

SinoPac Holdings Co., Ltd.  
Equity Management Policy

- Not formulated in accordance with external regulations
- Formulated in accordance with external regulations

Formulation unit: Secretariat

Approval Level: Board of Directors

Article 1 (Purpose and Basis of Establishment)

To regulate the equity management operations of the Company and ensure that all equity declarations comply with the provisions of the laws and regulations, the Policy is established in accordance with the provisions of Article 8 of the Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries.

Article 2 (Equity Management Scope)

The term Equity Management used in the Policy refers to the regulation and management of the minimum percentage of shares held by Directors, declaration of equity changes, the period of implementation of treasury shares, disgorgement of short-swing trading profits, and avoidance of insider trading.

Article 3 (Parties subject to the Equity Management Policy)

The Policy is applicable to the Directors, managers, and shareholders of the Company who hold more than 10% of the total shares of the Company (hereinafter collectively referred 的 as insiders).

Article 4 (Equity Management Unit)

The equity management unit of the Company is the secretariat of the Board of Directors.

The management shall handle various equity management and declaration operations in accordance with the processing guidelines approved by the competent authority and other relevant laws and regulations and may appoint a registrar agency to handle the business.

Article 5 (Maintenance of the minimum percentage of shares held)

The total number of registered shares held by all Directors of the Company shall be in accordance with the provisions of Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies regarding the rules on the percentage of the total issued shares (hereinafter referred to as the required percentage).

When the total number of registered shares held by all the Directors when elected is lower than the required percentage, all of the company's Directors, with the exception of Independent Directors, shall make up the difference.

When the Directors of the Company transfer or remove part of the shares, leading to the total number of shares held by all the Directors to fall below the required percentage, all of the company's Directors, with the exception of Independent Directors, shall make up the difference.

Article 6

(Pre-declaration of the transfer of shares held)

The transfer of shares by the insiders of the Company shall be in accordance with any one of the following methods:

- I. After approval by the competent authority or from the date of effect after filing a declaration to the competent authority, it shall be made to a non-specific person.
- II. It shall be made in the stock exchange market three days after filing a declaration to the competent authority in accordance with the holding period and the percentage of the transferable number per trading day required by the competent authority. However, if the number of shares transferred per trading day does not exceed 10,000 shares, it is exempt from the declaration.
  - (1) The holding period required by the competent authority indicates that insiders may only be able to transfer the shares held six months after the date of obtaining the identity.
  - (2) The percentage of transferable shares per trading day is calculated in accordance with the following methods:
    1. For the portion of the number of shares issued within 30 million, the percentage is 0.2, and for the portion exceeding 30 million, the percentage is 0.1.
    2. Ten business days before the declaration date, 5% of the average daily trading volume of the stock in the stock exchange market.
    3. If a transaction is conducted by means of an auction, bidding, after-hours fixed price trading, or block trading, it is not subject to the restrictions on the number of transferable shares.
- III. Within three days of the date of a declaration with the competent authority, specific persons who meet the conditions set by the competent authority shall conduct such actions.

In the case of shares transferred as specified in Subparagraph 3 of the preceding paragraph, if the transferee wishes to transfer his/her shares within one year, he/she shall still conduct such an action in accordance with the methods specified in each subparagraph of the preceding paragraph.

Shares held by insiders include their spouses, underage children, and those who hold the shares in the name of others.

Article 7

(Declaration after the change of the shares held)

The insiders of the Company shall declare the change of the number of shares held in the previous month to the management before the 5th day of each month; the management shall file a declaration to the competent authority before the 15th of each month.

If a pledge of shares held by the insiders of the Company is created, the pledger shall notify the management immediately. The management shall, within five days after the pledge is created, file a declaration to the competent authority and make an announcement accordingly.

In addition, when the insiders of the Company are in the process of terminating the pledge, they shall also file a declaration and make an announcement in accordance with the pledge creation procedures.

Article 8 (Rules for the period of implementation of treasury shares)

In accordance with the provisions of Article 28-2 of the Securities and Exchange Act, the shares held by Directors and managers of the Company, their spouses, underage children, or those who hold the shares in the name of others, during the period of repurchasing shares in the stock exchange market of negotiable securities, shall not be sold.

Article 9 (Prohibition of short-swing trading)

After the insiders of the Company obtain the Company's shares or other equity-type securities, and when they make profits after selling them again within six months or buying them again within six months after the sale, the Company shall claim the profits back to the Company.

When the Board of Directors of the Company does not wish to exercise the right of claim for the Company as specified in the preceding paragraph, shareholders may request the Directors to exercise such right within 30 days. When the period expires and the Directors did not exercise such right, the requesting shareholders may exercise the right of claim for the Company.

When the Directors fail to exercise the right of claim, as specified in the first paragraph, and damages are incurred to the Company as a result, the Directors shall be liable to the Company for compensation in accordance with the provisions of the Securities and Exchange Act.

Article 10 (Prohibition of insider trading)

When the persons listed in the following paragraphs are actually aware of the information that bears a significant impact on the stock price of the Company, after the information is clear, they shall not buy or sell the listed stocks or equity-type securities of the Company or traded at over-the-counter markets in their own names or in the name of others before the public announcement or within 18 hours after the information is made public:

I. The Directors and managers of the Company who are the natural persons designated to be the representatives to execute duties in accordance with Paragraph 1 of Article 27 of the Company Act.

II. Shareholders holding more than 10% of the Company's shares.

III. People who are well-informed based on their occupations or through control relationship.

IV. Those who have lost the statuses listed in the preceding three subparagraphs within six months.

V. Those who are informed of the information from the persons listed in the preceding four subparagraphs.

When the persons listed in the preceding subparagraphs of the preceding paragraph are actually aware of the information that bears a significant impact on the Company's ability to pay principal and interest, after the information is clear, they shall not buy or sell the listed non-equity debt of the Company or non-equity debts traded at over-the-counter markets in their own names or in the name of others before the public announcement or within 18 hours after the information is made public.

Those who violate the provisions of Paragraph 1 or the preceding paragraphs shall be liable for damages incurred to bona fide persons who engage in opposite trading on the same day in accordance with the provisions of the Securities and Exchange Act.

The person in Subparagraph 5 of Paragraph 1 shall be jointly liable for compensation for the damages mentioned in the preceding paragraph with the information providers listed in Subparagraph 1 to Subparagraph 4 of Paragraph 1. However, when the information providers listed in Subparagraph 1 to Subparagraph 4 of Paragraph I has a legitimate reason to believe that the information has been made public, they shall not be liable for compensation.

Article 10-1 (Prohibition of stock trading of Director)

Director prohibits stock trading from 30 days period preceding the release of the company's annual financial reports and from 15 days period preceding the release of the company's quarterly financial reports.

Article 11 (Declaration of the change of the shares held by the same person or the same affiliate with more than 10% of the shares)

The same person or the same affiliate who holds more than 10% of the total number of shares with voting rights issued by the Company shall, before the 5th of each month, in the declaration form and notify the management of the change of the shares held in the previous month ; after the change is summarized by the management, the management shall file a declaration to the website of the Taiwan Stock Exchange Corporation (TWSE) and publish it on the Market Observation Post System.

If a pledge of the shares mentioned in the preceding paragraph is created, the pledger shall fill in the declaration form and notify the management. The management shall, within five days after the pledge is created, file a declaration regarding the pledge to the website of the TWSE and publish it on the Market Observation Post System.

Article 12 (Regulations applicable to the insiders of subsidiaries)

In accordance with the provisions of the Financial Holding Company Act regarding Sale of Businesses or Share Exchange, the subsidiaries of which 100% shares are held by the Company shall be subject to the provisions of Articles 6 to 10 of the Policy regarding equity management.

Article 13 (Provision and promotion of equity management regulations)

The management shall provide new insiders of the Company with relevant equity management regulations of the Company for reference and compliance.

If the competent authority or the TWSE has amended relevant equity management laws and decrees or promulgated policies and decrees, the management shall immediately inform the insiders of the Company.

Article 14 (Applicable laws)

The matters not covered in the Policy are handled in accordance with relevant laws and decrees, as well as relevant regulations of the competent authority and TWSE.

Article 15 (Approval level)

The Policy shall be implemented after being approved by the Board of Directors, and the same shall apply to any amendments.

July 23rd, 2000. Approved by the 3rd session of the Board of Directors at the 7th meeting in 2000.

June 20th , 2014. Amended and approved by the 5th session of the Board of Directors at the 2nd meeting in 2014.

September 23rd , 2022. Amended and approved by the 7th session of the Board of Directors at the 10th meeting in 2022.