

1. Purpose

These Management Regulations are hereby established to create a sound internal mechanism for the handling and disclosure of material information, to prevent the improper disclosure of such information, and to ensure that the Company and its insiders do not violate laws and regulations due to a lack of familiarity with them. These Regulations are hereby enacted for compliance.

2. Legal Basis

These Management Regulations are established in accordance with the “Guidelines for Publicly Traded Companies on the Establishment of Internal Control Systems” and the Company’s “General Provisions on Internal Control Systems.”

The Company’s management operations related to the prevention of insider trading, as well as the handling and disclosure of material information, shall comply with relevant laws and regulations, including the Securities and Exchange Act, and the rules of the securities exchange, and shall be conducted in accordance with the Company’s computer information system workflow regulations.

3. Scope of Application

The scope of application of these Administrative Measures refers to the persons listed in the following subparagraphs pursuant to Article 157-1, Paragraph 1 of the Securities and Exchange Act:

1. Directors, supervisors, and executives of the Company, as well as natural persons designated to act as representatives in accordance with Article 27, Paragraph 1 of the Company Act.
2. Shareholders holding more than 10% of the Company’s shares.
3. Persons who have obtained information by virtue of their professional capacity or a controlling relationship.
4. Persons who have ceased to hold the status described in the preceding three subparagraphs for less than six months.
5. Persons who have obtained information from persons listed in the preceding four subparagraphs.

Shares held by persons described in the first and second subparagraphs of the preceding paragraph include those held by their spouses, minor children, and persons holding shares in the name of others.

The persons referred to in the first and second subparagraphs of the preceding paragraph are deemed “insiders” under these Administrative Measures; those in the third and fourth subparagraphs are deemed “quasi-insiders”; and those in the fifth subparagraph are deemed “recipients of material information.”

4. Scope of Material Information

Pursuant to the “Regulations Governing the Scope of Material Information and Methods of Disclosure under Article 157-1, Paragraphs 5 and 6 of the Securities and Exchange Act,” the scope of material information is detailed as follows:

1. Information concerning a company’s finances or business operations that has a material impact on its stock price or a significant impact on the investment decisions of reasonable investors, referring to any of the following:
 1. Matters specified in Article 7 of the Enforcement Rules of the Securities and Exchange Act:
 1. Bounced checks due to insufficient funds, being placed on a blacklist, or other instances of loss of creditworthiness.
 2. Matters arising from litigation, non-litigation proceedings, administrative sanctions, administrative disputes, provisional relief proceedings, or enforcement proceedings that have a material impact on the company’s finances or business operations.
 3. A significant reduction in production or a total or partial suspension of operations; the leasing of the company’s factory premises or major equipment; or the pledging of all or a major portion of the company’s assets, where such events affect the company’s business operations.
 4. Any of the circumstances specified in Article 185, Paragraph 1 of the Company Law:
 - (1) Entering into, amending, or terminating a contract concerning the leasing of the entire business, entrusting management to a third party, or engaging in regular joint operations with another party.
 - (2) The transfer of all or a substantial portion of the business or assets.
 - (3) Acquiring another party’s entire business or property, where such acquisition has a material impact on the company’s operations.
 5. Where a court has issued a ruling prohibiting the transfer of the company’s shares pursuant to Article 287, Paragraph 1, Subparagraph 5 of the Company Law.
 6. A change in the chairman, general manager, or one-third or more of the directors.
 7. A change in the certified public accountant. However, this does not include changes resulting from internal reorganization within the accounting firm.
 8. The signing, amendment, termination, or rescission of important memoranda, strategic alliances, or other business cooperation plans; non-competition agreements; or important contracts; changes to the material content of business plans; the completion of new product development; the successful development of a tested product that has officially entered mass production; the acquisition of another enterprise;

or transactions involving the acquisition or transfer of patent rights, trademark rights, copyrights, or other intellectual property rights, where such events have a material impact on the company's finances or business operations.

9. Any other material events that could affect the Company's continued operations.
2. The Company conducts a major public offering or private placement of equity securities; a capital reduction; a merger; an acquisition; a spin-off; a share exchange, conversion, or transfer; or a direct or indirect investment plan; or there is a material change to any of the foregoing matters.
3. The Company undergoes reorganization, bankruptcy, or dissolution; applies to delist its shares or to terminate trading at a securities firm's business premises; or there are material changes to the foregoing matters.
4. Where a director of the Company is subject to a provisional ruling suspending the exercise of his or her duties, rendering the Board of Directors unable to exercise its powers, or where all independent directors of the Company are dismissed.
5. The occurrence of a disaster, mass protest, strike, environmental pollution, or other major event that causes significant damage to the Company, or an order by the relevant authorities to suspend operations, cease business, close down, or revoke or rescind relevant permits.
6. A related party of the company, a principal debtor, or a joint guarantor thereof has had a check dishonored, filed for bankruptcy, undergone reorganization, or experienced other similar material events; or the principal debtor for whom the company has provided an endorsement or guarantee is unable to repay matured bills, loans, or other debts.
7. The Company is subject to material internal control fraud, irregular transactions, or asset stripping.
8. The Company ceases some or all business dealings with a major customer or supplier.
9. The Company's financial reports fall under any of the following circumstances:
 1. Failure to make public announcements or filings in accordance with Article 36 of the Securities and Exchange Act.
 2. The prepared financial statements contain errors or omissions that require correction and restatement pursuant to Article 6 of the Enforcement Rules of the Securities and Exchange Act.
 3. The certified public accountant issues an audit or review report other than an unqualified opinion or a modified unqualified opinion. However, this provision does not apply where losses are amortized annually in

accordance with legal provisions, or where the first-quarter, third-quarter, or semi-annual financial reports are based on the calculation of long-term equity investments and related gains or losses using financial statements of the investee company that have not been audited or reviewed by a certified public accountant, and the certified public accountant has issued an audit or review report containing a qualified opinion.

4. The certified public accountant issues an audit or review report expressing significant doubt regarding the going concern assumption.
 10. There are material differences between publicly disclosed financial forecasts and actual results, or there are material differences between updated (positive) financial forecasts and the original forecast figures.
 11. The company's operating income or loss, or pre-tax income or loss, shows a significant change compared to the same period of the previous year, or a significant change compared to the preceding period that is not attributable to seasonal factors.
 12. The company has the following accounting matters that do not affect current-period profit or loss but result in a significant change in current-period net worth:
 1. Asset revaluation.
 2. Valuation of financial instruments at the end of the period.
 3. Foreign currency translation adjustments.
 4. Hedge accounting for financial instruments.
 5. Net losses not recognized as pension costs.
 13. Failure to achieve the funding plan for the repayment of corporate bonds.
 14. The company repurchases its own shares.
 15. Conducting or terminating a tender offer for securities issued by a publicly traded company.
 16. The company acquires or disposes of significant assets.
 17. The Company issues securities overseas, and a material event occurs that requires immediate public announcement or reporting in accordance with the laws and regulations of the country of listing and the rules of its securities exchange.
 18. Any other matters involving the company's finances or business that have a material impact on the company's stock price or a significant impact on the investment decisions of reasonable investors.
2. News involving the supply and demand of such securities or a tender offer that has a material impact on the stock price or a significant impact on the investment decisions of reasonable investors refers to any of the following:
 1. A tender offer is being conducted or has been terminated for securities traded on a centralized securities exchange or at a securities firm's business

premises.

2. A material change in the equity ownership of the company or its controlling entity.
 3. Any event or circumstance involving securities traded on a centralized securities exchange or at a securities firm's business premises, such as a tender offer, auction, material default in settlement, change in the original trading method, suspension of trading, restriction on trading, or termination of trading.
 4. When law enforcement officers conduct a search at the company, its controlling company, or a significant subsidiary as defined in Article 2-1, Paragraph 2 of the Rules Governing the Audit and Certification of Financial Statements by Certified Public Accountants.
 5. Any other event or circumstance involving the supply and demand of such securities in the market that has a material impact on the company's stock price or a significant impact on the investment decisions of reasonable investors.
3. News that materially affects the company's ability to pay principal and interest refers to any of the following:
1. Circumstances specified in Article 7, Paragraphs 1 through 3 of the Enforcement Rules of the Securities and Exchange Act:
 1. A bounced check due to insufficient funds, a notice of stop payment, or other circumstances indicating a loss of creditworthiness.
 2. Matters arising from litigation, non-litigation proceedings, administrative sanctions, administrative disputes, provisional relief proceedings, or enforcement proceedings that have a material impact on the company's finances or operations.
 3. A severe reduction in production or a total or partial suspension of operations; the leasing of the company's factory premises or major equipment; or the pledging of all or a major portion of the company's assets, where such events affect the company's business operations.
 2. Circumstances specified in subparagraphs (v) through (viii) of paragraph (1) of this Article, subparagraph (iv) of subparagraph (ix), and subparagraph (xiii).
 3. The company is undergoing reorganization, bankruptcy, or dissolution.
 4. The company has incurred significant losses, resulting in financial difficulties or a risk of suspension or cessation of business operations.
 5. The company's current assets, net of inventory and prepaid expenses, plus the net cash inflows expected before the maturity of corporate bonds, are insufficient to cover the principal or interest due in the near term or other current liabilities.

6. The issued corporate bonds bear interest at a variable rate, and fluctuations in market interest rates have resulted in a significant increase in interest expenses, thereby affecting the company's ability to pay principal and interest.
7. Any other circumstances that may affect the company's ability to pay principal and interest.

The provisions of the preceding paragraph shall not apply to corporate bonds issued by the company that are guaranteed by a bank.

5. Timing of the Occurrence of Material Information

Pursuant to Article 5 of the "Regulations Governing the Scope of Material Information and Methods of Disclosure under Article 157-1, Paragraphs 5 and 6 of the Securities and Exchange Act," the date on which material information arises shall be determined as the earlier of the date the event occurred, the date of agreement, the date of contract signing, the date of payment, the date of entrustment, the date of transaction, the date of transfer, the date of resolution by the Audit Committee or the Board of Directors, or any other date that can be clearly determined based on specific evidence.

6. Prohibited Trading Activities

1. Prohibited Trading Period: From the time a material fact becomes clear until it is publicly disclosed, or within 18 hours after public disclosure.
2. Prohibited Trading Instruments:
 1. Shares of listed companies and corporate bonds.
 2. Stocks (including OTC and Emerging Market stocks) and corporate bonds traded at securities firms' business premises.
 3. Other securities with equity characteristics, including convertible corporate bonds, corporate bonds with warrants, stock warrants, call (put) warrants, share subscription certificates, new share subscription rights certificates, new share rights certificates, bond-to-stock conversion rights certificates, Taiwan Depository Receipts, and other securities with equity characteristics.
3. When an insider has actual knowledge of information that would significantly affect the price of a company's stock, the insider may not, either personally or in the name of another person, buy or sell the securities subject to the trading prohibition specified in the preceding paragraph during the period when trading in such securities is prohibited.
4. Other Prohibited Conduct:
 1. Insiders shall not inquire of or collect material information unrelated to their personal duties from persons in possession of material non-public information.
 2. Persons in possession of material non-public information shall not engage in

the following acts:

1. Disclose material information to company employees whose duties are unrelated to such information;
2. Providing material information to family members, friends, or any other person;
3. Recommending that others trade in the Company's securities or futures contracts based on the Company's securities while in possession of material information, even if the material, non-public information known to the individual is not disclosed to such others.

Article 6-1: Persons listed in the subparagraphs of Article 3 shall not, from the date they become aware of the Company's financial reports or related performance information, trade the Company's shares during the blackout periods of 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of the quarterly financial report during the blackout periods of 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement

7. Confidentiality Procedures

1. Internal:

1. The Company's directors, supervisors, managers, and employees shall perform their duties with the care of a prudent manager and a duty of loyalty, in accordance with the principle of good faith, and shall sign a written declaration in accordance with their respective positions and job responsibilities to ensure full understanding of the provisions and the legal consequences of any violation.
2. Directors, supervisors, managers, and employees who have knowledge of the Company's material non-public information shall not disclose such information to others.
3. The Company's directors, supervisors, managers, and employees shall not inquire of or collect undisclosed material non-public information from persons who have access to such information if such information is unrelated to their official duties; nor shall they disclose to others any undisclosed material non-public information obtained through means other than the performance of their duties.

2. External Parties

Organizations or individuals outside the Company that participate in the Company's mergers and acquisitions, important memoranda of understanding, strategic alliances, other business cooperation plans, or the signing of important contracts shall sign confidentiality agreements and shall not disclose any material non-public information of the Company that they have become aware of to others.

8. Procedures for Handling Material Announcements

1. Disclosure Content and Personnel: Relevant operational procedures shall be carried out in accordance with the public information reporting procedures under the “Computer Processing Cycle.”
2. Method of Disclosure:
 1. News concerning the Company’s finances, operations, or the Company’s ability to pay principal and interest that has a material impact: Submit to the Public Information Observation Station.
 2. Information concerning the supply and demand of the relevant securities: Select one of the following three options
 1. Submit to the Public Information Observation Station.
 2. Announcement on the Taiwan Stock Exchange Corporation’s Basic Market Conditions Report website.
 3. Reports published daily in the non-local sections of two or more national newspapers, on national television news, or in e-newsletters published by the aforementioned media outlets.
3. Effective Date of Disclosure:
 1. For announcements posted on the Public Information Observation Station and the Basic Market Conditions Report website: Calculated from the time the data is uploaded and disclosed to the public.
 2. If the time of newspaper distribution, the first broadcast of a television news program, or the posting on an electronic website occurs later, the calculation begins from the later of these events. For the aforementioned newspaper distribution times, the morning edition is calculated from 6:00 a.m., and the evening edition from 3:00 p.m.

9. Establishment and Maintenance of Insider Records

The shareholder services department shall establish and regularly maintain records of insiders and shareholders holding more than 10 percent of the shares.

10. Reporting of Irregularities

If any director, supervisor, manager, or employee of the Company becomes aware of a leak of material inside information, they shall report it to the designated unit and the internal audit department as soon as possible.

Upon receiving the report referred to in the preceding paragraph, the designated unit shall formulate a response plan; if necessary, it may convene meetings with the internal audit department and other relevant departments to discuss the matter, and shall document the results of the response for future reference. The internal audit department shall also conduct an audit in accordance with its duties.

11. Potential Legal Liability for Violating Insider Trading Prohibitions

1. Criminal Liability:

1. The offender may be sentenced to imprisonment for a term of not less than three years and not more than ten years, and may also be subject to a fine ranging from NT\$10 million to NT\$200 million.
2. Aggravated Circumstances
 1. Where the amount of criminal proceeds reaches NT\$100 million or more: The offender may be sentenced to imprisonment for a term of not less than seven years and may also be fined between NT\$250 million and NT\$500 million.
 2. Where the proceeds of the crime exceed the maximum fine: The fine may be increased to the extent of the proceeds.
 3. Where the stability of the securities market is undermined: the sentence shall be increased by one-half.

Provisions for reduction or exemption from punishment also apply to those who voluntarily surrender all proceeds of the crime and property obtained therefrom after the commission of the offense or during the investigation.

2. Civil Liability:

1. A person who, in good faith, engages in offsetting transactions on the same day shall be liable for damages equal to the difference between the price at which they bought or sold the security and the average closing price over the ten business days following the public disclosure of the information.
2. In cases of serious circumstances: The court may, upon request by a person who engaged in a contrary transaction in good faith, increase the amount of compensation to three times the difference.
3. In cases of minor circumstances, the court may reduce the amount of compensation.

12. Handling of Violations

In any of the following circumstances, the Company shall hold the relevant personnel accountable and take appropriate legal measures:

1. Company personnel who disclose material inside information to the public without authorization or who violate the provisions of these Regulations or other laws and regulations.
2. If any person outside the Company discloses the Company's material non-public information, thereby causing damage to the Company's property or interests, the Company shall pursue legal liability through relevant channels.

13. Internal Control Mechanisms

This procedure is incorporated into the Company's internal control system. Internal

auditors shall periodically review compliance with this procedure and prepare audit reports to ensure the proper implementation of procedures for handling material internal information.

14. Education and Awareness

The Company shall conduct training and awareness programs on this operating procedure and relevant laws and regulations for directors, supervisors, managers, and employees from time to time.

Newly appointed directors, supervisory board members, managers, and employees shall be provided with training and awareness programs in a timely manner.

15. Implementation and Amendments

These operating procedures shall take effect upon approval by the Board of Directors; the same applies to any amendments.