



Code of Business Integrity

1. Purpose and Scope of Application

To establish a corporate culture of integrity and ensure sound development, Dongtai Precision Machinery Co., Ltd. (hereinafter referred to as “the Company”) has formulated these Guidelines in accordance with the relevant provisions of the “Code of Integrity for Listed and OTC Companies” for compliance.

Except where such legal entities or institutions have already established their own internal rules regarding the Code of Ethical Business Conduct or related regulations, the scope of application of this Code extends to the Company’s subsidiaries, foundations in which the Company’s cumulative direct or indirect contributions exceed fifty percent, and other group enterprises and organizations over which the Company exercises substantive control (hereinafter referred to as “Group Enterprises and Organizations”).

2. Prohibition of Unethical Conduct

Directors, managers, employees, or persons with substantive control (hereinafter referred to as “persons with substantive control”) of the Company shall not, in the course of conducting business activities, directly or indirectly offer, promise, solicit, or accept any improper benefit, or engage in any other acts of dishonesty that violate integrity, are unlawful, or breach fiduciary duties, for the purpose of obtaining or maintaining benefits (hereinafter referred to as “acts of dishonesty”).

The recipients of the acts described in the preceding paragraph include public officials, political candidates, political parties or party officials, as well as any public or private enterprise or institution and its directors (council members), supervisors (auditors), managers, employees, persons with substantial control, or other stakeholders.

3. Types of Benefits

For the purposes of this Code, “benefit” refers to anything of value, including money, gifts, commissions, positions, services, preferential treatment, kickbacks, and the like, in any form or under any name. However, this does not apply to acts that fall within the scope of normal social etiquette, are occasional in nature, and pose no risk of affecting specific rights or obligations.

4. Compliance with Laws and Regulations

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The Company shall comply with the Company Act, the Securities and Exchange Act, the Business Accounting Act, the Political Donations Act, the Anti-Corruption Act, the Government Procurement Act, the Act on the Avoidance of Conflicts of Interest by Public Officials, regulations governing listings on the Taiwan Stock Exchange and the GreTai Securities Market, and other laws and regulations related to business conduct, as a fundamental prerequisite for implementing integrity in business operations.

5. Policy

The Company shall, based on the business philosophy of integrity, transparency, and accountability, formulate policies grounded in integrity, which must **be approved by the Board of Directors**, and establish sound corporate governance and risk management mechanisms to create a business environment conducive to sustainable development.

6. Prevention Measures

The integrity management policies formulated by listed and OTC-listed companies shall clearly and comprehensively set forth specific practices and measures to prevent unethical conduct (hereinafter referred to as “prevention measures”), including operational procedures, guidelines, and training programs.

When formulating prevention plans, listed and OTC-listed companies shall comply with.

In the process of formulating prevention plans, listed and OTC-listed companies should engage in communication with employees, labor unions, key business partners, or other stakeholders.

7. Scope of the Prevention Program

Listed and OTC-listed companies shall establish a mechanism for assessing the risk of dishonest conduct and regularly analyze and evaluate business activities

that carry a higher risk of dishonest conduct within their scope of business, formulate prevention plans based on such analysis, and periodically review the plan’s appropriateness and effectiveness.

Listed and OTC companies should formulate prevention plans with reference to generally accepted domestic and international standards or guidelines; such plans

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should, at a minimum, cover

preventive measures against the following acts:

1. Offering and accepting bribes.
2. Making illegal political contributions.
3. Improper charitable donations or sponsorships.
4. Offering or accepting unreasonable gifts, hospitality, or other improper benefits.
5. Infringement of trade secrets, trademark rights, patent rights, copyrights, and other intellectual property rights.
6. Engaging in unfair competition.

VII. Directly or indirectly harming the rights, health, or safety of consumers or other stakeholders' rights, health, and safety.

8. Commitment and Implementation

The Company's Board of Directors and management shall actively commit to implementing the policy of conducting business with integrity and shall ensure its strict enforcement in both internal management and external business activities.

9. Conducting Business Activities with Integrity

The Company shall conduct business activities in a fair and transparent manner based on the principle of integrity.

Prior to entering into business transactions, the Company shall assess the legitimacy of its agents, suppliers, customers, or other business partners and determine whether they are involved in any dishonest conduct, and shall avoid conducting transactions with parties engaged in such conduct.

Contracts entered into by the Company with third parties should include provisions requiring compliance with the Policy on Business Integrity and allowing for the termination or rescission of the contract at any time if the counterparty engages in dishonest conduct.

10. Prohibition of Bribery and Acceptance of Bribes

The Company, its directors, managers, employees, and persons exercising actual control shall not, in the course of conducting business, directly or indirectly offer, promise, solicit, or accept any form of improper benefit from customers, agents, contractors, suppliers, public officials, or other stakeholders.

11. Prohibition on Illegal Political Contributions

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The Company, its directors, managers, employees, and actual controllers shall comply with the Political Donations Act and the Company's internal procedures when making direct or indirect donations to political parties or organizations or individuals engaged in political activities, and shall not use such donations to seek commercial benefits or transactional advantages.

12. Prohibition on Improper Charitable Donations or Sponsorships

The Company, its directors, managers, employees, and actual controllers shall comply with relevant laws, regulations, and internal operating procedures regarding charitable donations or sponsorships and shall not use them as a disguised form of bribery.

13. Prohibition of Unreasonable Gifts, Hospitality, or Other Improper Benefits

The Company, its directors, managers, employees, and actual controllers shall not, directly or indirectly, provide or accept any unreasonable gifts, hospitality, or other improper benefits for the purpose of establishing business relationships or influencing business transactions.

14. Prohibition of Intellectual Property Infringement

The Company, its directors, managers, employees, and persons exercising substantial control shall comply with intellectual property laws and regulations, the Company's internal operating procedures, and contractual provisions; without the consent of the intellectual property rights holder, they shall not use, disclose, dispose of, damage, or otherwise infringe upon intellectual property rights.

15. Prohibition of Unfair Competition

The Company conducts its business activities in accordance with relevant competition laws and regulations and shall not fix prices, manipulate bids, restrict production volumes or quotas, or share or divide the market by allocating customers, suppliers, operating regions, or business categories.

16. Preventing Products or Services from Harming Stakeholders

The Company, its directors, managers, employees, and persons exercising actual control shall comply with relevant laws and international standards during the research and development, procurement, manufacturing, provision, or sale of products and services to ensure the transparency and safety of product and service information, thereby preventing products or services from directly or indirectly harming the rights,



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health, and safety of consumers or other stakeholders. Where there is sufficient evidence to suggest that the Company's products or services pose a risk to the safety and health of consumers or other stakeholders, the Company shall, in principle, immediately recall the affected batch of products or suspend the relevant services.

17. Organization and Responsibilities

The Company, its directors, managers, employees, and persons exercising actual control shall exercise the duty of care expected of a prudent manager, to ensure the Company prevents dishonest conduct, and shall review the effectiveness of its implementation and make continuous improvements at all times to ensure the implementation of the Integrity in Business Policy.

To strengthen the management of integrity in business operations, the Company shall designate a dedicated unit to formulate and oversee the implementation of the integrity policy and preventive measures. This unit shall primarily be responsible for the following matters and shall report to the Board of Directors on a regular basis (at least once a year):

1. Assist in integrating integrity and ethical values into the Company's business strategies and, in accordance with laws and regulations, establish measures to ensure relevant anti-fraud measures for ethical business operations.
2. Periodically analyze and assess the risks of unethical conduct within the scope of business operations, and based on this, formulate
, and establish job-related standard operating procedures and codes of conduct within each plan
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3. Plan the internal organizational structure, staffing, and responsibilities; for business activities within the scope of operations that carry a higher risk of dishonest conduct,
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- IV. Promote and coordinate training and awareness campaigns on the integrity policy.
5. Plan a whistleblower system and ensure its effective implementation.
6. Assist the Board of Directors and management in verifying and evaluating whether the preventive measures established to ensure integrity in business operations
operating effectively, and periodically assess compliance with relevant business processes and prepare reports.

18. Legal Compliance in Business Operations



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The Company, its directors, managers, employees, and persons exercising de facto control shall comply with legal regulations and preventive measures when conducting business.

19. Conflict of Interest

The Company shall prevent conflicts of interest, identify, monitor, and manage the risks of dishonest conduct that may result from conflicts of interest, and provide appropriate channels for directors, managers, and other stakeholders attending or observing Board meetings to proactively disclose any potential conflicts of interest with the Company. Detailed procedures shall be in accordance with the Company's Code of Ethical Conduct.

If a director, manager, or other stakeholder attending or observing a Board of Directors meeting has a material interest in an agenda item before the Board that benefits themselves or a legal entity they represent, they shall disclose the material details of such interest at that Board meeting. If there is a risk that such interest may harm the Company's interests, they shall not participate in the discussion or vote on the matter, shall recuse themselves from the discussion and voting, and shall not exercise voting rights on behalf of other directors. Directors shall also exercise self-discipline and shall not provide improper mutual support to one another.

The Company's directors, managers, employees, and persons exercising actual control shall not use their positions or influence within the Company to obtain improper benefits for themselves, their spouses, parents, children, or any other person.

20. Accounting and Internal Control

The Company shall establish effective accounting systems and internal control systems for business activities with a higher risk of dishonest conduct; it shall not maintain off-the-books accounts or secret accounts, and shall review these systems at all times to ensure that their design and implementation remain effective.

The Company's internal audit unit shall periodically audit compliance with the systems described in the preceding paragraph, prepare audit reports, and submit them to the Board of Directors; it may also appoint certified public accountants to conduct audits and, when necessary, engage professionals to assist.

21. Operating Procedures and Code of Conduct

The Company may establish operational procedures and a code of conduct for its



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program to prevent dishonest conduct, which shall specifically stipulate the matters that directors, managers, employees, and persons exercising substantial control must observe in the performance of their duties. The content shall include the following:

1. The offering or acceptance of benefits must be consistent with normal social customs, be occasional in nature, and pose no risk of affecting specific rights or obligations.
2. Procedures for making lawful political contributions.
3. Procedures and monetary standards for making legitimate charitable donations or sponsorships.
4. Provisions for avoiding conflicts of interest related to official duties, as well as procedures for their disclosure and resolution.
5. Confidentiality provisions regarding confidential and commercially sensitive information obtained in the course of business.

VI. Regulations

and procedures for handling such cases.

VII. Procedures for handling violations of the Corporate Integrity Code.

VIII. Disciplinary actions taken against violators.

22. Training and Evaluation

The Company's Chairman, General Manager, or senior management should regularly communicate the importance of integrity to directors and employees.

The Company should regularly conduct training and awareness programs for directors, managers, employees, and persons exercising substantial control to ensure they fully understand the Company's commitment to integrity, its policies, preventive measures, and the consequences of dishonest conduct.

The Company should integrate its business integrity policy with employee performance evaluations and human resources policies, and establish a clear and effective system of rewards and penalties.

23. Whistleblower System

The Company shall establish a specific whistleblowing system and ensure its proper implementation; the system shall cover at least the following

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1. Establish and publicize an internal, independent reporting email address, hotline, or entrust an external, independent organization to provide

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for use by both internal and external personnel.

2. Designate dedicated personnel or units to handle reports; where a report involves a director or senior management,

such reports shall be escalated to independent directors or supervisors; the Company shall also define the categories of reported matters and the corresponding

3. Establish follow-up measures to be taken after the investigation of a whistleblowing case is completed, based on the severity of the circumstances; where necessary,

, report to the competent authority or refer the matter to judicial authorities for investigation.

IV. Record and retain documentation regarding the acceptance of whistleblowing cases, the investigation process, investigation results, and the preparation of related documents.

5. Confidentiality of the whistleblower's identity and the content of the report, and the allowance of anonymous reports.

6. Measures to protect whistleblowers from unfair treatment as a result of their reports.

VII. Incentive measures for whistleblowers.

If the personnel or unit designated to handle whistleblower reports at a listed or OTC-listed company discovers, through investigation, a material violation or a situation where the company

the company is at risk of suffering significant harm, shall immediately prepare a report and notify the independent directors or supervisors in writing

24. Disciplinary and Grievance Systems

The Company shall clearly define and publish disciplinary and grievance procedures for violations of the integrity in business operations regulations, and shall promptly

disclose on the company's internal website information regarding the violator's job title, name, date of the violation, details of the violation, and

25. Information Disclosure

The Company shall disclose the implementation status of the Code of Business Integrity on its website, in its annual report, and in its prospectus, and shall disclose the contents of the Code of Business Integrity on the Taiwan Stock Exchange



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Corporation's Public Information Observation Station.

26. Review and Revision of the Code of Business Integrity

The Company shall keep abreast of developments in domestic and international regulations related to ethical business conduct and encourage directors, managers, and employees to submit suggestions. Based on these suggestions, the Company shall review and improve the Code of Ethical Business Conduct it has established to enhance the effectiveness of the Company's implementation of ethical business practices.

27. Implementation

This Code shall take effect upon approval by the Board of Directors and shall be submitted to the shareholders' meeting; the same applies to any amendments. Ethical Corporate Management Best Practice Principles When a listed or OTC-listed company submits the Code of Ethical Business Conduct to the Board of Directors for discussion in accordance with the preceding paragraph, it shall fully consider the opinions of each independent director and record any objections or reservations in the minutes of the Board meeting; if an independent director is unable to attend the Board meeting in person to express objections or reservations, he or she shall, unless there are valid reasons, submit a written opinion in advance, which shall be recorded in the minutes of the Board meeting.