

Fulfillment of Ethical Corporate Governance, the Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons:

Items of Evaluation	Implementation			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Summary	
I.Establishment of Ethical Corporate Management Policy and Proposal (I) Has the Company established the ethical corporate management policies approved by the Board of Directors and specified in its rules and external documents the ethical corporate management policies and practices and the commitment of the Board of Directors and senior management to rigorous and thorough implementation of such policies?	V		Accton formulated "Ethical Corporate Management Best Practice Principles" approved by the Board of Directors and disclosed it on the Market Observation Post System. The Board of Directors and the management implemented the commitment about ethical corporate management policy actively, and ethical corporate management policy was indeed implemented in internal management. The rules of procedures of Accton's Board of Directors are aimed to establish a good governance system, improve supervision functions and strengthen management functions.	No discrepancy
(II) Has the Company established a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include the preventive measures specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?	V		It is stipulated in Accton's Ethical Corporate Management Best Practice Principles that bribery, provision of illegal political contributions, improper charitable donations or sponsorship, provision or acceptance of unreasonable gifts, hospitality or other improper interests, infringes on business secrets, trademark rights, patent rights, copyrights and other intellectual property rights, engagement in unfair competition, and unethical acts where products and service will directly or indirectly damage the interests, health and safety of consumers or other stakeholders during R&D, procurement, manufacturing, provision or sales, are prohibited. Accton has taken preventive measures and conducted education and publicity to implement the ethical corporate management policy.	No discrepancy
(III) Has the Company specified in its prevention programs the operating procedures, guidelines, punishments for violations, and a grievance system and implemented them and review the prevention programs on a regular basis?	V		Accton specifies clear provisions in the "Code for Ethical Conduct of Employees" and the "Ethical Corporate Management Best Practice Principles", which are implemented and published on Accton's internal website for employees to check at any time, and also advocates core value and compliance with systems by staff through education and other diversified method, and requires staff to assume the important responsibility to maintain high ethical standards, company reputation and compliance. In addition, Accton provides a variety of systems for reporting unethical management. Accton always strictly handles any violation of ethics confirmed, and takes severe disciplinary measures against violators, such as termination of employment and taking appropriate legal action.	No discrepancy
II.Consolidation of Ethical Corporate Management (I) Does the Company evaluate business partners' ethical records and include ethics-related clauses in contracts entered into with the partners?	V		Upon signature of contract with others, Accton should fully understand other party's ethical management status, and include ethical management into the contract terms and, in case of breach thereof, it will refuse to make transaction with the party, so as to obtain the most reasonable quotation and the best service and quality. Accton has formulated the "Supplier Code of Conduct" to stipulate ethical principles.	No discrepancy
(II) Has the Company set up a dedicated unit under the Board of Directors to promote ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation and supervision of the ethical corporate management policies and prevention programs against unethical conduct?	V		Accton has formulated "Ethical Corporate Management Best Practice Principles", and established the "Corporate Governance and Ethical Management Committee" to be responsible for promoting ethical management. Accton arranges training for new and existing employees regularly to remind them of important matters during the course of business. Employees can also through the company's website and internal mailbox and other ways to respond and communicate with the management and personnel units; The company has established the "Complaint and Report Management Practice" and set up a platform for reporting violations of professional ethics, providing the informant to report the company's personnel's illegal acts. The Integrity Business Promotion Group accepts the reporting cases and sends them to the top supervisor of the relevant units for investigation. And tracking the final processing results, the identity of the whistle-blower and the content of the report are more confidential; The investigation process and results of the cases are kept a complete record.	No discrepancy
(III) Has the Company formulated policies to prevent conflicts of interest and provide appropriate communication channels, and implement such policy properly?	V		The Company has stipulated clear regulations and disciplinary actions in the "Employee Principles", "Ethical Corporate Management Best Practice Principles", and "Regulations Governing the Management of Grievance and Whistleblowing". The Company provides channels for employees to	No discrepancy

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			complain and respond to complaints, in order to implement and promote the principles. Complaints and whistleblowing hotline (03-5770270 ext 1534) and dedicated email (auditing@accton.com)																																				
(IV) Has the Company established effective accounting systems and internal control systems to implement ethical corporate management and had its internal audit unit, based on the results of the assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?	V		In order to implement ethical corporate management, Accton has established an effective accounting system and internal control system. The internal auditors have listed high-risk operations as the top priority for auditing of the annual audit plan based on risk assessment to strengthen the preventive measures. The implementation of the audit plan shall be reported to the Board of Directors. In addition, the CPAs will review the implementation of Accton's internal control system every year. According to the results of the internal audit and through the appointment of CPAs, no major violations of ethical corporate management is identified.	No discrepancy																																			
(V) Does the Company hold internal and external educational trainings on ethical management regularly?	V		<p>The Company has formulated the "Ethical Corporate Management Best Practice Principles", which are not only disclosed on the Company's website, but also promoted on the internal website. Education and training are conducted for new recruits on arrival. In 2023, a total of 246 sessions were held on the courses of ethical management and insider trading prevention, the total number of training has reached 2,720 ; for senior executives, the Company is responsible for inviting professional institutions to come and hold courses, analyze the Company's executive code of conduct with case studies, and implement top-down education and training to strengthen the Company's ethical management policy for a total of 2 sessions and 6 hours of training.</p> <table border="1"> <thead> <tr> <th>Items</th><th>Course type</th><th>Advocating content</th><th>Echelon</th><th>Attendees</th></tr> </thead> <tbody> <tr> <td>Group New Employee Power Camp</td><td>Physical session</td><td>Advocate core values and code of conduct.</td><td>106</td><td>748</td></tr> <tr> <td>Group New Employee Power Camp</td><td>Physical session</td><td>Corporate ethics and related codes of conduct.</td><td>5</td><td>181</td></tr> <tr> <td>Group New Employee Power Camp</td><td>Online Training</td><td>Explain the core values and workplace behaviors, and lead them to familiarize themselves with the relevant ethical behavior in the workplace</td><td>1</td><td>311</td></tr> <tr> <td>Group personnel training</td><td>Online Training</td><td>Advocate group trade secret control regulations</td><td>31</td><td>952</td></tr> <tr> <td>Group New Employee Training</td><td>Physical session</td><td>Advocate good faith management and related ethical code of conduct, without any legitimate trading and group interests maintenance, prohibit insider trading.</td><td>101</td><td>520</td></tr> <tr> <td>Group senior manager training</td><td>Physical session</td><td>Explain ethical management and business ethics and code of conduct, and share case studies.</td><td>2</td><td>8</td></tr> </tbody> </table>	Items	Course type	Advocating content	Echelon	Attendees	Group New Employee Power Camp	Physical session	Advocate core values and code of conduct.	106	748	Group New Employee Power Camp	Physical session	Corporate ethics and related codes of conduct.	5	181	Group New Employee Power Camp	Online Training	Explain the core values and workplace behaviors, and lead them to familiarize themselves with the relevant ethical behavior in the workplace	1	311	Group personnel training	Online Training	Advocate group trade secret control regulations	31	952	Group New Employee Training	Physical session	Advocate good faith management and related ethical code of conduct, without any legitimate trading and group interests maintenance, prohibit insider trading.	101	520	Group senior manager training	Physical session	Explain ethical management and business ethics and code of conduct, and share case studies.	2	8	No discrepancy
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III. Whistle-blowing System (I) Has the Company established a specific whistleblowing and rewarding system, and establish convenient whistleblowing channels, and appoint appropriate special person to handle the affairs of the reported person?	V		<p>The company has set up a special area for interested parties on the company website (https://www.accton.com.tw/interested/). If the rights and interests of shareholders, customers, suppliers and other interested parties are infringed, it can complain to the company. In addition, it has internal and external appeal management, so that when employees suffer from improper, illegal or unreasonable events, they can appeal according to the appeal system. Accton has established "Procedures for Management of the Ethical Conduct of Employees", which specifies the standards for employee's ethical conduct and encourages reporting any illegal act and violation of ethical code, as well as anti-retaliation protection measures. Employees can report to relevant management and supervision units by email or through special reporting channels or other internal and external appeal channels, and the person of relevant units shall notify Accton's audit office and other relevant organizations immediately after receiving the report. No material reports in 2023.</p>	No discrepancy																																			

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(II) Has the Company established the standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after the investigation, and related confidentiality mechanisms?	V		The Company clearly defines whistleblowing and investigation criteria and the confidentiality mechanism according to the “Employee Discipline Guidelines” and “Ethical Corporate Governance Best Practice Principles”. Employees who report a violation of ethical principles or fraud and participate in the investigation process will be kept confidential and protected from unfair retaliation or treatment. The acceptance, investigation process and results of the report shall be recorded and maintained. There was no such thing in 2023.	No discrepancy
(III) Does the Company take measures to protect the reporter from such improper disciplinary action as arising from whistleblowing?	V		According to whistleblowing rules, Accton will keep reporters in confidential and protect them from such disciplinary action as resulting from whistleblowing. For employees who report violation of ethical norms or fraud and participate in the investigation process, the company will keep it in confidential strictly and protect the employees from unfair retaliation or treatment. Please refer to “Procedures for Management of the Ethical Conduct of Employees” for details.	No discrepancy
IV. Enhancing Disclosure of Information Does the Company disclose its ethical corporate management policies and implementation results on its website and the MOPS?	V		Accton discloses corporate social responsibility, ethical management and management policies and other information on its website. In addition, Accton sets dedicated department to be responsible for collecting and publishing its various information, sets up spokesperson, holds corporate description meeting for stating the company’s business conditions and operation results, and uploads the video and audio files for the meeting to Accton’s website and the Market Observation Post System for checking purpose.	No discrepancy
<p>I. If the Company formulated its own Ethical Corporate Management Best Practice Principles in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe its implementation and difference between them: Accton has formulated “Ethical Corporate Management Best Practice Principles”, and all employees, managers and members of the Board of Directors must observe the Principles and follow its implementation. The third amendment of the Principles was resolved at the Board meeting on March 19, 2020, without any difference of implementation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.</p> <p>II. Other important information that facilitates the understanding of the implementation of ethical corporate management (such as review and amendment of the Company’s Ethical Corporate Management Best Practice Principles):</p> <ol style="list-style-type: none"> 1. Accton complies with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, the relevant regulations for TWSE/TPEX listed companies and other laws and regulations related to commercial conduct, as the basic principles for implementing ethical management. 2. The provisions about recusal from voting due to conflict of interests are specified in Accton’s “Rules of Procedures of the Board of Directors.” The provisions about recusal from voting due to conflict of interests are specified in Accton’s “Rules of Procedures of the Board of Directors” that the person who is interested in the resolution discussed at the meeting of Board of Directors in terms of itself or its legal representative and thus whose statement, opinions and answer will be harmful to Accton shall not participate in the discussion of and voting on such resolution, and shall avoid the discussion and voting, and shall not exercise the right to vote on behalf of other directors. that the person who is interested in the resolution discussed at the meeting of Board of Directors in terms of itself or its legal representative and thus whose statement, opinions and answer will be harmful to Accton shall not participate in the discussion of and voting on such resolution, and shall avoid the discussion and voting, and shall not exercise the right to vote on behalf of other directors. 3. According to the Company's "Operational Procedures for Prevention of Insider Trading", the directors, supervisors, managers, employees and consultants of the Company shall not inquire the internal and material information of the Company from persons with knowledge of the insider trading or collect information that is irrelevant to one's job position but has not yet disclosed material internal information: The undisclosed internal information known by the Company due to non-performance of duties shall not be disclosed to others. In 2023, a total of 246 training sessions on employee ethics (please refer to the table on page 53 for the course content) were held and 2,720 people were trained. 4. The company conducts self-evaluation for all departments every year, makes cooperation in organization and environment changes if appropriate, and examines the appropriateness of internal control system and that whether employees actually perform in accordance with relevant regulations, so as to ensure the effective implementation of Accton's internal control system. 				