

## Implementation of Ethical Corporate Management

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
<p>1. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures</p> <p>(1) Does the company formulate ethical corporate management policy that approved by the board of directors, and declare its policies and procedures in its guidelines and external documents, as well as the commitment from its board and top executives to implement the policies?</p> <p>(2) Has the Company established an evaluation mechanism to assess the unethical conducts risk, and regularly analyzes and evaluates business activities with high potential unethical conducts, and formulates a precaution plan which at least covered listed activities stated in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p> <p>(3) Does the company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, guidelines of conducts, punishment for violation, rules of appeal, the commitment to implement the policies, and review the policy regularly?</p>	V		<p>(1) As a base for implementing ethical corporate management, the Board of Directors has established “Ethical Corporate Management Best Practice Principles” to comply with Company Act, Securities and Exchange Act, and Business Entity Accounting Act. ATII also requires suppliers to sign a “Statement of Prohibition Against Manufacturers’ Bribery”. The policies related to integrity and honesty are all stated in the business contract to actively implement ethical corporate management. Besides, Board of Directors and top executives will implement policies and regulations related to integrity and avoid any conflict of interest by following “Precautions Against Insider Trading Operations” and “Regulation of Board of Directors Meeting Proceedings”. In the meantime, the company will promote relevant laws and regulations to new elected directors and insiders.</p> <p>(2) ATII has established “Ethical Corporate Management Best Practice Principles”. Among them, Article 7 has stated an evaluation mechanism to assess the unethical conducts risk, which also covered listed activities stated in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.</p> <p>(3) ATII has stated in the “Ethical Corporate Management Best Practice Principles” that all employees must not directly or indirectly provide or accept any unreasonable gifts, entertainment or other improper benefits, so as to prevent employees from sacrificing the company’s rights due to their personal interests. ATII (Shen Zhen) has held a 2 hours education and training session related to work ethics management in 2023 with a total of 568 participants.</p>	None
<p>2. Ethic Management Practice</p> <p>(1) Does the Company assess the ethics records of whom it has business relationship with and include business conduct and ethics related clauses in the business contracts?</p> <p>(2) Does the Company establish an exclusively dedicated unit supervised by the Board to be in charge of corporate integrity, and regularly (at least once a year) report to the Board about the implementation of ethical corporate management policy and the plan against unethical conducts?</p> <p>(3) Does the Company establish policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?</p> <p>(4) Has the Company established effective systems for both accounting and internal control to facilitate ethical corporate management, with internal audit units formulating audit plans based on risk assessments of unethical conduct which are used to review compliance with measures for preventing unethical conduct, or which are audited by CPAs?</p> <p>(5) Does the Company provide internal and external ethical</p>	V		<p>(1) ATII continues to implement ethic management practice and avoids any transactions with those who have records of dishonesties. The company also requires suppliers to sign a “Statement of Prohibition against Manufacturers’ Bribery”, and the policies related to integrity and honesty are all written down in the business contract between ATII and suppliers.</p> <p>(2) ATII has set up a compliance-based program as an exclusively dedicated unit to be in charge of corporate integrity. Board of Directors has established “Ethical Corporate Management Best Practice Principles” and continues to carry out ethical conduct policies with all employees. The company will report the performances of ethical corporate management and the implementation directly to the Board of</p>	None

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conduct training programs on a regular basis?			<p>Directors (10/30/2023) annually.</p> <p>(3) In Article 16 of the “Ethical Corporate Management Best Practice Principles” and in Article 11 of the “Regulation of Board of Directors Meeting Proceedings”, ATII has established policies to prevent conflict of interests and recusals of independent directors in order to prevent unethical conduct.</p> <p>(4) ATII has established effective systems for both accounting and internal control to facilitate ethical corporate management. Internal audit personnel shall assess the risk of dishonesty and shall draw up an audit plan from time to time if necessary.</p> <p>(5) ATII continues providing ethical conduct training programs and actively carries out the spirit and concept of ethic management. ATII (Shen Zhen) has held a 2 hours education and training session related to work ethics management in 2023 with a total of 568 participants. ATII (Taipei) also promotes issues such as ethical corporate management and prevent insider trading to all staffs in December, 2023.</p>	
<p>3. Implementation of Complaint Procedures</p> <p>(1) Does the Company establish specific complaint and reward procedures, set up conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received?</p> <p>(2) Does the Company establish standard operating procedures for confidential reporting on investigating accusation cases and measures for follow-up?</p> <p>(3) Does the Company adopt proper measures to prevent a complainant from retaliation for his/her filing a complaint?</p>	V		<p>(1) ATII has established relevant provisions in Article 21 “Procedures for Ethical Management and Guideline of Conduct”. The company also sets up complaint channels such as suggestion box, and the comments will be reported to the Management Office for discussion by compliance-based program.</p> <p>(2) ATII has established relevant provisions in Article 21 “Procedures for Ethical Management and Guideline of Conduct”. Compliance-based program shall handle the complaint received and carry out cases in a confidential and rigorous manner.</p> <p>(3) ATII has established relevant provisions in Article 21 “Procedures for Ethical Management and Guideline of Conduct”. Any form of retaliation against those who file a complaint in good faith or assist in investigation is prohibited.</p>	None
<p>4. Information Disclosure</p> <p>Does the Company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and Market Observation Post System (MOPS)?</p>	V		ATII has disclosed “Ethical Corporate Management Best Practice Principles” as well as information about implementation of such guidelines on the official website and Market Observation Post System.	None
5. If the Company has established corporate governance policies based on “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the policies and their implementation: None				
6. Other important information to facilitate better understanding of the Company’s corporate conduct and ethics compliance practices: ATII has established “Ethical Corporate Management Best Practice Principles” as well as “Procedures for Ethical Management and Guideline of Conduct” to continue carrying out ethical conduct policy with all employees. Simultaneously, the company will promote ethical corporate management to suppliers and regulates by contracts.				