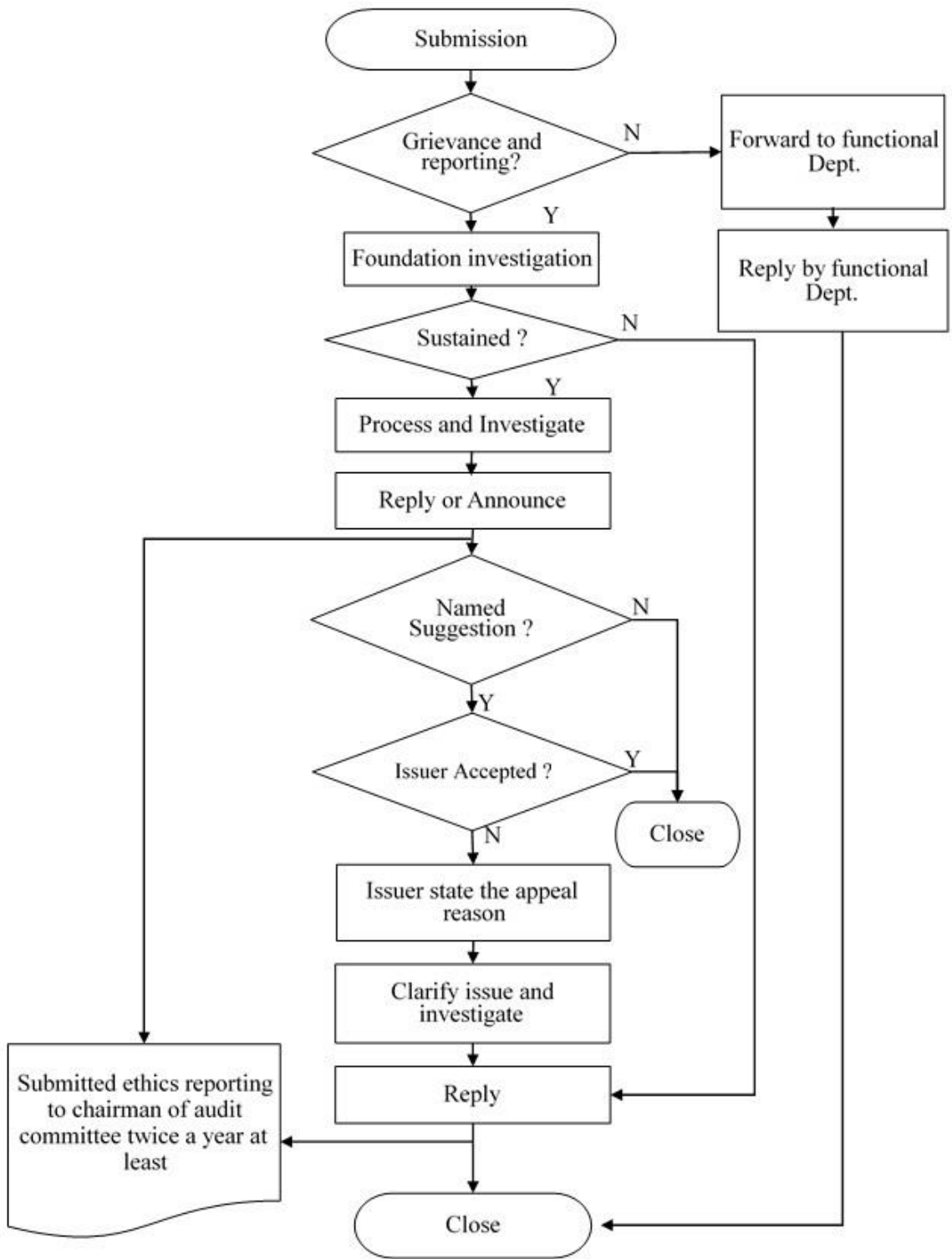


# Grievance and Reporting Regulation

1.	<p>Purpose:</p> <p>To define the process of grievance or reporting from employees or external parties. To encourage employees and external parties to propose suggestion in good will, or to report misconduct, or ethic violation, so that all can mutually build a fear-free workplace and also a business environment with integrity.</p>			
2.	Applicable for submission: employees or external parties			
3.	<p>Category of submission:</p> <p>3.1 Grievance or reporting: including 4 categories as following</p> <p style="margin-left: 20px;">(1) Labor right</p> <p style="margin-left: 40px;">Discriminate, harassment (including but not limits in coercion, threatening behavior, physical abuse, sexual abuse, or verbal abuse), prevention of involuntary labor, third-party employment agency management, foreign contract worker protections, prevention of underage labor, juvenile worker protections, education program management, working hours, wages/benefits, and contracts...etc.</p> <p style="margin-left: 20px;">(2) Health and safety</p> <p style="margin-left: 40px;">Occupational health and safety management, incident management, emergency preparedness and response, ...etc.</p> <p style="margin-left: 20px;">(3) Environment protection</p> <p style="margin-left: 40px;">Hazardous waste, wastewater management, storm water management, air emissions management, boundary noise...etc.</p> <p style="margin-left: 20px;">(4) Ethics</p> <p style="margin-left: 40px;">Violation to business ethic norms or interest conflict, having unfair treatment because of refusing corruption action or violating ethic norms...etc.</p> <p>3.2 General affairs or other suggestions</p> <p style="margin-left: 20px;">Suggestion for dormitory, dinning, parking, or other administration affairs.</p>			
4.	Channels for grievance or reporting:			
	Channels	Employee	External party	Anonymous
	Report to management directly	V		
	Report to HR head directly	V	V	

	On-line Suggestion Note	Point	V		
	Suggestion box in each Site		V		V
	Grievance & Reporting e-mail	<u><a href="mailto:grievance@ardentec.com">grievance@ardentec.com</a></u> (open at Ardentec web-site)	V	V	V
	Telephone	03-5976688 ext. 1201 0926-237-856	V	V	
5.	<p>Responsibilities:</p> <p>5.1 The heads of HR &amp; Services Division or Compensation &amp; Staffing Relations Dept.: acceptance of grievance, reporting, or applicable issue then; assign the replier, organize investigation, conduct disciplinary and corrective process. All the sustained ethics investigation reports need to be submitted to chairman of audit committee every half year at least.</p> <p>5.2 President or Chairman: if the identified person of the reporting is appointed management, HR &amp; Service director shall submit the reporting to President or higher management to assign the in charge person for investigation.</p> <p>5.2.1 Appointed management manager or higher level</p> <p>5.2.2 In charge person of investigation, based on the avoidance criteria, the reporting shall be submitted to higher management to assign the in charge person for investigation.</p> <p>5.3 Legal: When investigation proof the grievance or reporting, the result involved breaching of legal responsibility or business secret, Legal shall conduct legal process.</p>				
6.	<p>Contents:</p> <p>6.1 Grievance and Reporting Process</p>				



## 6.2 Time taken

Application of article 3.1 need to follow the time schedule as below:

Task	Owner	Time schedule
Assign the replier	HR & Service Division/ Compensation & Staffing Relations Dept.	One day or 24 hours
Investigation ( Include the appeals )	Assigned answers HR & Service Division Compensation & Staffing Relations Dept.	14 calendar days
Reply or announce	Compensation & Staffing Relations Dept.	3 working days
Appeal (Named only)	Issuer	Reply or announcement date +14 calendar days

6.3 An employee may make known his grievance in person to his immediate Supervisor/Manager, HR & Service Division. The Supervisor/Manager shall, within 3 workdays, have frank, open and objective dialogue with the employee to find an amicable solution to the issue. If the matter is not resolved at the end of 3 workdays, the Supervisor/Manager has to refer the grievance to the next higher level within the department or organization.

## 6.4 Reporting Judgment

### 6.4.1 Grievance or reporting

Forwarded to the replier after coded and filed by the Compensation & Staffing Relations Dept. The grievances from the suggestion box in each site shall filed and fill in the “Suggestion Box Processing Record (AK0031-1)”.

### 6.4.2 General affairs or other suggestions

Forwarded by HR & Service Division or Compensation & Staffing Relations Dept. to the functional dept. to handle it. The Compensation & Staffing Relations Dept. will summarize and announce the above grievances with the functional dept. and owner on 5<sup>th</sup> and 20<sup>th</sup> of each month (On the next working day in case of a holiday).

## 6.5 Foundation investigation

In order to improve the effectiveness of communication channels and processing efficiency, if the content of grievances or reporting cannot provide specific incidents or clear evidence, the case will not be filed for investigation.

6.6 The replier shall reply processing and improvement result in accordance with the article 6.2 time schedule.

	<p>6.7 The Compensation &amp; Staffing Relations Dept. process the reply or announcement in accordance with the article 6.2 time schedule.</p> <p>6.8 Appeal management</p> <p>6.8.1 If the issuer disagrees with the result of the reply, shall appeal with description, evidences and original case number within the 6.2 time schedule. Not applicable for anonymous grievance or reporting.</p> <p>6.8.2 The appeal cases will re-assign to the investigator, process and answer.</p>
7.	<p>Notes for grievance or reporting:</p> <p>7.1 When grievance or reporting happen, in charge department/division must be neutral conduct the foundation investigation and evidence collection to avoid misleading before case sustained, and request related function to provide answer or seek the opportunity for improvement.</p> <p>7.2 If the grievance or reporting is engage to legal violation, the investigation shall co-work with legal system to process.</p> <p>7.3 When the investigation reveals the materiality, shall call for meeting with related area head to discuss the handling proposal, when conclude the necessity, the proposal shall be approved by the President.</p> <p>7.4 When the grievance or reporting concerns to sexual harassment, if necessary, the investigation shall follow 「Prevention, Correction, Complaint and Punishment of Sexual Harassment Regulation」 to process.</p>
8.	<p>Investigation process:</p> <p>8.1 The suggestion, reporting or grievance raised in anonymous or with name shall be honest, truly and clearly deliver subject, content and evidence, so that the subject may be effectively processed, the delivered grievance, suggestion or reporting shall not with offensiveness.</p> <p>8.2 Shall be honest and truthful, abusive language will not be tolerated.</p> <p>8.3 Usually investigation needs clarification or more information in order to verify the allegation. For those grievance or reporting by anonymous, if the evidence relates to who, what, when, where is insufficient for investigation, it may limit to follow up on an investigation.</p> <p>8.4 Ensure the protection to whistleblower, included but not limited to the name of the whistleblowers not to be improperly.</p>
9.	<p>Investigation result:</p> <p>9.1 The corrective action should be performed once the grievance or reporting proven to be true after investigation. Assuming there is related person behaves any misconduct or the violation activity of business ethic guideline indeed:</p> <p>a. Employee: Executed according to “Employee Reward and Disciplinary Regulations”.</p> <p>b. Supplier: Depends on the severity of circumstance, a severe warnings or termination of</p>

	<p>cooperation should be executed.</p> <p>c. External people (excluding suppliers): The company should take necessary actions to eliminate direct and indirect relationship</p> <p>d. If the misconduct is involved illegal activity, the company could submit to judicial authority and support investigation under necessary situation.</p> <p>9.2 For named grievance or reporting, the result will be replied to the proposer, for those anonymous cases raised by employee, the result will be announced to all employees.</p> <p>9.3 When the investigation and process is all completed, the whole record shall be filed by in charge departments. The record keeping shall follow Record Control Procedure (AA0011) rules.</p>
10.	<p>Protection for grievance or whistleblower:</p> <p>10.1 For processing grievance/reporting by employee/external persons, in charge department shall carefully process to ensure the protection to the person raise grievance or the whistleblower, and also the people engage investigation. The protection includes but not limited to no inappropriate disclosure and no impact to the complainant's right and also to prevent unfair treatment or retaliation.</p> <p>10.2 When investigation is concern to another employee or person, it shall adhere to the protection principle of human right as well. After the investigation to prove the fact, correct action shall be conduct no matter the grievance/whistleblowing is raised in anonymous or named.</p> <p>10.3 For those whistleblower who refuse to participate corruption action or violating ethic norms, besides the protection stated in 10.1 and 10.2, the company guarantees not to affect whistleblower's right because of the reporting, the Company also guarantees the whistleblowing external party will not face negative reaction for fair business with Ardentec.</p>
11.	<p>Prohibit retaliation:</p> <p>11.1 Retaliation is strictly prohibited to whistleblower. If there is retaliation provide fact, the employee may be disciplined according to Employee Reward and Disciplinary Regulation, and the external may be terminated business relationship.</p> <p>11.2 If treating, terrifying or any illegal retaliation is evolved, Ardentec will report to legal authority for further processing.</p>