

**Fu Chun Shin Machinery Manufacture Co., Ltd.**  
**Regulation Governing Procedure for Board of**  
**Directors Meeting**

Article 1 : To establish a strong governance system and sound supervisory capabilities for this Corporation's Board of Directors, and to strengthen management capabilities, these Rules are adopted pursuant to Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies and the Company Act.

Article 2 : The proceedings of the Company's Board of Directors shall be handled in accordance with these rules unless otherwise stipulated by law.

Article 3 : The Company's Board of Directors shall convene at least once every quarter. The notice of the meeting shall state the matters to be discussed and shall be sent to all directors in writing, by email, or by fax, at least seven days before the meeting. In emergency circumstances, however, a meeting may be called on shorter notice.

The designated unit for board meetings shall be the finance department.

The designated unit shall prepare the agenda for the Board of Directors meetings and provide comprehensive pre-meeting materials, which shall be sent together with the notice of the meeting.

The matters listed in the first paragraph of Article 12 shall be stated in the meeting agenda unless there is an emergency or a legitimate reason. Temporary motions are not allowed for these matters.

Article 4 : The Company's regular board meetings shall be

planned and the agenda formulated by the Board or its authorized unit after soliciting opinions from all directors. The meeting notice and sufficient meeting materials shall be sent to all directors in accordance with the time stipulated in the preceding article.

A director of the opinion that the pre-meeting materials provided are insufficiently comprehensive may request the agenda working group to supplement the materials. If a director is of the opinion that materials concerning any proposal are insufficient in content, the deliberation of such proposal may be postponed by a resolution of the board of directors.

Article 5 : At each Board of Directors meeting, an attendance book shall be prepared for directors to sign and kept for future reference.

All board directors shall attend board meetings in person; if attendance in person is not possible, they may, pursuant to the company's articles of incorporation, appoint another director to attend as their proxy. Attendance via tele- or video-conference is deemed as attendance in person.

A director appointing another director to attend a board meeting in his or her place shall in each case give to that director a written proxy stating the scope of authorization with respect to the reasons for meeting.

A proxy in the preceding paragraph may accept a proxy from one person only.

Article 6 : A board of directors meeting shall be held at the location and during the business hours of the company. However, if necessary for business purposes, the meeting may be held at another location or time that is

convenient for the directors and suitable for the board meeting.

Article 7 : Where a meeting of the board of directors is called by the chairperson of the board, the meeting shall be chaired by the chairperson. However, where the first meeting of each newly elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting.

Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

If the Chairperson is on leave or unable to fulfill their duties, the Vice Chairperson shall act in their place. If there is no Vice Chairperson, or the Vice Chairperson is also on leave or unable to act, a Managing Director designated by the Chairperson shall act in their place. If no such designation is made, a Managing Director or Director shall be elected by and from among the directors.

Article 8 : When the Board of Directors convenes, the relevant departments (or the Secretariat of the Board) shall prepare necessary documents for review by the directors during the meeting.

During the meeting, personnel from relevant departments or subsidiaries shall attend to report on

the company's business status and respond to directors' inquiries, assisting the directors in making appropriate resolutions. Accountants, lawyers, or other professionals may also be invited to attend the meeting and provide professional opinions for the Board's reference. However, such professionals shall leave the meeting during discussions and voting. Supervisors attending the board meeting to express opinions may participate in the discussion of the agenda but do not have voting rights on matters within the exclusive authority of the Board of Directors.

**Article 9 : (Documentation of a board meeting by audio or video)**

The company shall record on audio or video tape the entire proceedings of a board of directors meeting, and preserve the recordings for at least five years, in electronic form or otherwise.

If before the end of the preservation period referred to in the preceding paragraph any litigation arises in connection with a resolution of a board of directors meeting, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded.

Where a board of directors meeting is held via tele- or video conferencing, the audio and visual documentation of the meeting form a part of the meeting minutes and shall be well preserved during the existence of the company.

**Article 10 : When the meeting time arrives and less than half of the directors are present, the chairperson may announce a postponement of the meeting on the same day, with a limit of two postponements. If the quorum is still not met after two postponements, the chair may re-convene the meeting**

following the procedures provided in Article 3, paragraph 2. The term "all board directors " as used in the preceding paragraph and in Article 18, paragraph 2, subparagraph 2 shall be calculated as the number of directors then in office.

Article 11 : (Agenda items)

Agenda items for regular board meetings of this Corporation shall include at least the following:

1. Reports Matters to be reported:
  - A. Minutes of the last meeting and actions arising Minutes of the last meeting and action taken.
  - B. Important financial and business matters.
  - C. Internal audit activities.
  - D. Other important matters to be reported.
2. Matters for discussion:
  - A. Items for continued discussion from the last meeting.
  - B. Items for discussion at this meeting.
3. Extraordinary motions.

Article 12 : Proposals discussed by the Board of Directors should, in principle, proceed according to the agenda outlined in the meeting notice. However, the order may be changed with the approval of a majority of directors present at the meeting.

The meeting chair may not declare the meeting closed without the approval of a majority of directors present at the meeting.

If at any time during the proceedings of a board of directors meeting the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chair shall declare a suspension of the meeting, in which case

paragraph 1 of the article 10 shall apply mutatis mutandis. During the proceedings of a board meeting, if the chair is unable to chair the meeting or fails to declare the meeting closed as provided in paragraph 2, the provisions of Article 7, paragraph 3 shall apply mutatis mutandis to the selection of the deputy to act in place thereof.

Article 13 : The company shall submit the following items for discussion by the board of directors:

1. The Corporation's business plan.
2. Annual financial reports, and financial reports for the second quarter, audited and attested by a certified public accountant (CPA).
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act (the "Act").
4. Adoption or amendment, pursuant to Article 36-1 of the Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of any equity-type securities.
6. The appointment or discharge of a financial, accounting, or internal audit officer.
7. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.

8. Any matter required by Article 14-3 of the Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or board of directors meeting, or any such significant matter as may be prescribed by the competent authority.

The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means any individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.

The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

For foreign companies whose stock has no par value or a par value other than NTD10, the "5 percent of paid-in capital" in paragraph 2 above shall be calculated instead as 2.5 percent of shareholder equity.

If a company has an independent director or directors, at least one independent director shall attend each meeting in person. In the case of a meeting concerning any matter required to be submitted for a resolution by the board of directors under paragraph 1, each independent director shall

attend in person; if an independent director is unable to attend in person, he or she shall appoint another independent director to attend as his or her proxy. If an independent director expresses any objection or reservation about a matter, it shall be recorded in the board meeting minutes. An independent director intending to express an objection or reservation but unable to attend the meeting in person shall, unless there is some legitimate reason to do otherwise, issue a written opinion in advance, which shall be recorded in the meeting minutes.

Article 14 : After the attending directors have expressed their opinions, the chairperson may personally or appoint relevant personnel to respond, or designate professional attendees to provide necessary information.

If a director repeatedly speaks on the same issue or speaks beyond the agenda, affecting the speaking opportunities of other directors or obstructing the proceedings, the chairperson may stop them from continuing.

Article 15 : When the chair at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.

When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.

One voting method for proposals at a board meeting shall be



selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:

- 1.A show of hands or a vote by voting machine.
- 2.A roll call vote.
- 3.A vote by ballot.
- 4.A vote by a method selected at this Corporation's discretion.

"Attending directors," as used in the preceding two paragraphs, does not include directors that may not exercise voting rights pursuant to Article 17.

Article 16 : Except as otherwise stated in the Company Act or in the Articles of Incorporation, a resolution on a matter at a board of directors meeting requires the approval of a majority of the directors present at the meeting that shall be attended by a majority of all directors.

When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If any one among them is passed, the other proposals shall then be deemed rejected, and no further voting on them shall be required.

If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.

Voting results shall be made known on-site immediately and recorded in writing.

Article 17 : Directors or the representatives of legal entities shall

abstain from deliberating or voting on the following matters, and shall not act as a proxy to exercise the voting rights of other directors:

1. Matters in which they themselves or the legal entities they represent have a conflict of interest that could harm the Company's interests. If a director's spouse, relatives within the second degree of kinship, or companies that have a controlling or subordinate relationship with the director have a conflict of interest regarding the matter, the director shall be deemed to have a personal conflict of interest in the matter.

2. A director who believes they should recuse themselves may do so voluntarily.

3. When the Board of Directors resolves that recusal is necessary.

The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 4 of that Act, apply to resolutions of board of directors meetings when a director is prohibited by the preceding paragraph from exercising voting rights. °

Article 18 : Discussions at a board meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

1. The meeting session (or year) and the time and place of the meeting.

2. The name of the chair.

3. The directors' attendance at the meeting, including the names and the number of directors in attendance, excused, and absent.

4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: the method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director pursuant to Article 13, paragraph 5.
8. Extraordinary motions: The name of the mover, the method of resolution and the result, a summary of the comments of any director, expert, or other person; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; and their objections or reservations and any recorded or written statements.
9. Other matters required to be recorded.

The occurrence of any of the following circumstances, with respect to a resolution passed at a board meeting, shall be stated in the meeting minutes and shall be publicly

announced and filed on the website of the Market Observation Post System designated by the Financial Supervisory Commission, within 2 days from the date of the meeting:

1. Any objection or expression of reservations by an independent director expresses of which there is a record or written statement.
2. A resolution is adopted with the approval of two-thirds or more of all directors, without having been passed by the audit committee of this Corporation.

The attendance book constitutes part of the minutes for each board meeting and shall be retained for the duration of the existence of this Corporation.

The meeting minutes of paragraph 1 may produced and distributed in electronic form.

The summary of the agenda of each proposal, the directors' objections, the voting method, and the result shall be accurately recorded according to relevant regulations. The minutes of a board meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director and supervisor within 20 days after the meeting.

When the Board of Directors discusses matters such as the acquisition or disposal of assets, engaging in derivative transactions, lending funds to others, or providing endorsements or guarantees for major financial operations, sufficient consideration should be given to the opinions of the audit committee or independent directors. Their agreement or objection,

along with the reasons, shall be recorded in the meeting minutes.

The minutes of a board of directors meeting shall be preserved as important company records during the existence of the company.

Article 19 : When the Board of Directors, in accordance with the Company's Articles of Incorporation, authorizes the Executive Board or the Chairman to exercise the powers of the Board of Directors during recesses, the scope of authorization shall be specific and not general. Matters involving significant interests of the Company must still be resolved by the Board of Directors.

The Board of Directors may refer a proposal to a functional committee for preliminary deliberation before it is reported to or discussed by the Board of Directors, depending on the nature of the proposal.

Article 20 : The regulation shall be enforced upon resolution by a shareholders' meeting. The same shall apply where the regulation are amended.

Article 21 : This regulation were enacted on September 08, 2003.

1st amendments hereto were made on December 27, 2006.

2nd amendments hereto were made on June 17, 2010.

3rd amendments hereto were made on December 21, 2012.

4th amendments hereto were made on November 10, 2017.

5th amendments hereto were made on March 16, 2022.

6th amendments hereto were made on August 9, 2024.