



# **AUO Corporation**

## **Procedures for Handling Material Inside Information and Insider Trading Prevention**

### **Chapter I      General Principles**

- Article 1      (Purpose of these Procedures)  
These Procedures were specially adopted to establish sound mechanisms for the handling and disclosure of material inside information by the 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      (Material inside information shall be handled in accordance with applicable laws and regulations and these Procedures)  
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 Taiwan Stock Exchange Corporation, and these Procedures.
- Article 3      (Scope of application)  
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      (Scope of material inside information)  
For the purposes of these Procedure, the term "material inside information" refers to information that, with reference to the Securities and Exchange Act, other applicable laws and regulations, and the applicable rules and regulations of the Taiwan Stock Exchange Corporation.
- Article 5      (Responsible unit in charge of the handling of material inside information)  
The Company shall establish a unit charged with handling material inside information. The responsible unit shall be composed of an adequate number of competent members in accordance with the size, business conditions, and management needs of the Company. The Corporate Governance Department is the responsible unit responsible for contacting and collating related matters. The unit shall have the following functions and authorities:
1. Responsibility for formulating the drafts of these Procedures and any amendments to them.

2. Responsibility for receiving inquiries in connection with the methods of handling material inside information, and for consultation, review, and recommendations relating to these Procedures.
3. Responsibility for receiving reports on unauthorized disclosures of material inside information and formulation of corresponding measures.
4. Responsibility for designing a system for preserving all documents, files, electronic records, and other materials related to these Procedures.
5. Responsibility for the evaluation, review and release of material information.
6. Other activities related to these Procedures.

## **Chapter 2 Confidentiality Firewall**

### **Article 6 (Confidentiality firewall operations - Personnel)**

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.

No director, managerial officer, or employee with knowledge of material inside information of the Company may divulge the information to others.

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, 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.

### **Article 7 (Confidentiality firewall operations - Documents and information)**

Proper protection of confidentiality shall be given to files and documents containing the Company's material inside information when transmitted in written form. When transmitted by e-mail or other electronic means, such files and documents must be processed with appropriate security technology such as encryption or electronic signatures.

Files and documents containing the Company's material inside information shall be backed up and stored in a secure location.

### **Article 8 (Confidentiality Firewall – Properties)**

The Company shall ensure that the firewalls specified in the preceding two articles are established, and take the following additional steps:

1. Adopt adequate control measures for the firewalls and perform periodic testing.

2. Enhance measures for custody and maintaining the secrecy of files and documents containing non-public material inside information of the Company.

Article 9 (Confidentiality obligations of outside organizations and persons)

Any 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 shall be required to sign a confidentiality agreement, and may not disclose to another party any material inside information of the Company's thus acquired.

### **Chapter 3 Disclosure of Material Inside Information**

Article 10 (Principles of disclosure of material inside information)

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 11 (Implementation of the spokesperson system)

Any disclosure of the Company's material inside information, except as otherwise provided by law or regulation, shall be made by the Company's spokesperson, or by a deputy spokesperson acting in such capacity in a confirmed sequential order. When necessary, the disclosure may be made directly by a responsible person of the Company.

The Company's spokesperson or deputy spokesperson shall communicate to outside parties only information within the scope authorized by the Company, and no personnel of the Company other than those serving as the Company's responsible person, spokesperson, or deputy spokesperson may disclose any material inside information of the Company to outside parties without authorization.

Article 12 (Evaluation and Approval Procedures)

The material information responsible unit shall be fill out and approved by the unit director the “Application Form for Release of Material Information” and “Assessment Checklist of Material Information” on the date of occurrence of the relevant event and within the time limit prescribed by law and in accordance with relevant preceding articles, disclose its material decisions or events as prescribed in the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities or, after

evaluation of materiality, disclose any decision or event that has a material effect on its business, financials, shareholders' equity, or share price.

Article 13 (Record of Approval Procedures)

Except for emergencies, non-official hours, etc., which can be approved by electronically, the Company's material information responsible unit shall be record the "Application Form for Release of Material Information" and "Assessment Checklist of Material Information" in writing, and the previously evaluation records, approved documents and relevant information should be kept for at least five years.

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

1. Evaluation content
2. The signature or seal and date of the evaluation, review and decision personnel
3. The content of the major information released and the applicable legal basis
4. Any other relevant details

Article 14 (Record of disclosure of material inside information)

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

Article 15 (Response to false media coverage)

If a media agency releases information that is in any respect inconsistent with material information disclosed by the Company. Or other regulation of the Taiwan Stock Exchange Corporation, the Company shall promptly issue a clarification on the Market Observation Post System (MOPS) before the trading hours on the next business day, and request the media agency to correct the information.

## **Chapter 4 Handling Procedures of Unusual Events**

Article 16 (Reporting of unusual events)

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 responsible unit and the internal audit department of the Company as soon as practicable.



Upon receipt of a report made pursuant to the preceding paragraph, the responsible unit and the internal audit department shall formulate corresponding measures. When necessary, it may invite members from the relevant departments to meet for discussion of the measures, and shall keep a record of the results of the measures for future reference. The internal auditors shall also perform such audits as their duties may require.

Article 17 (Disciplinary measures)

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.
3. 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.

**Chapter 5 Internal Controls and Awareness Campaigns**

Article 18 (Internal controls)

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 19 (Awareness campaigns)

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.

**Chapter 6 Supplements**

Article 20 These Procedures, and any amendments to them, shall be implemented upon approval by the board of directors.



Article 21      These Procedures were established on 16 December 2009. The first amendment was made on 27 March 2012. The second amendment was made on 26 October 2022.