

**Yuanta Financial Holding Company**  
**Procedures for Handling Material Inside Information**

*Approved by the Board of Directors on January 21, 2009 (25th meeting of the 4th board)*

*Amendments approved on July 27, 2010 (2nd meeting of the 5th board)*

*Amendments approved on September 23, 2020 (20th meeting of the 8th board)*

*Amendments approved on December 28, 2022 (9th meeting of the 9th board)*

**Article 1**

These Procedures are specially adopted to establish sound mechanisms for the handling and disclosure of material inside information by Yuanta Financial Holding Company (hereafter: Company), in order to prevent improper information disclosures and to ensure the consistency and accuracy of information released by the Company to the public.

**Article 2**

The Company shall implement its handling and disclosure of material inside information in accordance with applicable laws and regulations, the rules and regulations of the competent authorities, and these Procedures.

**Article 3**

These Procedures shall apply to all directors, managerial officers, and employees of the Company.

The Company shall ensure that any other person who acquires knowledge of the Company's material inside information due to their position, profession, or relationship of control shall comply with the applicable provisions of these Procedures.

**Article 4**

The scope of the material inside information referred to by these Procedures includes the following:

1. Announcements and declarations authorized by Article 36-1 of the *Securities and Exchange Act*.
2. Announcements and declarations stipulated by Paragraph 2, Article 36 of the *Securities and Exchange Act* and Article 7 of the *Securities and Exchange Act Enforcement Rules*.

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3. The information which shall be publicly disclosed under the *Regulations Governing the Scope of Material Information and the Means of its Public Disclosure* under Paragraphs 5 and 6, Article 157-1 of the *Securities and Exchange Act*.
4. The “material information” stipulated by the *Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities*.

#### **Article 5**

Responsible units in charge of the handling of various kinds of material inside information of the Company shall be responsible for following items:

1. Responsibility for handling items relating to the Procedures for Handling Material Inside Information.
2. Responsibility for preserving all documents, files, electronic records, and other materials related to these Procedures.
3. Those items separately formulated by the responsible units in charge of the handling of various kinds of material inside information of the Company.

If a major decision is made or an important event occurs that complies with the *Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities*, or if, after further assessment of materiality, the decision or event has a significant impact on the Company’s finances, business, shareholders’ equity or securities prices, each responsible unit of the Company shall promptly disseminate the material information within the time limit prescribed by law. The evaluation, approval, and related procedures for the release of material information shall be determined separately.

#### **Article 6**

The Company’s directors, managerial officers, and employees shall exercise the due care and fiduciary duty of a good administrator and act in good faith when performing their duties, and shall comply with the Professional Code of Ethics and other relevant regulations of the Company.

No director, managerial officer, or employee with knowledge of material inside information of the Company, without the authorization of the Company, may divulge the information to others, nor may they disclose to others any non-public material inside information of the Company of which they become aware for reasons other than the performance of their duties.

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No director, managerial officer, or employee of the Company may inquire about or collect any non-public material inside information of the Company not related to their individual duties from a person with knowledge of such information.

#### **Article 6-1**

Control measures over stock transactions by the directors, managerial officers, and employees of the Company on the date they become aware of the contents of the financial reports or related results of the Company:

1. The directors of the Company shall sign a declaration at the beginning of each term of office stating that they shall not deal in the shares of the Company during the following periods:
  - (1) From the time they become aware of the Company's quarterly financial report, up to 18 hours after the information has been made public.
  - (2) From the time they become aware of any discrepancy of 10% or more and the amount exceeds NT\$50 million between the cumulative self-consolidated profit and loss before income tax for each quarter and the audited (reviewed) accountant's report, up to 18 hours after the information becomes public.
  - (3) Closed period of 30 days prior to the announcement of the annual financial report.
  - (4) Closed period of 15 days prior to the announcement of the quarterly financial report.
2. Managerial officers and employees of the Company who may become aware of the following information in connection with the performance of their duties shall sign a declaration stating that they may not trade in the Company's shares within 18 hours from the time they become aware of the discrepancy of 10% or more and the amount exceeds NT\$50 million between the Company's monthly self-consolidated profit and loss and operating income, quarterly financial reports or the cumulative self-consolidated profit and loss before income tax for each quarter and the audited (reviewed) accountant's report.

#### **Article 7**

The processing and review of the Company's material inside information files that are not publicly available are handled in accordance with the provisions of the Company's Document Handling Practice Guidelines and shall be appropriately protected when they are transmitted in writing. When transmitted by e-mail or other electronic means, the process must comply with the regulations in the Rules of Email Usage of the Company or adopt appropriate security mechanism such as encryption. Files and documents containing the Company's public and non-public material inside

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information shall be appropriately preserved and stored in a secure location, and shall be filed and preserved in accordance with the provisions of the Company's Document Handling Practice Guidelines, among which the evaluation records, audit documents, and related information of material information shall be filed in paper form and preserved for at least five (5) years.

#### **Article 8**

Any person of the Company and organization or person outside of the Company that is involved in any corporate action of the Company relating to a merger or acquisition, major memorandum of understanding, strategic alliance, other business partnership plans, or the signing of a major contract with confidentiality shall be required to sign a confidentiality agreement, and may not disclose to another party any material inside information of the Company thus acquired.

#### **Article 9**

The Company shall comply with the following principles when making external disclosures of material inside information:

1. The information disclosed shall be accurate, complete, and timely.
2. There shall be a well-founded basis for the information disclosure.
3. The information shall be disclosed fairly.

#### **Article 10**

Any disclosure of the Company's material inside information, except as otherwise provided by law or regulation, shall be handled in accordance with the relevant provisions of the Company's Unified Process of Making External Statements.

#### **Article 11**

The Company shall keep records of the following in respect of any disclosure of information to outside parties:

1. The person who discloses the information, the date, and the time.
2. How the information is disclosed.
3. What information is disclosed.
4. What written material is delivered.
5. Any other relevant details.

The Company shall keep the following records for the release of material information:

1. The contents of the evaluation.
2. Signatures or seals of the evaluators, reviewers, and decision makers and the

date.

3. The content of the material information published and the applicable laws and regulations.
4. Other relevant information.

#### **Article 12**

If a media agency releases information that is in any respect inconsistent with material information disclosed by the Company, the Company shall promptly issue a clarification on the Market Observation Post System (MOPS) and request the media agency to correct the information.

#### **Article 13**

Any director, managerial officer, or employee of the Company that becomes aware of any unauthorized disclosure of the Company's material inside information shall report to the spokesperson and the internal audit department of the Company as soon as practicable.

Upon receipt of a report made pursuant to the preceding paragraph, the spokesperson may invite relevant departments to meet for discussion on handling measures, and urge the responsible unit for the material inside information to develop a countermeasure. The responsible unit shall produce a record of the results of the measures and report back to the spokesperson. The internal auditors shall also perform such audits as their duties may require.

#### **Article 14**

The Company shall take measures to discover those responsible and take appropriate legal action against any personnel under either of the following circumstances:

1. Personnel of the Company disclose material inside information without authorization to any outside party, or otherwise violate these Procedures or any other applicable law or regulation.
2. A spokesperson or deputy spokesperson of the Company communicates to any outside party any information beyond the scope authorized by the Company, or otherwise violates these Procedures or any other applicable law or regulation.

If any person outside the Company divulges any material inside information of the Company, thereby causing damage to any property or interest of the Company, the Company shall pursue appropriate measures to hold the person divulging the information legally liable.

**Article 15**

These Procedures shall be incorporated into the Company's internal control system. The internal auditors shall keep themselves regularly informed of the status of compliance with these Procedures and shall prepare related audit reports, so as to ensure full implementation of the Procedures for handling material inside information.

**Article 16**

At least once per year, the Company shall conduct educational campaigns to promote awareness among all directors, managerial officers, and employees with respect to these Procedures and related laws and regulations. The Company shall also provide educational campaigns to new directors, managerial officers, and employees in a timely manner.

**Article 17**

These Procedures, and any amendments to them, shall be implemented upon approval by the board of directors of the Company.