

# **Taiwan Cogeneration Corporation**

## **Articles of Incorporation**

### **Chapter I General Provisions**

- Article 1 The Corporation is incorporated as a company limited by shares in accordance with the Company Act and other applicable laws of the Republic of China in the name of 台灣汽電共生股份有限公司 in Chinese or Taiwan Cogeneration Corporation in English.
- Article 2 The Corporation shall conduct business in the following areas:
- (1) D101050 Combined Heat and Power
  - (2) D101040 Non-Public Electric Power Generation
  - (3) D401010 Thermal Energy Supply
  - (4) IG03010 Energy Technical Services
  - (5) E601010 Electric Appliance Construction
  - (6) I102010 General Investment Consulting
  - (7) I103060 Management Consulting
  - (8) F401010 International Trade
  - (9) E604010 Machinery Installation
  - (10) JE01010 Rental and Leasing
  - (11) IF02010 Electricity Equipment Checking and Maintenance
  - (12) E603050 Automatic Control Equipment Engineering
  - (13) F113020 Wholesale of Electrical Appliances
  - (14) F113010 Wholesale of Machinery
  - (15) F113030 Wholesale of Precision Instruments
  - (16) EZ05010 Instrument and Meters Installation Engineering
  - (17) E603040 Fire Safety Equipment Installation Engineering
  - (18) E603090 Lighting Equipments Construction
  - (19) J101030 Waste Disposing
  - (20) J101040 Waste Treatment
  - (21) E599010 Piping Engineering
  - (22) E502010 Fuel Catheter Installation Engineering
  - (23) E603010 Cable Installation Engineering
  - (24) All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The company is located in Taipei City, Republic of China, and may establish its branch office, representative office, or factory anywhere domestically or overseas as required.
- Article 4 The Corporation shall make public announcements by publishing announcement in the conspicuous location of daily news in the municipalities or local counties (cities) where the Corporation is located, except as otherwise specified by the securities management authorities.
- Article 5 The Corporation may provide guarantee for and lend to a third party for business purpose in accordance with the regulations for endorsements, guarantees and lending of the Corporation and the Company Act. The regulations for endorsements, guarantees and lending shall be established by the Board of Directors and approved by the meeting of shareholders.
- Article 6 The total amount of the Corporation's reinvestments shall not be subject to the

restriction of not more than forty percent (40%) of the Corporation's paid-in capital as provided for in Article 13 of the Company Act. Matters regarding reinvestments shall be proceeded in accordance with the resolutions of the Board of Directors.

## Chapter II Shares

- Article 7 The total authorized capital of the Corporation is New Taiwan Dollar Ten Billion (NT\$10 billion) divided into one billion (1,000,000,000) shares with a par value at New Taiwan Dollar Ten (NT\$10) each. The board of directors is authorized to issue such shares in common stocks in a series of issuance.
- Article 8 The stocks of the Company shall be signed or sealed by a Director who represents the Company, numbered, and issued after being certified by a bank that can be the certifier of stock issuance according to the law. For the public issuance of the stocks of the Company, the printing of such stocks may be exempted after they are registered with a centralized securities depository enterprise.
- Article 9 The stocks of the Company shall be signed or sealed by a Director who represents the Company, numbered, and issued after being certified by a bank that can be the certifier of stock issuance according to the law. For the public issuance of the stocks of the Company, the printing of such stocks may be exempted after they are registered with a centralized securities depository enterprise.
- Article 10 After a stock is lost or extinguished, the shareholder or legal holder shall report to the law enforcement agency and complete the lost stock report and submit it to the Corporation for examination and registration. This shareholder or legal holder shall also apply for public summons to the jurisdiction district court in accordance with the procedure for public summons in the Taiwan Code of Civil Procedure. After the ex-right judgement, this shareholder or legal holder shall apply for the reissuance of the lost stock to the Corporation with the court decision.
- Article 11 When re-issuing stocks for ownership transfer or lost/extinguished stocks, the Corporation may charge an appropriate fee adequate for printing the stock.
- Article 12 Shareholders shall complete their real name and address, affix their personal seals to the signature specimen card, and submit the photocopy of their identity card (corporate shareholders shall submit the photocopy of the company license and business registration certificate issued by the Ministry of Economic Affairs and the photocopy of the identity card of the statutory representative and his/her signature specimen card) to the Corporation or the shareholder services agent for cross examination when shareholders collect their dividends or exercise their rights. The same shall apply to any change of such.
- Article 13 Shareholders shall immediately notify the Corporation in writing when they lost their seal of the previous Article registered at the Corporation. Shareholders shall also bring the original copy of any identity documents and the new seal to the Corporation to register their new seals. When shareholders assign an agent to register their new seals, apart from bringing the original copy of the identity documents, the new seal, and a power of attorney of the shareholder, the agent shall also bring the original copy of their own identify card and personal seal to register the new seal for the shareholder.
- Article 14 Registration for transfer of shares shall be suspended sixty (60) days prior to the date of the annual general shareholders meeting, thirty (30) days prior to the date of a provisional meeting of shareholders, or within five (5) days prior to the day on

which dividend, bonus, or any other benefit is scheduled to be paid by the Corporation.

Article 15 Matters not provided for in this section shall be implemented in accordance with the Company Act and the Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by the competent authorities.

### Chapter III Meetings of Shareholders

Article 16 Meetings of shareholders include the following two types:

1. the annual general shareholders meeting; and
2. the provisional meeting of shareholders.

The former shall be convened once a year within six (6) months after the end of each accounting year; and the latter shall be convened according to the law where necessary.

Shareholders meeting may be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 17 Written notices shall be sent to all shareholders at the last known address registered at the Corporation at least thirty (30) days prior to the annual general shareholders meeting and at least fifteen (15) days prior to the provisional meeting of shareholders. The reasons for calling a meeting of shareholders shall be specified in the written notice.

Article 18 Except as otherwise a higher percentage is specified in the Company Act, a meeting of shareholders shall be called to order if attended by shareholders representing over half of the total issued shares, and resolutions shall be adopted by a majority of the votes held by shareholders present at the meeting.

Article 19 Each share of stock shall be entitled to one vote.

Article 20 Where a shareholder is unable to attend a meeting of shareholders, he/she may assign a proxy to attend the meeting and exercise, all rights at the meeting on his/her behalf in accordance with Article 177 of the Company Act. A proxy does not need to be a shareholder of the Corporation.

Article 21 When a meeting of shareholders is convened by the Board of Directors, the chairman of the board shall preside on that meeting of shareholders. Where the chairman is unable to carry out his duty, he shall designate a director to act on his behalf. Where the chairman does not appoint an agent, directors shall elect one from amongst themselves to act on behalf of chairman. Where a meeting of shareholders is convened by a party with the power to convene that is not the BOD, the meeting shall be chaired by this party. When there are two parties, elect one to be the chairperson.

Article 22 The resolutions made by the meeting of shareholders shall be recorded in the minutes. After the chairman of the Corporation or the chairman of the meeting of shareholders signs the minutes, such minutes shall be distributed to all shareholders. The distribution of the minutes may be replaced by public announcements. In addition, such minutes shall be retained permanently during the existence of the Corporation.

## Chapter IV Directors and Functional Committee

- Article 23 The The Company has 13 Directors who are elected by the shareholders' meeting from among capable persons, and the number of Independent Directors shall be no less than three persons and no less than one-fifth of the number of Directors. The candidate nomination system is adopted for the election of Directors of the Company, and the shareholders' meeting shall elect them from the list of candidates. Independent Directors and non-Independent Directors shall be elected together; however, the elected quota shall be calculated separately. The total shares under the registered shares held by all Directors shall be no less than the ratio stated in the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies." The Company has established its Audit Committee in accordance with the Securities and Exchange Act, which consists of all Independent Directors. The exercise of the powers of the Audit Committee and its members and relevant matters are subject to the requirements of the competent authority for securities. The Company may establish other functional committees. The number of members, term of office, and powers of the committee shall be stipulated in the charter and implemented by the resolution of the Board.
- Article 24 The term of each director is three (3) years. They shall be elected by the meeting of shareholders by the law. The Board of Directors shall buy liability insurance for the directors of the Corporation.
- Article 25 Directors shall elect from amongst themselves a chairman with the consent of over half of directors at a board meeting attended by over two-third of all directors.
- Article 26 Externally, the chairman represents the Corporation, and internally, he presides on the meeting of shareholders and board meetings, and administers corporate business in accordance with the law, the articles of incorporation of the Corporation, and the resolutions made by the meeting of shareholders and board meetings.
- Article 27 Except for the first board meeting of every term of the newly established board of directors which shall be convened by the director with the majority votes in the election, board meetings shall be convened by the chairperson of the board. The convener shall also notify all directors of the date, place, and agenda of the board meeting by mail or email at least seven (7) days in advance. However, the board may convene a provisional board meeting at any time.
- Article 28 The chairman shall chair the board meeting. Where the chairman is unable to carry out his duty, he shall designate a director to act on his behalf. Where the chairman does not appoint an agent, directors shall elect one from amongst themselves to act on behalf of chairman.
- Article 29 The Board of Directors shall convene a board meeting at least once a quarter. Except as otherwise a higher percentage is specified by the Company Act or the Articles of Incorporation, the following board meetings shall be called to order with the attendance of over half of all directors, and resolutions shall be made by over half of the directors attended the meeting.
1. Proposal for dissolution and liquidation of the company or merger with other companies.
  2. Proposal for procurement of major assets of the Corporation.
  3. Appointment, discharge, and remunerations of managerial officers.
  4. Proposal for the amendment of the Articles of Incorporation.

5. Proposal for profit distribution or covering up deficits.
  6. Production of the budget and final accounting of the Corporation.
  7. Approval for re-investments in other businesses.
  8. Establishment and withdrawal of branches.
  9. Application for the approval of public offering or listed at the OTC or stock market.
  10. Approval, revision, and termination of suggestions or expansion investment projects.
  11. The acquisition, transfer, and licensing of special technology and patent rights and the approval, revision, and termination of the technological cooperation contracts.
  12. Proposal for capital increase or reduction.
  13. Approval of contracts with a certain term or a certain credit or value.
  14. Approval of capital expenditures over a certain credit or value within the approved budget or over a certain amount outside of the credit or value outside of the approved budget. For expenditure of the same purpose, do not break down the cost and disburse without prior notice.
  15. Approval of the regulations for endorsements, guarantees, and lending of the Corporation.
  16. Approval of the Corporation's application to the bank for financing, guarantee, acceptance, and other lending and loans, and advances complying with Article 15 of the Company Act at a certain credit or value.
  17. Determination or revision of the term, credit, and value specified in items 13-16.
  18. Proposal for the pawning, sale, lease, pledge, mortgage, or other forms of disposal of the Corporation's major property or assets.
  19. Appointment, discharge, and fees for CPAs and permanent legal advisors.
  20. Approval and correction of the Corporation's organization system.
  21. Approval and amendment of major company regulations and documents.
  22. Approval of the regulations governing transactions with affiliates or their shareholders, directors, or relatives.
  23. Authority assigned by the law or resolutions made by the meeting of shareholders.
- Article 30 A director may authorize another director to represent him/her at a board meeting by written authorization. Such authorization may include exercising the voting rights of the assignor for all proposals discussed at the board meeting. Each director shall only represent one other director at a board meeting.
- Article 31 The resolutions made by the board meeting shall be recorded in the minutes. After the chairman of the Corporation or the chairman of the board meeting signs the minutes, such minutes shall be distributed to all directors. Minutes may be distributed electronically. In addition, such minutes shall be retained permanently during the existence of the Corporation.
- Article 32 The board of director may have several secretaries or assistants to keep custody of the minutes of board meetings and meetings of shareholders and important documents and contracts.

## Chapter V Managerial Officers

- Article 33 The Corporation shall have one general manager and several vice general managers and department/division heads. The chairman shall nominate the general manager, and the general manager shall nominate vice general managers and department/division heads. In addition to the provisions specified in Article 29, the appointment, discharge and compensations shall be subject to Article 29 of the Company Act.
- Article 34 The general manager shall administer the business of the Corporation according to the chairman's order and supervise, execute, and administer the operations of the Corporation. Vice general managers shall assist the general manager to carry out his/her duties.

## Chapter VI Financial Statements

- Article 35 The account year of the Corporation begins on January 1 and ends on December 31 in the same year. After the end of each accounting year, the Board of Directors shall produce the following reports and submit them to the meeting of shareholders for adoption.
1. Business report.
  2. Financial statements.
  3. Proposal for profit distribution or covering up deficits.
- Article 36 If the Company records profits of the year, it shall allocate no less than 0.5% and no more than 1% of such profits as the remuneration of employees and the remuneration of Directors, respectively, and the appropriation ratio of remuneration of Directors may not be higher than the appropriation ratio of remuneration of employees. However, if the Company has accumulated losses, the amount shall be preserved for compensation, and the remuneration of employees and Directors shall be calculated based on the balance. 1% of the remuneration of employees shall be distributed to non-executive employees, and the remaining part shall be distributed to all employees.
- The remuneration of employees in the preceding paragraph may be made in stock or cash and shall be reported to the shareholders' meeting after being resolved by the Board. The distribution of the remuneration of employees shall be subject to the regulations for the distribution of the Company's remuneration of employees, and the distribution counterparties may include employees of subordinates in which the Company holds 100% shareholding.
- Article 37 Each accounting year after the annual closing of books, after deducting accumulative deficits from the net profit, the Corporation shall first appropriate 10% of the balance as the legal reserve before reverting the balance to special reserves according to the laws and regulations or the rules of competent authorities. If there is still a balance, it shall be combined with the unappropriated retained earnings at the beginning of the year for the BOD to draw up the proposal of profit distribution at no less than 70% of distributable profit and submit the proposal to the annual general shareholders meeting for resolution.
- When drawing up the dividend policy, the Corporation shall determine the type and amount of profit allocation according to the potential of business growth, the need for sustainable development, the consideration of capital expenditures, the

Corporation's medium- and long-term planning and financial stability. Shareholder dividends include stock dividends and cash dividends and shall be distributed based on the dividend equalization policy. This shall include cash dividends of no less than 20% of the total amount of dividends, and the remaining part shall be distributed in stock dividends. Where there are new major investment products valued NT\$300 million or higher and there are no other fund sources, the Corporation may report to the annual general shareholders meeting to reduce the ratio of distribution of cash dividends to 0-19% and distribute the remaining part in stock dividends. When the amount of legal reserve described above has reached the paid-in capital of the Corporation, no profit will be allocated anymore.

- Article 38 The board of directors is authorized to discuss and determine the remunerations for directors according to their involvement in the Corporation's operations, their contributions to the Corporation, and the general level in the same industry. Directors may claim travel allowance each month. The board of directors shall determine the amount of the travel allowance. Shareholders or directors of the Corporation who are concurrently a managerial officer or employee of the Corporation shall be paid according to general employees.

## Chapter VII Addenda

- Article 39 Matters not provided for herein shall be subject to the law of the Republic of China.
- Article 40 This Articles of Incorporation was established by all initiators on April 14, 1992 and can be amended with the resolution made by the meeting of shareholders.
- Article 41
- 1<sup>st</sup> amendment was made on September 20, 1995.
  - 2<sup>nd</sup> amendment was made on January 28, 1997.
  - 3<sup>rd</sup> amendment was made on June 25, 1998.
  - 4<sup>th</sup> amendment was made on December 29, 1998.
  - 5<sup>th</sup> amendment was made on June 21, 2000.
  - 6<sup>th</sup> amendment was made on October 12, 2000.
  - 7<sup>th</sup> amendment was made on October 12, 2000.
  - 8<sup>th</sup> amendment was made on June 27, 2002.
  - 9<sup>th</sup> amendment was made on June 19, 2003.
  - 10<sup>th</sup> amendment was made on June 18, 2004.
  - 11<sup>th</sup> amendment was made on June 24, 2005.
  - 12<sup>th</sup> amendment was made on June 28, 2007.
  - 13<sup>th</sup> amendment was made on June 16, 2009.
  - 14<sup>th</sup> amendment was made on June 22, 2011.
  - 15<sup>th</sup> amendment was made on June 20, 2012.
  - 16<sup>th</sup> amendment was made on June 21, 2013.
  - 17<sup>th</sup> amendment was made on June 27, 2016.

18<sup>th</sup> amendment was made on June 21, 2017.

19<sup>th</sup> amendment was made on June 20, 2019.

20<sup>th</sup> amendment was made on June 26, 2023.

21<sup>th</sup> amendment was made on May 29, 2025.