



## **Radium Life Tech. Co., Ltd.**

### **Management Operations to Prevent Insider Trading**

- 1 Purpose: In order to prevent the Company or insiders from violating the laws and regulations on insider trading, which may damage the reputation of the Company or insiders, these procedures are established to prevent insider trading, protect investors and safeguard the rights and interests of the Company.
- 2 Scope: Applicable to insiders, prospective insiders and those who have been informed (hereinafter collectively referred to as insiders).
- 3 Reference documents:
  - 3.1 Regulations of the competent authorities:
    - 3.1.1 Article 36, 157-1 of the Securities and Exchange Act.
    - 3.1.2 Article 7 of the Enforcement Rules of the Securities and Exchange Act.
    - 3.1.3 Article 157-1, items 5 and 6 of the Securities and Exchange Act on the scope of material information and the manner of its disclosure.
    - 3.1.4 Article 27 of the Company Act.
  - 3.2 Relevant reference practices and methods of the Company:
    - 3.2.1 QP915 Internal Procedures for Handling Material Information.
- 4 Definitions:
  - 4.1 Insiders:
    - 4.1.1 Directors and managers. (Manager is defined in accordance with the competent authority's order issued on March 27, 2003 - TAI-TSAI-CHENG-SAN-TZU No. 0920001301.)
    - 4.1.2 Natural persons designated to exercise their duties on behalf of the Company in accordance with Article 27, Paragraph 1 of the Company Act.
    - 4.1.3 Shareholders holding more than ten percent of the Company's shares.
    - 4.1.4 Persons who have been informed by reason of their profession or controlling power (e.g. a finance officer, an accounting officer, a business officer, a person from various departments who has been informed by reason of their involvement in business or finance).
    - 4.1.5 Any person who has lost his or her status under the preceding paragraphs for less than six months.



#### 4.2 Prospective insiders:

4.2.1 Spouses, minor children and persons holding shares in the name of another person as described in 4.1.1 to 4.1.3 above.

4.2.2 Any person who has lost his or her status under 4.2.1 for less than six months.

#### 4.3 Informed person:

A person who has received inside information, directly or indirectly, from a person as described in 4.1 and 4.2.

4.4 Spokesperson: The person responsible for the external dissemination of material information about the Company.

4.5 'Insider Trading': A person who has actual knowledge of information in 4.1-4.3 above that has a material effect on the price of the company's shares shall not, before or within 18 hours after the information is made public, buy or sell shares or other marketable securities of an equity nature that are listed on the company's stock exchange or traded in the securities dealer's office, either on his own or in the name of another person. (Article 157-1, Paragraph 1 of the Securities and Exchange Act).

5 Flowchart: N/A.

#### 6 Operation content:

##### 6.1 Establishment and maintenance of "insider" information files:

The Equity Affairs Department of the Finance Division shall establish, maintain and regularly update the information files of "insiders" in accordance with its authority and responsibility, so that its supervisors can review their completeness and report changes in shareholdings to the competent authorities in accordance with the prescribed deadlines and methods.

6.2 The scope of material internal information affecting the Company's share price: In accordance with Article 157-1, Items 5 and 6 of the Securities and Exchange Act, these include:

6.2.1 Information relating to the Company's finances or business that has a significant impact on the price of the shares, or that has a significant impact on the investment decisions of proper investors. The Equity Affairs Department of the Finance Division shall, in accordance with its authority and responsibility, report to the competent authorities in accordance with the prescribed time



limit and manner when the material information occurs, and establish a written control form (see Annex 7.1 Control Form).

6.2.2 Information relating to the market supply and demand for that security, which has a significant impact on the price of the stock, or which has a significant impact on the investment decisions of proper investors. The Equity Affairs Department of the Finance Division shall, in accordance with its authority and responsibility, report to the competent authorities in accordance with the prescribed time limits and methods when the material information occurs, and establish a written control form (see Annex 7.2 Control Form).

6.2.3 Information that materially affects the Company's ability to pay principal and interest. The Equity Affairs Department of the Finance Division shall, in accordance with its authority and responsibility, report to the competent authority in accordance with the prescribed time limits and manner when the material information occurs and establish a written control form (see Annex 7.3 Control Form).

6.3 Internal material information shall be established at the following dates:

The date of issuance, the date of agreement, the date of execution, the date of payment, the date of commission, the date of closing, the date of settlement/transfer, the date of resolution of the board of directors, or any other date that can be specified by specific facts, whichever is earlier.

6.4 Disclosure of material internal information: In accordance with the "Regulations Governing the Scope of Material Information and the Means of its Public Disclosure Under Article 157-1, Paragraphs 5 and 6 of the Securities and Exchange Act".

6.4.1 Information relating to the Company's finances or business that has a significant impact on the price of the shares or on the investment decisions of proper investors, which is made public by means of the Company's input into the Market Observation Post System.

6.4.2 Information relating to the market supply and demand for that security, which has a significant impact on the price of the stock, or which has a significant impact on the investment decisions of proper investors, which is made public by one of the following means:



6.4.2.1 The Company inputs into the Market Observation Post System.

6.4.2.2 Announcements on the website of the Taiwan Stock Exchange Corporation on the basic market situation.

6.4.2.3 Announcements on the website of the Over-the-Counter (OTC) Securities Trading Center of the Republic of China (R.O.C.) on the basic market situation.

6.4.2.4 Where news is made public through the non-local pages of two or more daily national newspapers, national television news or electronic news reports published by the former media, the 'news sedimentation period' (i.e. the period during which insider trading is prohibited) means that no trading in shares or other marketable securities of an equity nature that are listed or traded on a securities dealer's premises shall be permitted before or within eighteen hours after the disclosure of the material news. The said 18 hours shall be counted from the time of the first broadcast of the news bulletin or television news or the time of entering the news on the electronic website, which shall be 6:00 a.m. for the morning news and 3:00 p.m. for the evening news.

6.4.3 Information that materially affects the Company's ability to pay principal and interest will be made public by means of the Company's input to the Market Observation Post System.

6.5 Preventive check mechanism for self-prevention of insider trading for insiders:

6.5.1 Prevention of conflict of interest.

6.5.1.1 Directors and managers of the Company shall perform their duties in an objective and efficient manner and shall not improperly benefit themselves, their spouses or relatives within their second degree of consanguinity in the performance of their business or by virtue of their position in the Company.

6.5.1.2 The Company shall follow the Company's internal procedures and other relevant laws and regulations when lending funds to, providing guarantees for, or conducting significant asset transactions or purchase (sales) transactions with affiliated companies to which the



Directors and Managers belong.

6.5.2 Avoiding opportunities for personal gain:

When the Company's directors and managers have actual knowledge of material information about the Company, they are prohibited from:

6.5.2.1 Using the Company's property or information or from using their position for personal gain.

6.5.2.2 Competing with the Company.

6.5.3 The persons in 4.1~4.3 of these Procedures shall not buy or sell shares or other marketable securities of the Company before or within 18 hours after the announcement of the news, if they have actual knowledge of material information of the Company.

6.5.4 The persons in 4.1 to 4.3 of these Procedures shall, when they have actual knowledge of material information about the Company, observe strict confidentiality until such information is announced.

6.5.5 The Company shall immediately announce any information that materially affects the price of its shares or materially affects its ability to pay principal and interest.

6.5.6 Directors, managers and employees of the Company shall promptly report to the internal audit unit any material internal information leaks of which they become aware. Upon receipt of such a report, the internal audit unit shall invite the responsible department(s) to formulate a response as soon as possible and keep a record of the results.

6.5.7 Fair dealing: Directors and managers of the Company shall not obtain improper benefits through manipulation, concealment, misuse of information obtained in the course of their duties, misrepresentation of material matters or other unfair dealing.

6.6 The Company shall hold the relevant personnel accountable and take appropriate legal measures if any of the following occurs:

6.6.1 The Company's personnel disclose material internal information to the public without authorization or violate the provisions of this practice or other laws and regulations.



6.6.2 The Company's spokespersons or spokespersons acting on behalf of the Company shall speak to the public in a manner that exceeds the scope of the Company's authorization or violates the provisions of this practice or other laws and regulations.

6.6.3 The Company shall pursue legal responsibility through relevant channels for any leakage of material internal information by persons outside the Company that may cause damage to the Company's property or interests.

6.7 Internal auditors assist in reviewing and implementing self-inspection mechanisms:

Internal auditors should regularly understand the compliance situation and make audit reports to implement the key points of management to prevent insider trading and the key points of handling significant internal information.

6.8 Internal education and awareness-raising measures:

6.8.1 The Company shall, at least once a year, educate its directors, managers and employees on these Procedures and related laws and regulations.

New directors, managers and employees shall be provided with education/directions in a timely manner.

## 7 Annexes

7.1 Control Form on the "Information relating to the company's finances or business that has a material effect on the price of the stock or that has a significant impact on the investment decision of an accredited investor"

7.2 Control Form on the "Information relating to the market supply and demand for the security which has a material effect on the price of the stock or on the investment decision of a proper investor"

7.3 Control Form on "Information that materially affects the Company's ability to pay principal and interest"

## 8 Authority and responsibility for the preparation of this document:

8.1 These Procedures are added/revised by the Equity Affairs Department of the Finance Department and announced for implementation after approval by the President (General Manager) and the Chairman.

8.2 The date of approval of the additional document is December 21, 2009.

8.3 The date of first approval of the amendment is 06 February 2012.



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8.4 The date of second approval of the amendment is 30 December 2019.