

# **Taiwan Cooperative Financial Holding Co., Ltd.**

## **Articles of Incorporation**

### **Chapter I. General Provisions**

#### **Article 1**

The Corporation has been formed under applicable law, including the Financial Holding Company Act and the Company Act, for the purpose of building operational synergy with increasing economies of scale and scope.

#### **Article 2**

The name of the Corporation is Taiwan Cooperative Financial Holding Co., Ltd. (the “Corporation”).

#### **Article 3**

The Corporation shall fix the location of the principal office of the Corporation in Taipei City, Republic of China. Additional branch offices may be established and maintained at any place within or outside the Republic of China for meeting business needs.

#### **Article 4**

Public announcements of the Corporation shall be made in accordance with applicable law, or shall be published on a printed newspaper or electronic news.

### **Chapter II. Shares**

#### **Article 5**

The overall capital size of the company is set at NTD 200 billion, including 20 billion shares at a par value of NTD 10 per share that can be issued separately; the shares yet to be issued shall be issued per the resolution of the empowered Board of Directors.

#### **Article 6**

The Corporation may issue shares without printing share certificate(s), provided that these shares are registered with a Centralized Securities Depository Enterprise (CSDE).

#### **Article 7**

Registration of a seal specimen card shall be filed with the Corporation by all shareholders. The seal specimen card kept by the Corporation shall be the basis for collecting dividend or bonus or written exercise of shareholders’ rights or written communication by shareholders to the Corporation.

#### **Article 8**

Transfer of shares shall not be set up as a defense against the Corporation, unless the name/title and residence/domicile of the transferee have been recorded in the shareholders’ roster.

The entries in the shareholders’ roster referred to in the preceding paragraph shall not be altered within sixty (60) days prior to the convening date of a regular meeting of shareholders, or within thirty (30) days prior to the convening date of a special meeting of shareholders, or within five (5) days prior to

the target date fixed by the Corporation for distribution of dividend, bonus or other benefits.

#### **Article 9**

The Corporation shall handle share matters pursuant to applicable law or to the “Regulations Governing the Administration of Shareholder Services of Public Companies.”

### **Chapter III. Scope of Business**

#### **Article 10**

The Corporation operates in the financial holding industry (Code: H801011).

#### **Article 11**

The business scope of the Corporation is as follows :

1. The Corporation shall invest in the following businesses :
  - (1) Financial holding business;
  - (2) Banking business ;
  - (3) Bills Finance business ;
  - (4) Credit card business ;
  - (5) Trust business ;
  - (6) Insurance business ;
  - (7) Securities business ;
  - (8) Futures business ;
  - (9) Venture capital business ;
  - (10) Investing in foreign financial institutions which are authorized by the competent authority;  
and
  - (11) Conducting other financial related businesses which are authorized by the competent authority.
2. Managing the aforementioned business investments.
3. The Corporation shall apply to the competent authority for investing in businesses other than those mentioned above.
4. The Corporation may conduct other related businesses which are authorized by the competent authority.

#### **Article 12**

The Corporation is a company that specializes in investment, and shall make investments without governing by a paid-up capital cap of 40% on the investment amount, as set forth under Paragraph 2 of Article 13 of the Company Act.

## **Chapter IV Meetings of Shareholders**

### **Article 13**

The shareholders' meeting of the Corporation includes the general meeting of shareholders and the special meeting of shareholders. A general meeting shall be held at least annually and called by the Board of Directors (the "Board") within six (6) months following the end of a fiscal year. A special meeting shall be convened whenever deemed necessary. The meeting of shareholders shall be called by the Board, unless otherwise specifically provided by the Company Act or by applicable law.

### **Article 14**

Notice shall be sent to all shareholders for the convening of shareholders' meetings. For the general meeting of shareholders, any meeting notice shall be given at least thirty (30) days before the meeting date; and at least fifteen (15) days in advance for the special meeting. The notice shall specify the place, date, and the matters that the Board, at the time notice is given, intends to present for action by Directors.

For those shareholders each holding less than one thousand (1,000) registered shares, notice may be sent out by means of an announcement on the Market Observation Post System website.

### **Article 15**

In the event any shareholder cannot attend a shareholders' meeting in person for any reason, he/she shall designate a proxy to attend on behalf thereof by presenting a proxy statement and specifying the scope of authorization. A shareholder shall file solely one proxy statement and designate solely one representative or proxy for any given meeting. Said proxy statement shall be delivered to the Corporation five (5) days prior to the convocation of the shareholders' meeting.

Except for trust business or shareholder services agent approved by the competent securities authority, if one person is designated simultaneously by two (2) or more shareholders, with respect to the voting rights so represented, the portion of the voting rights in excess of 3% of the voting rights represented by the total outstanding shares shall not be counted.

Other matters pertaining to the exercise and limitation of the proxy statement shall be pursuant to the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies or to applicable law.

### **Article 15-1**

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

### **Article 16**

Unless specified otherwise in law or rule, the Chairperson of the Corporation shall preside over

shareholders' meetings. In the event the Chairperson is on leave or absent or unable to attend the meeting in person, a Board Director shall be designated to act on the behalf of the Chairperson at the meeting. In the absence of such a designation, the Directors of the Board shall elect from among themselves an acting chairperson.

#### **Article 17**

The shareholders' meeting shall resolve and implement the following matters:

1. The formulation and amendment of the Corporation's Articles of Incorporation;
2. The election and dismissal of the Directors of the Board;
3. The ratification of the books and statements prepared and submitted by the Board as well as the reports by the Audit Committee;
4. The augment or reduction of capital;
5. The appropriation of earnings, dividend and bonus.
6. Other matters that shall be resolved by the shareholders' meeting in accordance with applicable law.

#### **Article 18**

Unless specified otherwise in law or rule, each shareholder shall have one vote on each matter presented to meetings for action.

Unless otherwise specifically provided by the Financial Holding Company Act or by the Company Act or by applicable law, the resolution of shareholders' meetings shall be adopted if it is approved by the vote of a majority of the shareholders present at a meeting at which a quorum of more than one-half (1/2) of the total outstanding shares held by attending shareholders is met.

#### **Article 19**

Minutes shall be kept to record resolutions adopted at shareholders' meetings, affixed with the signature or personal seal of the chairperson, and sent out to each shareholder within twenty (20) days following the meeting.

Said minutes may be sent out by means of an announcement on the Market Observation Post System website.

#### **Article 20**

To the fullest extent allowed by the Corporation's Articles of Incorporation and except as specified otherwise in law, matters concerning with the shareholders' meeting shall be conducted in accordance with the Corporation's Rules of Procedure for Shareholders' Meetings.

### **Chapter V. Board of Directors and Functional Committees**

#### **Article 21**

The Board shall consist of fifteen (15) to twenty-one (21) Directors. The duration of term for all Directors is three (3) years. All Directors are entitled to be re-elected, except Directors who are assumed or appointed by government agencies or institutional investors and could be replaced by substitutes to fulfill the remaining term of office when changes of duties take place.

Starting from 2024, the Corporation's Board of Directors shall have no fewer than one Director of the opposite sex. Board members whose term has not expired in 2024 may not be affected until the expiration of their term.

From 2021 onward, TCFHC will adopt a candidate nomination process for the election of directors, with which shareholders shall elect directors from a nominee list. Methods for nomination and election shall be processed by relevant laws and regulations including Company Act and Securities Exchange Act.

The Corporation shall purchase and maintain insurance to the fullest extent permitted by law on behalf of its Directors to cover any liability asserted against or incurred by any Director from the exercising of duties. In the wake of taking out such liability insurance or insurance renewal, the corporation shall submit to the next meeting of Board of Directors the important information concerning the insurance including premium, coverage, and premium rate.

## **Article 22**

Three (3) or more Independent Directors have been appointed by the Corporation since the election of the second term of Directors. The exact authorized number of Independent Directors shall be in no event less than one-fifth (1/5) of the total number of Directors in the Board. Starting from 2024, Independent Directors shall constitute no less than one-third of the Board members. However, Directors whose term has not expired in 2024 may not be affected until the expiration of their term as set forth under Article 14-2 of the Securities and Exchange Act.

Starting from 2027, the Corporation's Independent Directors shall not serve more than three consecutive terms. However, Directors who hold office till that time may not be affected before the expiration of their term.

A candidate nomination system is adopted by the Corporation for selecting Independent Directors; shareholders shall select Independent Directors from among a list of candidates. Regulations governing professional qualifications, shareholdings and restrictions on concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to the selection of Independent Directors shall be prescribed by the competent authority.

## **Article 22-1**

Subject to Article 14-4 of the Securities and Exchange Act, the Corporation shall establish an Audit Committee after the election of the second term of Board Directors.

The provisions regarding Supervisors in the Company Act, in the Securities and Exchange Act, and in applicable law shall apply mutatis mutandis to the Audit Committee.

The Audit Committee shall be composed of the entire number of Independent Directors of the Board. The Committee shall consist of more than three (3) members, one of whom is convener, and at least one (1) member shall have accounting or financial expertise.

A resolution of the Audit Committee shall obtain the concurrence of half (1/2) or more of all members.

The exercise of power by Audit Committee and its members as well as the handling of matters related to the Committee shall be in accordance with the Corporation's Articles of Incorporation, the Securities and Exchange Act, or applicable law. The Board shall set forth by resolution(s) the requirements applicable for developing committee bylaws.

### **Article 23**

The Chairperson of the Board of Directors shall be elected from among the Directors by a majority vote at a meeting attended by over two-thirds (2/3) of Directors.

The Chairperson shall internally preside both the shareholders' meeting and the Board meeting; and shall externally represent the Corporation. In the event the Chairperson is on leave or absent or unable to exercise his power and authority for any cause, he/she shall designate a Board Director to act on his/her behalf. In the absence of such a designation, the Directors of the Board shall elect from among themselves an acting chairperson.

The compensation paid to Directors (excluding the Chairperson) for their services shall be determined by the Board with recommendations from the Remuneration Committee and consideration of the Directors' participation in and devotion to the operation of the Corporation and the Corporation's operating performance as well as with reference to the common practical standards.

The Chairperson's compensation is set to be 1.25 times that of the President of the Corporation. The retirement payment payable to the Chairperson shall be the amount set forth in the Corporation's internal rules for governing labor pensions and severance.

### **Article 24**

The role of the Board in the governance of the Corporation and its programs shall be as follows:

1. Establishing broad institutional policies and associated plans;
2. Approving the budgets and closing of books;
3. Approving all major rules and guidelines;
4. Preparing proposals regarding the augment or reduction of capital as well as approving securities issuance;
5. Preparing proposals regarding the distribution of earnings;
6. Approval of the issuance of corporate bonds;
7. Approving share repurchase programs;
8. Approving the acquisition or disposal of major assets;
9. Approving all major contracts;

10. Approving the selection and the process regarding the retention and evaluation of the heads of management unit and audit office;
11. Approving all construction projects or sale/purchase of operational lands and buildings;
12. Determining the convening date of the general/special meeting of shareholders;
13. Implementing resolutions adopted at shareholders' meetings;
14. Approving the appointment, removal, and remuneration of Certified Public Accountants(CPAs);
15. Appointments to Directors and Supervisors of subsidiaries;
16. Approval of compensation payment for employees; and
17. Approval of other important matters that are required by law or authorized at shareholders' meetings.

#### **Article 25**

The Board of Directors' meeting shall be convened at least once a month. Unless otherwise specified by law, the chairperson shall be the convener.

Reasons for convening a Board of Directors' meeting should be specified and made known to each director at least seven days prior to the meeting. In case of emergency, however, the Board of Directors' meeting may be called at any time.

A Board of Directors' meeting may be called for in writing or by fax. With the permission of the counterparty, however, it may be called for electronically.

#### **Article 26**

The Directors of the Board shall attend Board meetings in person. In the event a Director is unable to present at a meeting, he/she shall designate another Director to act on his/her behalf by presenting a director's proxy and specifying the scope of authorization. A Director may accept the designation to act as the acting director for one other Director only. In the event a meeting of the Board is convened through use of electronic video screen communication, the Directors taking part in such a meeting shall be deemed to have attended the meeting in person.

Unless otherwise specifically provided by the Financial Holding Company Act or by the Company Act or by applicable law, the resolution of Board meetings shall be adopted if voted for by a majority of Directors present at a meeting attended by more than one-half (1/2) of Directors.

The rules of procedure for Board meetings shall be prescribed by the Board, and shall submit it to the meeting of shareholders.

#### **Article 27**

The Board shall create an Audit Office along with a General Auditor who follows the resolution of Board meetings to oversee overall functions of the Corporation. The appointment and dismissal of the General Auditor should be subject to consent of the Board and approval of the competent authority.

#### **Article 28**

The Corporation shall create a Remuneration Committee and any number of functional committees. The Board shall set forth, by resolution(s), the requirements applicable for developing committee bylaws.

#### **Article 29**

(Omitted)

#### **Article 30**

(Omitted)

#### **Article 31**

Directors of the Board of the Corporation shall concurrently serve as Directors and Supervisors of subsidiaries pursuant to applicable law.

### **Chapter VI. Officers**

#### **Article 32**

The company has one President that presides over the company's operations based on the resolution reached by the Board of Directors; the designation and dismissal of the President shall require a motion filed by the Chairperson that is supported by a majority of the directors present in the Board of Directors' meeting attended by more than half of the total number of directors. There are several Executive Vice Presidents and one Chief Compliance Officer to assist the President in handling the tasks; their designation and dismissal shall require a motion filed by the President that is supported by a majority of the directors present in the Board of Directors' meeting attended by more than half of the total number of directors attending the Board of Directors' meeting.

#### **Article 33**

In the event the President is unable to exercise his power and authority for any cause, the Chairperson of the Corporation shall designate one of the Executive-Vice-Presidents to act on his/her behalf.

### **Chapter VII Closing of Books and Distribution of Earnings**

#### **Article 34**

The Corporation's fiscal year shall be from January 1 of each year to December 31 of the same calendar year.

#### **Article 35**

The end of each calendar year shall mark the closing of the Corporation's books. The Board of the Corporation shall prepare the following documents and submit the same to the shareholders' meeting for certification after submitting such documents for review in accordance with applicable law:

1. Business report;



2. Financial statements; and
3. Proposals regarding the distribution of earnings or compensation of losses.

Documents required in the preceding paragraph shall be reported and published pursuant to relevant laws and regulations prescribed by the competent authority, after certified by shareholders.

#### **Article 35-1**

In case of a profit, the Company shall set aside 1 to 8 out of 10,000 of the profits to be compensations for employees, including employees of affiliated companies meeting specific criteria, and the ratio of profits distributed to entry-level employees shall be no less than one percent of the allocated compensations for employees in the current year. The Company shall also allocate no more than 1% to be remunerations for board directors, depending on the profits. If there are accumulated losses, the value to make up for the losses should be set aside first.

The profits indicated in the preceding paragraph refer to the pre-tax interest before employee compensation and board director remunerations are subtracted; employee compensation and board director remunerations are to be assigned at once.

Employee compensations are assigned in the form of stocks or cash; the decision is to be made by the Board of Directors in its meeting attended by two-thirds (2/3) of all directors with the consent from a majority of the attending directors and shall be presented in the shareholders' meeting.

#### **Article 36**

In order to continue expanding its scale and increase profitability and to take care of applicable laws and regulations, the company adopts the residual dividend policy.

In cases of after-tax earnings with annual accounts of the company, cumulative losses from prior years should be filled before the legal reserve is appropriated and the special reserve may be set aside or reversed as required by law and to meet operational needs. For the remainder along with earnings from the previous fiscal year yet to be distributed, as available earnings for distribution. Proposing the appropriation ranging from 30% to 100% of the available earnings for distribution, the Board of Directors shall prepare the earnings distribution proposal and submit it in the shareholders' meeting for a decision on whether to assign dividends to shareholders or to keep the remainder and the earnings.

For the assignment of dividends for shareholders indicated in the preceding paragraph, cash dividends may not be lower than 10% and the remainder shall be stock dividends. If it is short of 0.1 for the cash dividend to be assigned per share, no assignment will be done unless it is decided otherwise in the shareholders' meeting.

### **Chapter VIII Supplementary Provisions**

#### **Article 37**

Rules governing the organization of the Corporation as well as other important bylaws shall be prescribed separately.

**Article 38**

Matters not stipulated herein shall be governed by the Financial Holding Company Act, by the Company Act, and by applicable law.

**Article 39**

This Articles of Incorporation enters into force after the approval of the shareholders' meeting. The same procedure applies to the amendment of the Articles.

**Article 40**

This Articles of Incorporation was agreed upon and signed on June 24, 2011.

First amended on June 22, 2012;

Second amended on June 21, 2013;

Third amended on June 20, 2014;

Forth amended on June 24, 2016;

Fifth amended on June 16, 2017;

Sixth amended on June 21, 2019;

Seventh amended on June 24, 2020;

Eighth amended on June 17, 2022;

Ninth amended on June 16, 2023;

Tenth amended on June 21, 2024;

Eleventh amended on June 20, 2025.

*Disclaimer: This document is a translation from the Chinese version. In the case for any discrepancy the original document shall supersede this version*