

Nanya Technology Corporation

Reporting Procedure

1. Purpose

The procedure aims to encourage reports of any violations of law, or illegal matters related to the business integrity and labor ethics of Nanya Technology Corp. (NTC, or the Company) and to regulate the procedure of investigations.

2. Scope

2.1 Applicability

The procedure is applicable all the employees of NTC, it's vendors and/or customers.

2.2 Applicable scope

2.2.1 The following matters, in which cases any employees of NTC, vendors or customers working with NTC are involved, may be reported.

- A. Any illegal matters that may have an impact on NTC's interests. (including but not limited to burglary, damage, violence force, spreading rumors, incitement to illegal matters, disrupting the order, collusion, embezzlement, etc.)
- B. Any actions that violate NTC's regulations or contracts, or intentions for undue benefits, (including but not limited to careless supervision, dishonest report, neglect of duty, breach of confidentiality, acceptance of any bribes or improper invitations, etc.) which may have an impact on NTC's interests.
- C. Any improper or abnormal behaviors that are not included in the cases mentioned above and may have an impact on NTC's interests.

2.2.2 If any employees have been treated badly or unfairly, have suggestions about work or workplace, or have been involved in sexual harassment, please follow "Nanya Technology Employee Protection and Complaint Reporting Procedure" and "Sexual Harassment Prevention, Complaint Reporting Procedure, and Punishment at Workplace".

3. Contents

3.1 Responsible department for reporting

The Audit Office is responsible for accepting and processing cases related to violations of business integrity and labor ethics.

3.2 Reporting principles

- 3.2.1 Informers should provide name and contact information, specify the reporting (including who, what, when, where) and provide evidence as reference.
- 3.2.2 Even if the reported matters are not provided with valid identification or effective contact information of the informer, the Company should still carry out investigation into matters with valid evidence or unusual circumstances.

3.3 Reporting channels

3.3.1 If any of the situations described in scope above is discovered, please report through:

A. Mail box: Audit Office

No.98, Nanlin Rd., Taishan Dist., New Taipei City 243, Taiwan (R.O.C.)

B. E-mail: audit@ntc.com.tw

C. Reporting hotline: +886-2-2906-1001

3.3.2 The e-mail and report hotline mentioned above are posted on the NTC's website.

3.4 Acceptance of reporting and principles of investigation and handling

3.4.1 Receive a report

- A. Audit Office shall first assess the credibility of the provided evidence, and evaluate if there is any reliable indicator for further investigation. Then, Audit Office shall report to the authorized Board member who manages Audit Office and judge whether the case will be accepted or not.
- B. For cases to be accepted, Audit Office will assign a case director or form a project team to carry out investigation according to the contents, categories, characteristics, sensitivities and consider the level of the reported person of the case. If a case is involved with a managerial officer(s) or Board member(s), the authorized Board member who manages Audit Office shall form a project team to conduct investigations.
- C. Cases that are not accepted (ambiguous description, vague reference, violations of common judgment, obviously unfounded allegations, etc.) will be filed to safekeeping after the case is reported and confirmed.

3.4.2 Investigation procedure

- A. If the case is related to corporate by-laws, the case director should consult the related departments about the regulations; if the case is related to legal issues, he or she should consult the Company's legal department.
- B. The case director must keep the whole investigation procedure confidential, and the team is forbidden to reveal the case to any unrelated personnel. The identification of the informer should be regarded as strictly confidential. In the investigation with related persons, the director can only consult the part of the case in which the person is involved.

3.5 Closing and documentation filing

- 3.5.1 After the investigation is completed, the case director must prepare a formal report detailing the result of the investigation based on the content and scope of impact, and submit it for approval.
- 3.5.2 All investigation results of reported cases shall be reported to the President of the Company. If a case is a material one that may affect the reputation of the company, such as violation of business integrity, corruption, etc., it will be reported to Audit Committee of the Board of Directors.
- 3.5.3 The follow-up punishment and improvement of the case will be documented and safe-kept by the case director (and handled as confidential documents) after relevant departments complete related processes.
- 3.5.4 Report acceptance, investigation process, and investigation results should be kept in documents or electronic files for five years, and their safekeeping can be done electronically. By the due date of the document safekeeping if any lawsuit related to reported case is issued, then the related documentations should be preserved till the lawsuit is settled.