

Advanced Analog Technology, Inc.

Procedures for Endorsements and Guarantees

Article 1 Purpose

These procedures are established to ensure the Company's compliance with matters related to endorsements and guarantees provided to external parties. Any matters not covered herein shall be handled in accordance with relevant laws and regulations.

Article 2 Scope of Application

The term "endorsement and guarantee" as used in these procedures includes:

1. Financing Endorsements and Guarantees: Refers to endorsements or guarantees for bill discount financing provided for the purpose of another company's financing, as well as the issuance of notes to non-financial enterprises as security for the Company's own financing.
2. Customs Endorsements and Guarantees: Refers to endorsements or guarantees provided by the Company or other companies in relation to customs matters.
3. Other Endorsements and Guarantees: Refers to endorsements or guarantees that cannot be classified under the first two categories.
4. If the Company provides movable or immovable property as collateral, establishing a pledge or mortgage for another company's loan, it shall also be handled in accordance with these procedures.

Article 3 Endorsement and Guarantee Counterparties

The Company may provide endorsements and guarantees to the following companies:

1. Companies that have business relationships with the Company.
2. Companies in which the Company directly or indirectly holds more than 50% of the voting shares.
3. Companies that directly or indirectly hold more than 50% of the voting shares of the Company.
4. Companies in which the Company directly or indirectly holds more than 90% of the voting shares may provide endorsements and guarantees to each other, provided that the amount does not exceed 10% of the Company's net worth. However, endorsements and guarantees between companies in which the Company directly or indirectly holds 100% of the voting shares

are not subject to this limit.

5. For jointly invested companies, the Company may provide endorsements and guarantees proportionate to its shareholding, along with all other contributing shareholders. “Investment” refers to direct investment by the Company or investment made through a company in which it holds 100% of the voting shares.

Article 4 Limits on Endorsements and Guarantees

The total amount of endorsements and guarantees provided by the Company to external parties shall not exceed 50% of the current net worth. The limit for a single enterprise shall not exceed 20% of the Company’s current net worth, and the limit for a single overseas affiliated company shall also not exceed 20% of the net worth. For endorsements and guarantees arising from business relationships, the individual amount shall not exceed the higher of the purchase or sales amount between the two parties in the most recent year.

The combined total amount of endorsements and guarantees provided by the Company and its subsidiaries shall not exceed 50% of the Company’s current net worth. The amount for a single enterprise shall not exceed 20% of the Company’s current net worth.

Net worth shall be based on the most recent financial statements audited or reviewed by a certified public accountant.

Article 5 Decision-Making and Authorization Levels

Endorsements and guarantees provided by the Company shall first be approved by the Board of Directors before execution. However, to meet time-sensitive needs, the Board may authorize the Chairman to proceed within 20% of the current net worth, with subsequent submission to the next Board meeting for ratification. Subsidiaries in which the Company directly or indirectly holds more than 90% of the voting shares must, in accordance with their endorsement and guarantee operating procedures, obtain approval from the Company’s Board of Directors before providing endorsements and guarantees. However, endorsements and guarantees between companies in which the Company directly or indirectly holds 100% of the voting shares are not subject to this requirement.

When providing endorsements and guarantees to others, the opinions of all independent directors shall be fully considered. Any objections or reservations by independent directors shall be recorded in the Board meeting minutes.

Article 6 Procedures for Handling Endorsements and Guarantees

1. When a company requesting an endorsement or guarantee intends to use an

amount within its approved limit, it shall provide basic and financial information and submit an application to the Company's Finance Department. The Finance Department shall carefully evaluate the request and conduct due diligence. Evaluation items include the necessity and reasonableness of the endorsement or guarantee, whether the amount is proportional to the business transaction amount if related to business dealings, the impact on the Company's operational risk, financial condition, and shareholder equity, and whether collateral is required and its valuation.

2. The Finance Department shall compile the relevant information and evaluation results. If the cumulative endorsement and guarantee amount at the time does not exceed 20% of the current net worth, the matter shall be submitted to the Chairman for approval, with subsequent submission to the next Board meeting for ratification. If the cumulative amount exceeds 20% of the current net worth, the matter shall be submitted to the Board of Directors for approval and executed in accordance with the Board's resolution.
3. The endorsement and guarantee reference book established by the Finance Department shall record in detail the counterparties, amounts, dates of Board approval or Chairman authorization, endorsement or guarantee dates, items requiring prudent evaluation under these procedures, details and valuation of any collateral, and the conditions and dates for releasing the endorsement or guarantee responsibility.
4. When the company receiving the endorsement or guarantee makes repayment, it shall provide repayment information to the Company to release the Company from its guarantee responsibility, and the repayment shall be recorded in the endorsement and guarantee reference book.
5. The Finance Department shall periodically assess or recognize contingent losses from endorsements and guarantees, appropriately disclose endorsement and guarantee information in the financial reports, and provide relevant information to the certified public accountant for necessary audit procedures, resulting in an appropriate audit report.

Article 7 Custody of Seals and Procedures

The dedicated seal for endorsements and guarantees is the Company seal registered with the Ministry of Economic Affairs. This seal shall be kept by a designated person approved by the Board of Directors, and the same applies in the event of a change. When handling endorsements and guarantees, the seal shall be used or

notes issued in accordance with the Company's prescribed procedures. If the Company provides a guarantee to a foreign company, the guarantee letter shall be signed by a person authorized by the Board of Directors.

Article 8 Matters Requiring Attention in Handling Endorsements and Guarantees

1. The Company's internal auditors shall audit the procedures and implementation of endorsements and guarantees at least quarterly and prepare written records. If any material violations are discovered, written notification shall be immediately submitted to the Audit Committee.
2. If, due to changes in circumstances, a counterparty that originally met the requirements of Article 3 of these procedures no longer qualifies, or if the endorsement or guarantee amount exceeds the limits specified in Article 4 due to changes in the basis for calculating the limit, the audit unit shall supervise the finance and accounting department to ensure that the endorsed or guaranteed amount, or any excess, is fully eliminated upon contract maturity or within a specified period. The improvement plan shall be submitted to the Audit Committee, reported to the Board of Directors, and completed according to the scheduled plan.
3. If, due to business needs, it is necessary to provide endorsements and guarantees exceeding the limits set in these procedures and the conditions specified herein are met, approval shall be obtained from the Board of Directors. More than half of the directors shall co-sign to jointly assume potential losses arising from exceeding the limit, and the procedures shall be amended and submitted to the shareholders' meeting for ratification. If the shareholders' meeting does not approve, a plan shall be established to eliminate the excess within a specified period. During Board discussions, the opinions of all independent directors shall be fully considered, and any objections or reservations shall be recorded in the Board meeting minutes.

Article 9 Timeframe and Content for Mandatory Disclosure

1. The Company shall input the previous month's endorsement and guarantee balances of the Company and its subsidiaries into the Market Observation Post System (MOPS) by the 10th day of each month.
2. If the Company's endorsement and guarantee balances meet any of the following criteria, the information shall be entered into MOPS within two days from the date of occurrence:
 - (1) The balance of endorsements and guarantees by the Company and its subsidiaries reaches 50% or more of the Company's most recent financial

statement net worth.

(2) The balance of endorsements and guarantees to a single enterprise by the Company and its subsidiaries reaches 20% or more of the Company's most recent financial statement net worth.

(3) The balance of endorsements and guarantees to a single enterprise by the Company and its subsidiaries reaches NT\$10 million or more, and the total of the endorsement, the equity-method investment book value, and fund loans reaches 30% or more of the Company's most recent financial statement net worth.

(4) The amount of a new endorsement or guarantee by the Company or its subsidiaries reaches NT\$30 million or more and 5% or more of the Company's most recent financial statement net worth.

3. If a subsidiary of the Company is not a publicly listed domestic company, any matters under Subparagraph 4 of the preceding paragraph that require input into MOPS shall be handled by the Company on behalf of the subsidiary.

Article 10 Control Procedures for Subsidiaries Providing Endorsements and Guarantees

1. If a subsidiary of the Company intends to provide endorsements or guarantees for others, it shall also establish operating procedures and follow them accordingly; however, net worth shall be calculated based on the subsidiary's net worth.
2. The subsidiary shall compile the endorsement and guarantee reference book for the previous month by the 10th day of each month and submit it to the Company for review.
3. The subsidiary's internal auditors shall audit the procedures and implementation of endorsements and guarantees at least quarterly and prepare written records. If any material violations are discovered, written notice shall be immediately submitted to the Company's audit unit, which shall forward the documentation to the Audit Committee.
4. When the Company's auditors conduct audits at the subsidiary according to the annual audit plan, they shall also review the subsidiary's implementation of endorsement and guarantee procedures. If any deficiencies are found, the improvement process shall be continuously tracked, and a follow-up report shall be prepared and submitted to the General Manager, the Audit Committee, and the Board of Directors.

Article 11 Subsequent Control Measures for Subsidiaries with Net Worth Less Than Half of

Paid-in Capital as Endorsement or Guarantee Counterparties

1. The Finance Department shall obtain the financial statements of the subsidiary providing endorsements or guarantees each quarter and analyze its operational and profit performance. If a subsidiary whose net worth was already less than half of its paid-in capital at the time of endorsement or guarantee continues to show increasing losses, the Finance Department shall immediately report to the Chairman to discuss subsequent management measures for the endorsement or guarantee and report to the Board of Directors.
2. If quarterly analysis shows that a subsidiary's net worth falls below half of its paid-in capital after receiving an endorsement or guarantee, the Finance Department shall obtain the subsidiary's financial statements monthly, assess the reasons for its losses, and report to the Chairman.
3. For subsidiaries with no-par value shares or shares with a par value other than NT\$10 per share, the paid-in capital shall be calculated as the sum of share capital plus capital surplus minus issuance premium.

Article 12 Penalties

If the Company's managers or responsible personnel violate these operating procedures, they shall be subject to evaluation and disciplinary action in accordance with the Company's relevant personnel management regulations and work rules, with penalties imposed according to the severity of the violation.

Article 13 Implementation and Revision

The formulation or revision of these procedures shall be approved by more than half of all members of the Audit Committee and submitted to the Board of Directors for resolution.

If approval by more than half of all Audit Committee members is not obtained, the procedures may be adopted with the approval of at least two-thirds of all directors, and the Board meeting minutes shall record the Audit Committee's resolution.

When these procedures are submitted to the Board of Directors for discussion, the opinions of all independent directors shall be fully considered. Any objections or reservations by independent directors shall be recorded in the Board meeting minutes.

Article 14 These operating procedures were established on June 29, 2004.

The first revision was on May 29, 2006.

The second revision was on May 27, 2008.

The third revision was on May 27, 2009.

The fourth revision was on June 9, 2011.

The fifth revision was on June 19, 2013.

The sixth revision was on June 25, 2019.