

# **Fu Chun Shin Machinery Manufacture Co., Ltd.**

## **Codes of Ethical Conduct**

### **Article 1: Purpose of and basis for adoption**

This Code is established to ensure that the conduct of the Company's directors and managerial personnel (including the General Manager and persons of equivalent rank, Deputy General Managers and persons of equivalent rank, Assistant General Managers and persons of equivalent rank, the heads of the financial department, heads of the accounting department, and any other individuals who handle the Company's affairs and have the authority to sign on behalf of the Company) as well as all employees comply with ethical standards. It also aims to enhance the understanding of the Company's stakeholders regarding the corporate ethical norms of the Company. This Code is established in accordance with the "Sample Template for the Code of Ethical Conduct for TWSE/GTSM Listed Companies" to serve as a guideline.

### **Article 2: Applicable Scope**

This Code applies to the Company's directors and managerial personnel (including the General Manager and persons of equivalent rank, Deputy General Managers and persons of equivalent rank, Assistant General Managers and persons of equivalent rank, heads of the financial department, heads of the accounting department, and any other individuals who handle the Company's affairs and have the authority to sign on behalf of the Company) as well as all employees (hereinafter referred to as "Company Personnel").

### **Article 3: The Code covers the following eight key aspects:**

#### **1.Prevention of conflicts of interest:**

Company Personnel shall conduct their duties in an objective and efficient manner and avoid using their positions within the

Company to obtain improper benefits for themselves, their spouses, or relatives within the second degree of kinship.

When any affiliated enterprise of the aforementioned personnel is involved in situations such as loans, guarantees, major asset transactions, or procurement (sales) transactions with the Company, Company Personnel must proactively disclose any potential conflicts of interest with the Company and obtain prior consent from the Company.

## 2. Minimizing incentives to pursue personal gain:

Company Personnel have a duty to maximize the legitimate and proper benefits that the Company can achieve.

Company Personnel shall avoid the following actions :

- (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.

## 3. Confidentiality:

Employees of the company shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its suppliers and customers, except when authorized or required by law to disclose such information.

Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company or the suppliers and customers.

## 4. Fair trade:

Employees of the company shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain 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.

5. Safeguarding and proper use of company assets:

Employees of the Company have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the Company's profitability.

6. Legal compliance:

Company Personnel shall comply with the relevant Company policies, and adhere to the Securities and Exchange Act and other applicable laws and regulations.

7. Encouraging reporting on illegal or unethical activities:

The company shall raise awareness of ethics and encourage employees to report to a company audit committee, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct.

To encourage reporting of illegal activities, the Company allows anonymous reports and informs employees that the Company will make every effort to protect whistleblowers from retaliation.

8. Disciplinary measures:

When Company Personnel violate this Code, the Company shall, depending on the severity of the circumstances, take appropriate disciplinary actions and shall without delay disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, the reasons for the violation, the provisions of the Code that were violated, and the disciplinary actions taken.

Article 4: Procedures for exemption

Any waiver of the application of this Code for directors or managerial personnel must be approved by the Board of Directors and immediately disclosed on the Market Observation

Post System (MOPS), including the date of approval by the Board, any objections or reservations expressed by independent directors, the duration of the waiver, the reason for the waiver, and the provisions of this Code that were waived, to allow shareholders to assess the appropriateness of the Board's decision. This is intended to prevent arbitrary or questionable waivers of compliance with the Code and to ensure that any waiver is properly controlled to protect the Company.

#### Article 5: Method of disclosure

The company shall disclose the code of ethical conduct it has adopted, and any amendments to it, on its company website, in its annual reports and prospectuses and on the MOPS.

#### Article 6: Enforcement

The company's code of ethical conduct, and any amendments to it, shall enter into force after it has been adopted by the board of directors, delivered to each member of the audit committee and submitted to a shareholders' meeting.

#### Article 7: Revision History

This Code was established on December 25, 2015.

1st amendments hereto were made on March 16, 2022.