CD01010 Ship and Parts Manufacturing
  - (6) CD01030 Motor Vehicles and Parts Manufacturing
  - (7) E599010 Pipe Lines Construction
  - (8) E601010 Electric Appliance Construction
  - (9) E603120 Sand Spurting Construction
  - (10) E604010 Machinery Installation Construction
  - (11) E901010 Painting Construction
  - (12) EZ15010 Warming and Cooling Maintenance Construction
  - (13) EZ99990 Other Construction
  - (14) F401021 Restrained Telecom Radio Frequency Equipments and Material Import
  - (15) I599990 Other Designing
  - (16) J101040 Waste Disposing
  - (17) CD01070 Harbor Ship Minor Repair Industry
  - (18) G301011 Ship Transportation

- (19) G302010 Boat Business
- (20) G402011 Ocean Freight Transportation Forwarding Services
- (21) G403010 Ship Rental and Leasing
- (22) G406040 Harbor Barging
- (23) G406051 Harbor Cargoes
- (24) G406061 Harbor Cargoes Forwarding Services
- (25) G407010 Salvage Operation
- (26) G408010 Salvage at Sea
- (27) ZZ99999 All Other Businesses Not Prohibited or Restricted by the Laws

Article 3           The Company shall have its head office in Kaohsiung City, and shall set up domestic and overseas branch offices when necessary upon the approval of the Board of Directors.

Article 4           The Company may provide endorsement and guarantee and act as a guarantor when the Company deems it necessary to carry out any of its business activities. The procedures shall be in accordance with related endorsement and guarantee rules set forth by the Company.

Article 5           Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

#### Chapter II Capital Stock.

Article 6           The total capital stock of the Company shall be in the amount of NT\$11,138,997,170, divided into 1,113,899,717 shares, at NT\$10 each, and shall be issued in installments.

Article 7           CSBC's printed stocks should be numbered and set out the matters specified in Article 162 of the Company Law, which should be signed or stamped by the directors representing the company, and issued after obtaining a bank visa as a stock issuance visa holder according to law.

When the Company issues shares without printing share certificates, the shares shall be registered with a centralized security custody organization.

Article 8 All share certificates of the Company shall be registered except for those that are issued without printing share certificates. A registered share certificate shall bear the true name of the shareholder thereof. For share certificate(s) to be held by a government agency or a corporate shareholder, the address and name of such government agency, corporate shareholder or representative shall be indicated in the shareholders' roster of the Company. When a share certificate is held by two or more shareholders, one shall be designated as the proxy.

Article 9 The transfer, registration, loss or destruction of share certificates shall be handled in accordance with the Company Act and the Regulations Governing the Administration of Shareholder Services of Public Companies announced by the competent authority.

Article 10 The Company may charge the necessary fees for replacement or reissue of share certificates due to detachment, stain/damage, loss or destruction.

Article 11 Shareholders of the Company shall submit specimens of their signatures or registered seals to the Company for the purpose of assigning stock dividends and exercising shareholders' rights.

Article 12 In case that the registered seal as recorded in the Company is lost, destroyed or replaced by another seal, and the handling of stock-related affairs of the Company, shall be proceeded in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies announced by the competent authority.

Article 13 Registration for transfer of shares shall be suspended 60 days before the date of a general meeting of shareholders, and 30 days before the date of any extraordinary meeting of shareholders, or within five days before the day on which dividends, bonus, or any other benefit is scheduled to be paid by the Company.

### Chapter III Shareholders' Meetings

Article 14 Shareholders' meetings of the Company are of two types, namely general meetings and extraordinary meetings.

(1) General meetings shall be convened at least once a year within six months after the close of each fiscal year.

(2) When necessary, extraordinary meetings shall be convened in accordance with the related rules.

Article 15 The convening procedures of the shareholders' meeting shall be held by video conference or other methods announced by the central competent authority, and be handled in accordance with the provisions of the Company Law, the Securities Exchange Law and the relevant laws and regulations.

Article 16 Except for as otherwise provided in the Company Act, shareholders' meetings shall be presided over by the Chairman of the Board of Directors of the Company. In case the Chairman is on leave or unable to exercise his/her authorities for any reason, he/she may appoint a Board of Director to act on his/her behalf; if no representative is designated by the Chairman, the representative shall be elected by the Board of Directors from among themselves.

Article 17 Except for as otherwise provided in the Company Act, the resolution shall be adopted when being agreed by the majority shareholders in a meeting by shareholders representing over half of the stocks issued and outstanding.

Article 18 Each share of stock shall be entitled to one vote. But shares are not entitled to votes under the circumstances set forth in Paragraph 2, Article 179 of the Company Act.

Article 19 If a shareholder is unable to attend a meeting, he/she may appoint a representative in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies announced by the competent authority.

Article 20 Shareholders' meetings of the Company shall be proceeded in accordance with the rules governing the proceedings of shareholders' meetings of the Company.

The resolutions of a shareholders' meeting shall be minuted. The minutes shall be signed or sealed by the Chairman of the meeting and distributed to shareholders within 20 days after the meeting. The minutes, together with the attendance list and the letter of attorney, shall be filed and kept at the Company.

The aforementioned minutes may be prepared electronically, and distributed by public announcement.

#### Chapter IV Directors and the Audit Committee

Article 21 The Company shall have 10 to 15 Directors, who shall be elected by the shareholders among the nominated candidates. Directors shall be elected for a term of no more than three years, but may be reappointed upon reelection.

In compliance with Article 14-2 of the Securities and Exchange Act, at least three of the directors set forth in the preceding paragraph shall be independent directors. Regarding qualification, shareholdings, restrictions on concurrent positions, determination of their independence, method of nomination, and other issues

concerning independent directors shall be complied with the security-related regulations.

Independent and non-independent directors shall be nominated separately and elected at the same time. The numbers of elected independent and non-independent directors shall be calculated separately.

The aggregate minimum percentage of shares collectively held by all Directors of the Company shall be governed by applicable provisions of security-related laws.

In regard to Directors' legal liabilities, the Company may purchase liability insurance for the scope of their duties throughout their tenure.

Article 22      The Board of Directors is authorized to determine the remuneration of the Directors, taking into account the extent of contribution, value created to business, and standard payments of the same business.

Other payments shall be given to the Chairman pursuant to related bylaws in respect of employees' remuneration.

Article 23      In the case that vacancies of the Board of Directors exceed one-third of the total number of the Directors, an extraordinary shareholders' meeting shall be convened to elect new Directors and Supervisors to fill the vacancies in accordance with the Company Act.

In the case that the vacancies of the Board of Directors are representatives from the government or corporation, the government or corporation shall appoint new representatives to serve the remaining term of the predecessors.

Article 24      Authorities of the Board of Directors are as follows:

- a. The Company's business plans.
- b. Annual financial statements.
- c. The establishment or amendment of the internal control systems pursuant to Article 14-1 of the Securities and Exchange Act.
- d. Establishment or amendment of the work procedures for major financial or operational actions such as acquisition or disposal of assets, engaging in derivatives trading, extension of monetary loans to others, endorsements or guarantees for others, as per Article 36-1 of the Securities and Exchange Act.
- e. Public offer, issuance or private placement of equity-type securities.
- f. Appointment and dismissal of the head of finance, accounting or internal audit.
- g. Donations to related parties or major donations to non-related parties. Public welfare donations that are meant as emergency relief for victims of serious natural disasters may be put forward for ratification at the next Board of Directors meeting.
- h. Major matters that shall be resolved in the shareholders' meeting or submitted to the Board of Directors, or those prescribed by the competent authority pursuant to Article 14-3 of the Securities and Exchange Act, other relevant laws and regulations or the Articles of Incorporation.

Article 25           The Company shall set up an audit committee pursuant to Article 14-4 of the Securities and Exchange Act. The duties of the audit committee, its organization charter and rules it should observe shall be regulated by the Company Act, Securities and Exchange Act, other relevant laws and the Company's Articles of Incorporation.

Article 26           The Board of Directors consists of Directors. The Directors shall elect from among themselves a Chairman of the Board of Directors

by a majority in a meeting attended by over two-thirds of the Directors. The Chairman shall execute all affairs of the Company in accordance with applicable laws and regulations, Articles of Incorporation, and resolutions adopted at meetings of shareholders and the Board of Directors. The Chairman of the Board of Directors shall internally preside over meetings of shareholders and the Board of Directors, and shall externally represent the Company.

In case a meeting of the Board of Directors is proceeded via video conference, the Directors attending such a video conference shall be deemed attending the meeting in person.

Article 27 Meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors, except for the first Board meeting of every term, which shall be convened by the Director who has received the largest number of votes at the election of Directors or as otherwise provided in the Company Act. The written notice of a meeting of the Board of Directors specifying the date and place of the meeting and its agenda shall be sent by post or electronic mail to all Directors seven days prior to the date of the meeting. The meetings of the Board of Directors may be convened at any time without such prescribed notice in case of urgent circumstances. If the notice is to be sent by electronic mail, this shall be agreed by all correspondents.

Article 28 The Chairman of the Board of Directors shall preside over all meetings of the Board of Directors. In his/her absence, the Chairman may appoint a Board of Director to act on his/her behalf; if no representative is designated by the Chairman, the representative shall be elected by the Board of Directors from among themselves.

Article 29 Except for as otherwise provided in the Company Act, resolutions shall be adopted when being agreed by the majority Directors in a meeting attended by over half of the Directors.

Article 30 According to Article 205 of the Company Act, a Director may appoint another Director to attend a meeting of the Board of Directors on his/her behalf with a written proxy. He/She shall state therein the scope of authority with reference to the subjects to be discussed at the meeting. The proxy referred to in the preceding paragraph may vote for the Director within the scope of authority. No Director may act as proxy for more than one Director.

A Director residing in a foreign country may, with a written authorization, appoint a shareholder residing in the national territory as his/her proxy to attend meetings of the Board of Directors on a regular basis.

#### Chapter V Personnel Appointments

Article 31 The Company may appoint a President and several managerial personnel. Appointment, dismissal and remuneration of the President and managerial personnel referred to in the preceding Paragraph shall be proceeded in accordance with Article 29 of the Company Act.

Article 32 The President shall manage affairs of the Company under the supervision of the Board of Directors. Managerial personnel shall assist the President and have the right of signature for the Company's rules or with written authorization approved by the President.

Article 33 The President may appoint and employ other necessary staff within the prescribed number of personnel approved by the Board of Directors.

## Chapter VI Financial Reports

Article 34 After the close of each fiscal year of the Company, the following reports shall be prepared by the Board of Directors, and shall, after being audited by the audit committee 30 days prior to the regular shareholders' meeting, be submitted to the regular shareholders' meeting for acceptance :

(1) Business Report

(2) Financial Statements

(3) Proposals Concerning Surplus Earning Distribution or Loss Off-setting

Article 35 If the Company makes profits in the current fiscal year, it shall set aside an amount of not less than 1% and not more than 5% of the profits as employees' remuneration. Employees' remuneration may be allocated in the form of shares or cash. An amount of not more than 1% of the profits shall be set aside as remuneration of the Directors. However, if the Company still has accumulated losses, the profits shall be reserved to cover the amount of such losses first. The status of profits in the current fiscal year, as set forth in Paragraph 1, shall refer to profits before deducting the allocated employees' remuneration and remuneration of the Directors from profits before tax in the current fiscal year.

Employees' remuneration and remuneration of the Directors shall be allocated by a resolution adopted by over half of the votes of the Directors present at a meeting of the Board of Directors attended by at least two-thirds of the total Directors, and shall be allocated in a lump. In addition, a report of such allocation shall be submitted to the shareholders' meeting.

Article 35-1

If the Company has earnings in the current fiscal year after annual audit, it shall first pay the profit-seeking enterprise income tax and cover its accumulated losses in previous years. If there is a balance, the Company shall set aside 10% as legal reserves. However, the provision does not apply when the legal reserves have reached the total amount of capital. Moreover, a special reserve shall be set aside in accordance with Article 41 of the Securities and Exchange Act. If there is still a balance, the Board of Directors shall propose an allocation plan in the shareholders' meeting for resolution before allocation.

The board of directors of the company is able to attend more than two-thirds of the directors and attend the resolution of more than half of the directors, and all or one of the dividends and dividends, capital reserve or statutory surplus reserve should be distributed in cash. Reporting the shareholders' meeting, the application of the preceding paragraph should be subject to the resolution of the shareholders' meeting.

Considering the business environment and growth of the Company, the Company may allocate 10% or more of the distributable earnings referred to in the preceding Paragraph as dividends and bonuses depending on the Company's future demand for funds and its long-term financial planning, and satisfying shareholders' demand for cash. Cash dividends shall not be less than 10% of the total dividends.

Chapter VII Supplementary Provisions

Article 36

The Company's guidelines on organization, major provisions on business handling, and authorities and responsibilities of the Board of Directors, the Chairman and the President shall be approved by the Board of Directors. The important notice of practice and

statement of work of various divisions of the managerial department shall be approved by the President.

Article 37 The delisting of the Company shall be resolved in a shareholders' meeting. This article shall remain unchanged when shares of the Company are still traded publicly.

Article 38 In regard to any matter not provided in these Articles of Incorporation, it shall be in pursuance of Company Law and other related laws or regulations.

Article 39 The Articles of Association were established on July 27, 1973.  
The 51<sup>th</sup> amendment was Passed at the 2022 general shareholders' meeting on June 22, 2022.

Order	Date of Amendment	Remark
1	February 16, 1974.	Passed at the 1974 Extraordinary Shareholders' Meeting.
2	November 18, 1975.	Passed at the 1975 Extraordinary Shareholders' Meeting.
3	July 16, 1976.	Passed at the 1976 General Shareholders' Meeting.
4	January 27, 1977.	Passed at the 1977 General Shareholders' Meeting.
5	December 20, 1977.	Passed at the 1977 Extraordinary Shareholders' Meeting.
6	December 14, 1978.	Passed at the 1978 General Shareholders' Meeting.
7	December 20, 1979.	Passed at the 1979 General Shareholders' Meeting.
8	December 19, 1980.	Passed at the 1980 General Shareholders' Meeting.

9	April 9, 1982.	Passed at the 1981 General Shareholders' Meeting.
10	March 8, 1983.	Passed at the 1982 General Shareholders' Meeting.
11	December 20, 1983.	Passed at the 1983 General Shareholders' Meeting.
12	December 18, 1984.	Passed at the 1984 General Shareholders' Meeting.
13	December 17, 1985.	Passed at the 1985 General Shareholders' Meeting.
14	December 30, 1986.	Passed at the 1986 General Shareholders' Meeting.
15	October 27, 1987.	Passed at the 1987 General Shareholders' Meeting.
16	September 13, 1988.	Passed at the 1988 General Shareholders' Meeting.
17	September 29, 1989.	Passed at the 1989 General Shareholders' Meeting.
18	May 29, 1990.	Passed at the First Extraordinary Shareholders' Meeting for 1990.
19	December 10, 1990.	Passed at the 1990 General Shareholders' Meeting.
20	April 24, 1992.	Passed at the 1991 General Shareholders' Meeting.
21	November 5, 1992.	Passed at the 1992 General Shareholders' Meeting.
22	February 11, 1993.	Passed at the 1992 Extraordinary Shareholders' Meeting.
23	October 27, 1995.	Passed at the 1995 General Shareholders' Meeting.

24	December 27, 1995	Passed at the Second Extraordinary Shareholders' Meeting for 1995.
25	September 20, 1996.	Passed at the 1996 General Shareholders' Meeting.
26	September 30, 1997.	Passed at the 1997 General Shareholders' Meeting.
27	March 25, 1998.	Passed at the First Extraordinary Shareholders' Meeting for 1998.
28	June 15, 2000.	Passed at the First Extraordinary Shareholders' Meeting for 2000.
29	June 8, 2001.	Passed at the 2001 General Shareholders' Meeting.
30	June 14, 2002.	Passed at the 2002 General Shareholders' Meeting.
31	December 9, 2002.	Passed at the First Extraordinary Shareholders' Meeting for 2002.
32	December 9, 2002.	Passed at the First Extraordinary Shareholders' Meeting for 2002.
33	June 23, 2003.	Passed at the 2003 General Shareholders' Meeting.
34	June 23, 2003.	Passed at the 2003 General Shareholders' Meeting.
35	September 5, 2003.	Passed at the First Extraordinary Shareholders' Meeting for 2003.
36	September 5, 2003.	Passed at the First Extraordinary Shareholders' Meeting for 2003
37	November 28, 2003.	Passed at the Second Extraordinary Shareholders' Meeting for 2003.
38	November 28, 2003.	Passed at the Second Extraordinary Shareholders' Meeting for 2003.

39	June 16, 2006.	Passed at the 2006 General Shareholders' Meeting.
40	March 1, 2007.	Passed at the First Extraordinary Shareholders' Meeting for 2007.
41	December 14, 2007.	Passed at the Second Extraordinary Shareholders' Meeting for 2007.
42	March 24, 2008.	Passed at the First Extraordinary Shareholders' Meeting for 2008.
43	February 13, 2009.	Passed at the First Extraordinary Shareholders' Meeting for 2009.
44	June 23, 2009.	Passed at the 2009 General Shareholders' Meeting.
45	June 13, 2012	Passed at the 2012 General Shareholders' Meeting.
46	June 26, 2013	Passed at the 2013 General Shareholders' Meeting.
47	June 26, 2014	Passed at the 2014 General Shareholders' Meeting.
48	June 23, 2016	Passed at the 2016 General Shareholders' Meeting.
49	June 26, 2019	Passed at the 2019 General Shareholders' Meeting.
50	June 17, 2020	Passed at the 2020 General Shareholders' Meeting.
<b><u>51</u></b>	<b><u>June 22, 2022</u></b>	<b><u>Passed at the 2022 General Shareholders' Meeting.</u></b>

\*This English version is a translation of Articles of Incorporation of CSBC Corporation in Chinese. In case of any discrepancy, the Chinese version shall prevail.