

InnoCare Optoelectronics Corporation

Procedures for Handling Material Inside Information and Preventing Insider Trading

Chapter 1 General Provisions

Article 1 Purpose

These Procedures are 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, to ensure the consistency and accuracy of information released by the Company to the public, and to strengthen the prevention of insider trading.

Article 2 Statutory basis

The Company shall implement its handling and disclosure of material inside information and its prevention management of insider trading 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 are applicable to the following persons, and the Company shall urge them to comply with the applicable provisions of these Procedures:

1. The scope of insiders in accordance with the Securities and Exchange Act, includes directors, managerial officers of the Company and shareholders holding more than 10% of the shares of the Company; and related persons of insiders includes:
 - (1) Their spouses and minor children of insiders, and those shares held under the name of other parties
 - (2) Representatives of a juristic person director and their spouses and minor children, and those shares held under the name of other parties.
 - (3) Both of the preceding (1) and (2) are insiders of the Company.
2. In addition to the previously disclosed insiders, the regulated persons of insider trading also include any person who has learned the information by reason of occupational or controlling relationship, a person who has lost such status within the last six months, and any person who has learned the information from insiders or a person who has lost such status within the last six months.

Article 4 Scope of material inside information

For the purposes of these Procedures, the term "material inside information" refers to:

1. Material information defined in Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities.
2. Matters defined under Paragraph 2 of Article 36, Article 36-1 and Article 157-1 of the Securities and Exchange Act, and Article 7 of Securities and Exchange Act Enforcement Rules.
3. Other matters defined under the Securities and Exchange Act and related laws, orders, and relevant regulations of the competent authority.

Article 5 Responsible unit in charge of the handling of material inside information

The responsible unit in charge of the handling of material inside information, Finance & Accounting & Business Management & HR Division Group, shall be responsible for the evaluation, review, approval and making public disclosures of material information. 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. Create and maintain data files of insiders and shareholders holding more than 10% of the shares of the Company and report to the competent authority in the appropriate format as described by regulations within stipulated deadline.
6. Establish confidentiality operations and prohibition of trading measures for undisclosed material inside information that will have impact on the stock price.
7. Other activities related to these Procedures.

Chapter 2 Confidentiality Procedures and Insider Trading Prevention

Article 6 Confidentiality firewall operations - Personnel

The Company's directors, managerial officers, representatives of a juristic person director 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 sign confidentiality agreements.

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

No director, managerial officer, representative of a juristic person director 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 Operation of confidentiality firewalls

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 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.

The provisions in the preceding paragraph shall apply mutatis mutandis to shareholders holding more than 10% of the shares mentioned in paragraph 1 of Article 3 of these Procedures and persons in paragraph 2.

Chapter 3 Procedures for Disclosure of Material Inside Information

Article 10 Insider trading prohibitions

The regulated persons of Article 3 of these Procedures violates the regulations, paragraph 1 and 2 of Article 157-1 of the Securities and Exchange Act, constitutes insider trading, and the regulations are as follows:

1. Upon actually knowing of any information that will have a material impact on the stock price of the Company, after the information is precise, and prior to the public disclosure of such information or within 18 hours after its public disclosure, the persons shall not purchase or sell, in the person's own name or in the name of another, shares of the Company that are listed on an exchange or any other equity-type security of the Company.
2. Upon actually knowing of any information that will have a material impact on the ability of the Company to pay principal or interest, after the information is precise, and prior to the public disclosure of such information or within 18 hours after its public disclosure, the persons shall not sell, in the person's own name or in the name of another, the non-equity-type corporate bonds of the Company that are listed on an exchange.

The scope of information that will have a material impact on the stock price and the ability to pay principal or interest of the Company as described in paragraph 1 shall include:

1. Information relating to the finances or businesses of the Company and have a material impact on the stock price of the Company, or will have a material impact on the investment decision of a reasonably prudent investor.
2. Information relating to the securities market supply and demand, or public tender offer of the Company, the specific content of which will have a material impact on the stock price, or will have a material impact on the investment decision of a reasonably prudent investor.
3. Information that will have a material impact on the ability to pay principal or interest of the Company.

The means of information disclosure that will have a material impact on the stock price and the ability to pay principal or interest of the Company as described in paragraph 1 shall include:

1. Information relating to the finances or businesses of the Company and have a material impact on the ability to pay principal or interest of the Company, the means of its disclosure shall be the Company enters such information into the Market Observation Post System website.
2. Information relating to the supply and demand of the Company on the market, the means of its disclosure shall be the Company enters such information into the Market Observation Post System website, the Market Information System website of the Taiwan Stock Exchange Corporation, and the non-local news pages by two or more daily national newspapers, national television news, or electronic newspapers issued by any the aforesaid media.

Article 10-1 The closed period

In order to strengthen stock trading control measures, the Company's directors and managerial officers are prohibited from trading shares or any other equity-type security of the Company during the period (the "closed period") of 30 days prior to the publication of the annual financial reports and 15 days prior to the publication of the quarterly financial reports.

The publication date mentioned in the preceding paragraph means the date on which the Company releases material information in accordance with the "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities."

The Company shall notice directors and managerial officers by electronic transmission before the closed period.

Article 11 Principles of disclosure of material inside information and evaluation procedures

To ensure the timeliness, accuracy and completeness of information disclosure, the Company shall comply with the related laws, orders, Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities, related FAQ and these Procedures when making external disclosures of material information.

The resolution of major decision or occurrence of material events of the Company, that in conformity with the regulations prescribed by Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities, shall be performed relevant evaluation. The Company shall obtain the general manager's approval right before reporting the material information within the deadline of the public announcement.

According to the regular items specified in the List of Matters Required to Be Handled by Issuers of Listed Securities (such as: revenue announcement...) will be announced after obtaining approval by the head of the reporting division (Fab).

Article 12 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 responsible by responsible person of the Company or a person designated by 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.

Except the persons prescribed in paragraph 1 of this article, no personnel of the Company may disclose any material inside information of the Company to outside parties without authorization.

Article 13 Disclosure of material inside information and the storage of approve records

Announcements that fall under paragraph 2 of Article 11, except for emergency situations, non-working hours, or the competent authority's request for clarification, special or material matters, which may be submitted electronically, otherwise, shall be recorded in writing and submitted to the responsible officer for approval and afterwards, made public disclosures of material information or announcement in accordance with the law. If the evaluation or submission is done electronically, it shall be archived in hard copy afterwards. The previous evaluation records, review documents and related materials shall be kept for at least five years.

Matters that required to be disclosed in paragraph 3 of Article 11 may be submitted electronically or in writing, and the relevant information shall be kept for at least five years.

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

1. Assessment content
2. Evaluation, review and signature or stamp of decision makers, date and time
3. The content of material information disclosure and the applicable legal basis

Article 14 Response to false media coverage

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.

Chapter 4 Handling of Unusual Events

Article 15 Reporting of unusual events

Any regulated object of Article 3 of these Procedures 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 shall formulate corresponding measures. When necessary, it may invite members from the internal audit and other 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 16 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. The Company's spokesperson, deputy spokesperson or a person designated by paragraph 1 of Article 12 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.

Chapter 5 Internal Controls and Awareness Campaigns

Article 17 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 these procedures for handling material inside information.

Article 18 Awareness campaigns

The Company shall conduct educational campaigns to promote awareness among all applicable persons with respect to these Procedures and related laws and regulations.

Chapter 6 Supplementary Provisions

Article 19 These Procedures, and any amendments to them, shall be implemented upon approval by the board of directors.

Article 20 These Procedures were enacted on July 30, 2021. The first amendment was made on July 26, 2022. The second amendment was made on December 28, 2022. The third amendment was made on April 12, 2023. The fourth amendment was made on October 24, 2023.