

## Procedures for Handling Material Internal Information Far Eastone Telecommunications Co., Ltd.

Approved by Board of Directors Meeting on 2022/5/4

<b>Chapter I General principles</b>	
Article 1 (Purpose of the Procedures)	To establish good mechanism for handling and disclosing material internal information to prevent improper information leakage and also to assure the consistency and accuracy for releasing information to the public, it is proposed to formulate the Procedures for Handling Material Internal Information ( the “Procedures”) to be followed by the Company.
Article 2 (The internal material information handling shall comply with related laws, regulations and the Procedures.)	The handling and disclosing of material internal information of the Company shall comply with related laws, regulations, the rules promulgated by the Taiwan Stock Exchange Corporation and the Procedures.
Article 3 (Applied targets)	The subject people to be applied by the Procedures shall include the directors, managerial officers and employees of the Company.  The Company shall urge others who may be aware of the material internal information of the Company due to his/her identity, profession or controlling relationship to comply with the provisions of the Procedures.
Article 4 (The scope of internal material information)	The material internal information regulated by the Procedures means material news or material information promulgated in the Securities and Exchange Act, related laws and regulations and the rules of the Taiwan Stock Exchange Corporation.
Article 5 (The in-charge department for internal material information)	The department in the Company which is in-charge for handling and disclosing material internal information is S&F-Treasury & Credit Management with the following major duties: <ol style="list-style-type: none"> <li>1. Be responsible for formulating and amending the Procedures.</li> <li>2. Be responsible for handling the Procedures and related consultation, review and advice.</li> <li>3. Be responsible for report regarding material internal information leakage and solution to react.</li> </ol>

	<p>4. Be responsible for establishing system to keep the Procedures related materials including all documents, files and electronic record.</p> <p>5. Be responsible for establishing up and maintaining the profile of the directors, managerial officers and shareholders with 10% above shareholding of the Company.</p> <p>6. Be responsible for all business related to the Procedures.</p>
<p><b>Chapter II Procedures for securing the confidentiality of internal material information</b></p>	
<p>Article 6 (Confidentiality firewall - personnel)</p>	<p>The directors, managerial officers and employees of the Company shall, with best efforts and fiduciary duty of professional standards, conduct the business operation of the Company according to the principle of ethics and shall also execute the Non-Disclosure Agreement (“NDA”) or relative declaration.</p> <p>The directors, managerial officers and employees who are aware of the material internal information of the Company shall not disclose the material internal information acquainted to others nor conduct any transactions of stock, other securities with equity nature or the non-equity-type corporate bonds before the public announcement of the material internal information or within the specific lead time regulated by laws after announcement.</p> <p>Including (but not limited to) that directors shall not trade their shares during the closed period, which is 30 days prior to the announcement of the annual financial report, and 15 days prior to the announcement of the quarterly financial report.</p> <p>The directors, managerial officers and employees of the Company shall not inquire for or collect the material internal information not yet disclosed which is not related to his/her own business from others who are aware of the material internal information of the Company, nor shall they release the material internal information not yet disclosed to others if learning by non-business occasion.</p>
<p>Article 7 (Confidentiality firewall - article)</p>	<p>There shall be proper protection when material internal information data file document of the Company is delivered in written form. When delivered by email or other electronic forms, the delivery shall be handled with appropriate encryption or other security technology such as electronic seal.</p> <p>The data file of documents of the material internal information of the Company shall have back up and be kept in a safe place.</p>

<p>Article 8 (Confidentiality firewall operation)</p>	<p>The Company shall ensure the installation of the firewall in the two Articles mentioned above and also conduct following measures:</p> <ol style="list-style-type: none"> <li>1. To install appropriate firewall management and control system and with periodical tests.</li> <li>2. Enhance the safekeeping and confidentiality measures for the yet disclosed material internal information of the Company.</li> </ol>
<p>Article 9 (The confidentiality measure for outsider organization or personnel)</p>	<p>The outsider organization or personnel commissioned or procured by the Company to participate in the Company's M&amp;A, important memorandum of understanding, strategic business cooperation or other major agreements which have great impact to the Company's financial or business operations shall execute NDA and shall not disclose to others the material internal information learned during above-mentioned transactions with the Company.</p>
<p><b>Chapter III Procedures for internal material information disclosure</b></p>	
<p>Article 10 (Internal material information disclosure principle)</p>	<p>The principles to follow when the Company is to disclose material internal information are:</p> <ol style="list-style-type: none"> <li>1. The disclosure of information shall be correct, complete and prompt.</li> <li>2. The disclosure of information shall have basis.</li> </ol> <p>The disclosure of information shall be fair.</p>
<p>Article 11 (The implementation of spokesperson system)</p>	<p>The disclosure of material internal information shall be handled by spokesperson or acting spokesperson with verified sequence of the Company except otherwise provided by laws or regulations. However, it might be handled directly by the chairman or president of the Company if it is necessary.</p> <p>The content of statement by spokesperson and acting spokesperson shall be limited to the scope authorized by the Company and except for the chairman, president, spokesperson, and acting spokesperson, other employees shall not disclose material internal information to other people without authorization.</p>
<p>Article 12 (The record of internal material information disclosure)</p>	<p>The following information shall be kept as record with regard to disclosure of information externally:</p> <ol style="list-style-type: none"> <li>1. The personnel, date and time of disclosing of the information.</li> <li>2. The method of disclosing of the information.</li> <li>3. The content of the disclosed information.</li> <li>4. The written handout documents of information disclosed.</li> </ol>

	Other related information.
Article 13 (The reaction to untrue media report)	If content in the media report is inconsistent with what the Company releases, the Company shall immediately clarify in MOPS and also ask the media to correct if it is necessary.
<b>Chapter IV The handling of abnormal cases</b>	
Article 14 (The report of abnormal cases)	The directors, managerial officers and employees, as soon as they in aware of any leak of material internal information, shall inform S&F-Treasury & Credit Management and Internal Auditor. . After being informed, the S&F-Treasury & Credit Management shall propose the solution and may invite, if necessary, related departments including Internal Auditor to discuss and prepare records of the handling result for filing. Internal Auditor shall also conduct audit based on their duties.
Article 15 (The handling for violation)	The Company shall look into the responsibilities of related persons and take necessary legal actions under one of the following events: 1. The employees of the Company disclose material internal information at his own will in violating the Procedures or other laws and regulations. 2. The content of statement by spokesperson or acting spokesperson of the Company exceeds the scope authorized by the Company or in violation of the Procedures or other laws and regulations. If someone outside the Company discloses the material internal information which leads to damage of the Company’s property or interests, the Company shall follow relative means to seek legal liability.
<b>Chapter V Internal control operation and internal education</b>	
Article 16 (Internal control mechanism)	The Procedures shall be incorporated into the internal control system of the Company. The Internal Auditing department shall comprehend the condition of its compliance periodically and issue the audit report to implement the execution of procedures in handling material internal information.
Article 17 (Education)	The Company shall implement advocation the directors, managerial officers and employees the Procedures and related laws and regulations at least once per year. Appropriate advocation shall be conducted for new directors, managerial officers and employees in due course.
<b>Chapter VI Supplemental provisions</b>	

Article 18	The Procedures and amendment hereof shall come into enforcement after being resolved by the board of directors.
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