2023

WIWYNN CORPORATION

Sustainability Report

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MESSAGE FROM THE CHAIR

At Wiwynn, our vision is to "Unleash the Power of Digitalization, Ignite the Innovation of Sustainability," which drives our relentless pursuit of sustainable practices and positive societal impact. In addition to our focus on business growth and robust corporate governance, we've embraced four core ESG principles in 2023: Eco-friendly Operation,Driven people with shared beliefs, Sustainable Supply Chain, and Innovation with green technology. These pillars guide our actions and have led to significant accomplishments across various metrics and accolades.

In terms of expanding our operations and bolstering resilience, Wiwynn has strategically invested in global manufacturing facilities to meet market demands while mitigating geopolitical risks. Notably, in October 2023, our assembly plant in Malaysia came online, complementing the expanded capacities in our Tainan and Mexico plants, with further enhancements and expansions in progress.

Our commitment to environmental sustainability is evident in our adoption of green building standards for new facilities and our proactive promotion of renewable energy across our global manufacturing sites. By the end of 2023, Wiwynn achieved a global renewable energy usage of approximately 57.07%.Furthermore, our ongoing commitment to afforestation efforts in Taiwan and collaboration with science park developers in Malaysia exemplify our dedication to promoting green industrial zones, contributing to natural carbon reduction, and fostering environmental well-being.

In terms of Innovation with green technology, thanks to the creativity and hard work of our colleagues, we've made significant strides: through product design emphasizing the use of recycled materials and DIMM recycling, we've reduced carbon emissions by approximately 2,648 tons CO_2e, marking a remarkable 4.4-fold of reduction compared to 2022. Additionally, our commitment to carbon reduction extends to Scope 3 emissions. In 2023, we launched a sustainable supply chain platform, collaborating closely with our partners to build a greener supply chain and make a positive environmental impact.

On the subject of Driven People with Shared Beliefs, we remain committed to embracing diversity and inclusion. On one hand, we organize various activities to promote understanding and respect among colleagues from different nationalities and cultural backgrounds, in response to the increasing diversity within our workforce. Moreover, we continue to support the career development of female employees. Not only have we seen a steady increase in the proportion of female executives and STEM talents, in the 2023 board elections, female directors accounted for three out of nine seats, representing 33% of the board. In March 2024, we officially established Wiwynn Women in Tech (WWIT), providing a platform for female colleagues to connect and receive support, and facilitating their journey of professional growth.

Wiwynn’s ongoing efforts in sustainable operations have garnered significant external recognition. We achieved an A- rating in the CDP Carbon Disclosure Project. In terms of overall ESG performance, we ranked in the top 10% of the 2024 S&P Global CSA score and were named an Industry Mover. Additionally, we received the BSI Sustainable Resilience Excellence Award and were included in the FTSE Taiwan Sustainable Index.

Facing the rapid evolution of technology and the uncertainties of the overall environment, we will persist in our efforts to ensure environmental sustainability while pursuing digital advancement through innovative approaches,and to achieve the goals of societal and environmental well-being.

Chair and Chief Strategy Officer
Emily Hong

SUSTAINABILITY RECOGNITION AND PERFORMANCE

0_2_1 Sustainability recognition

TAIWAN STOCK EXCHANGE

Corporate Governance Evaluation
6% ~ 20%

S&P Global

Top 10%
Industry Mover

BSI

Sustainability Resilience Outstanding Award

CDP
DRIVING SUSTAINABLE ECONOMIES

CDP

Climate change A-

Taiwan Institute of Directors

Taiwan Best-in-Class 100

TCSA

TCSA

Platinum Award for Sustainability Report

TIP
Taiwan Index Plus

Listed as a component stock of the FTSE TWSE Taiwan 50 Index

FTSE4Good
TIP Taiwan ESG Index

Listed as a component stock of the FTSE4Good TIP Taiwan ESG Index

0_2_2 Sustainability performance

SUSTAINABLE SUPPLY CHAIN

Sustainable supply chain platform

Strengthen two-way communication with supply chain partners

Mentorship program by major enterprise

Empowering suppliers to achieve mutual operational success

239 personnel trained
437 training hours

Procurement personnel sustainability management training, enhancing awarenessto drive sustainable collaboration across the supply chain

100%

Supply chain ESG training coverage

INNOVATION WITH GREEN TECHNOLOGY

91.17%

Proportion of Invention Patents

First Intellectual Property Innovation Award

Fostering an innovative culture and emphasizing intellectual property protection

4X growth

Carbon reduction benefits from product materials, applications, and end-of-life cycle increased compared to the previous year

Reduce 3,992 tons CO_2e

Calculate the carbon reduction benefits brought to downstream customers by two of the products sold

ECO-FRIENDLY OPERATION

57.07%

Rate of global renewable energy usage

-37.83%

Reduction in waste output compared to the previous year

NTD 400 million

Benefits from reusing Wooden Crates and Pallets

9%

Water resource recovery rate increased compared to the previous year

DRIVEN PEOPLE WITH SHARED BELIEFS

31.38%

Ratio of female STEM employees

88.89%

Retention rate after parental leave

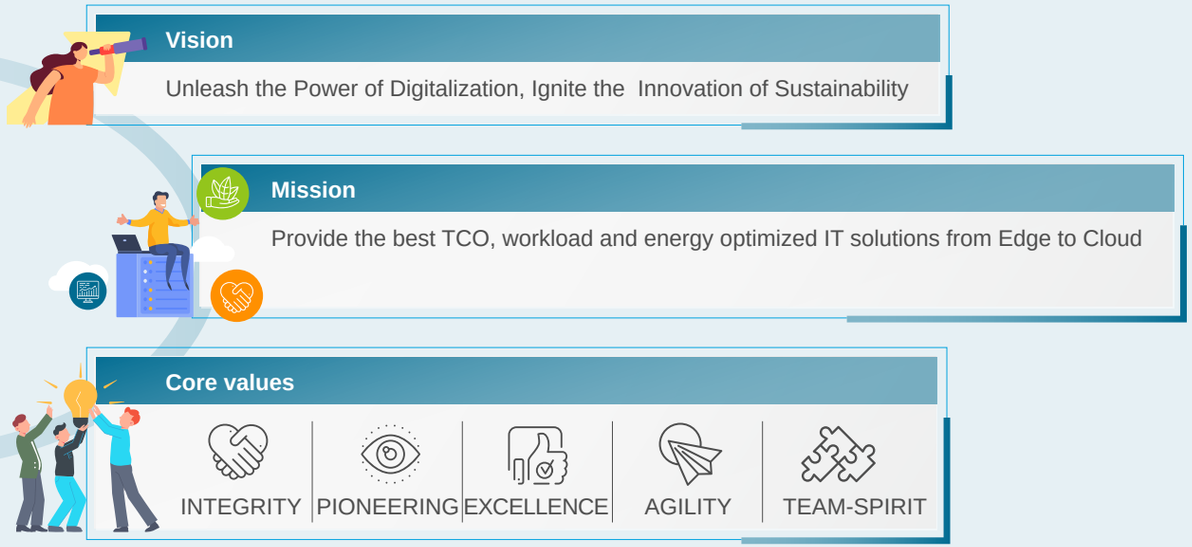
Scored higher than the Technology sector norm

Engagement survey score for "Mission Vision, Diversity Integration, and Team Collaboration"

14%

Increase in training expenditure per employee compared to the previous year

ABOUT WIWYNN CORPORATION



Wiwynn Corporation

Registered capital NT$1.748 billion	**Address of the operation HQ** 8F, No. 90, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City
Number of plants 3	**Total area of plants** 25,896,620.41 square feet
Establish date 2012/03/03	**IPO date** 2019/03/27
Stock code 6669	**Number of employees** 7,257人(up to December 31, 2023)
Chair and Chief Strategy Officer Emily Hong	**President**[Note] William Lin

Note: Mr. Sunlai Chang, previously serving as CEO& President, has stepped down effective June 1, 2024. Mr. William Lin has been appointed as the new President.

Core businesses and services

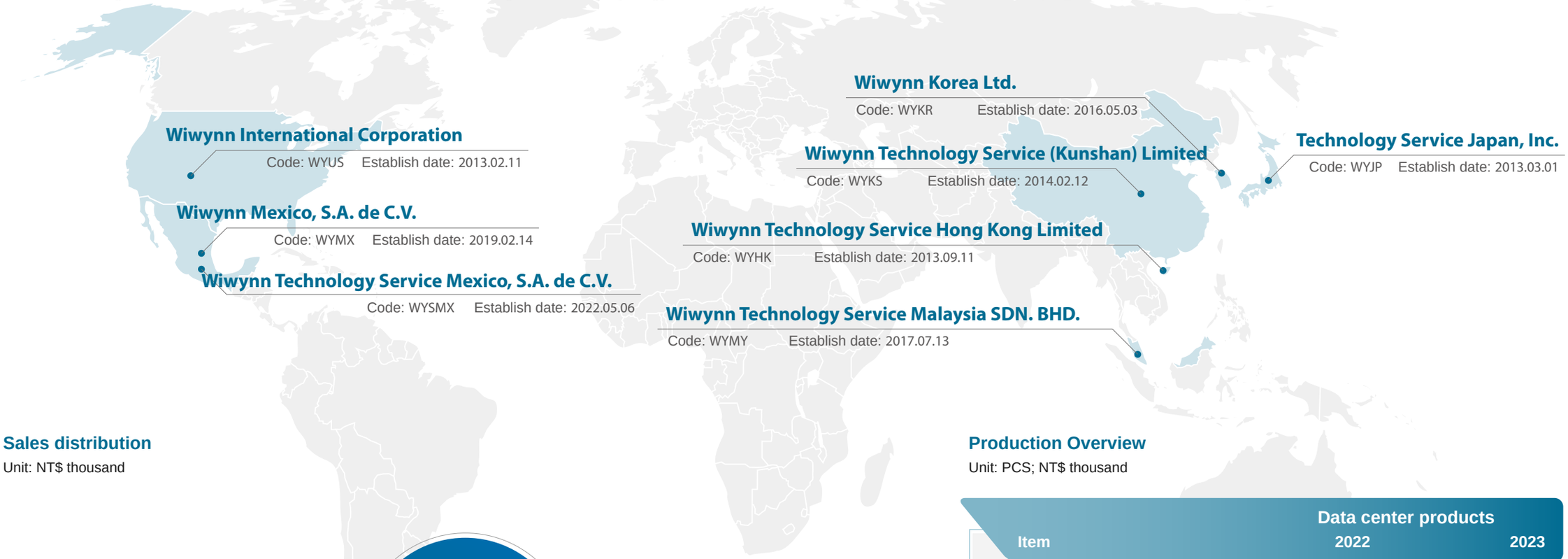
The main products provided by Wiwynn Corporation are cloud severs that are equipped with high-efficiency and high-quality computing and storage as well as integrated cabinet solutions. We offer cloud service providers diverse customized products and services of system integration as well as the best workload and total cost of ownership (TCO) for data centers with optimized solutions to assist customers using IT resources more efficiently and flexibly.

In addition, Wiwynn also actively invests in new technology to satisfy the demands of next-generation data centers. In terms of product strategy, Wiwynn involves partners with core technologies to collaborate closely with global software giants and speed up the commercialization of CPU and GPU product platforms to respond to customer demands in various cloud computing and large-scale AI training applications. For technological R&D, power and cooling technology has always been the key for data center customers to reduce total cost of ownership. Other than investing in the innovative design of technological products, energy-saving and modular products, the Company also enhances the added value of products through the highly integrated systems and testing capabilities, in order to widen the differentiation and provide comprehensive solutions to customers. As a platinum member and solution provider of the OCP (Open Compute Project), the Company also actively introduces OCP design philosophy to the entire line of products and assists data centers to enjoy the advantage of high power efficiency, simplification, and easy to maintain, and to further satisfy their demands in computing performance, energy efficiency, and basic maintenance.

In terms of the development of edge computing products, we developed edge computing platforms and servers. The flexible configuration is applicable to various edge computing purposes. On one hand, we assist telecommunications companies to operate in a flexible and highly efficient structure. On the other hand, we assist cloud service providers to expand their services from cloud towards edge computing, to better satisfy different demands in edge accelerated computing such as inference and training, 3D graphics, rending and video analysis, all-in-one vRAN solutions and multiple access edge computing (MEC) in the era of AI.

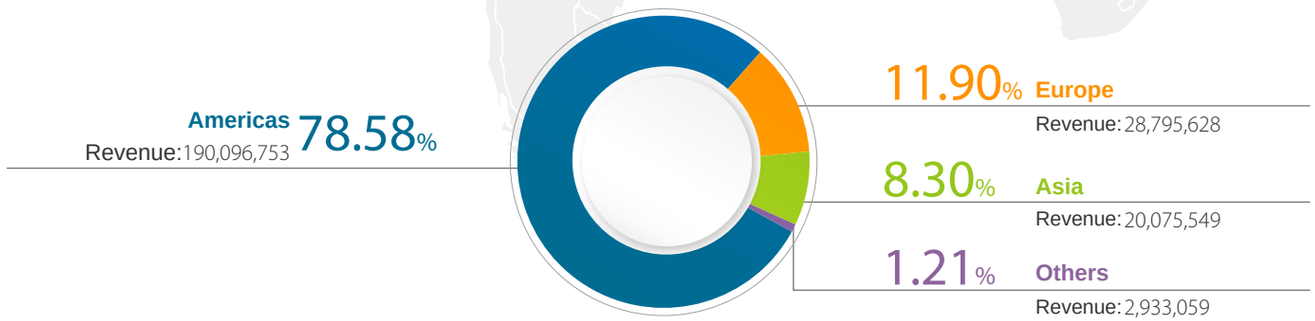
Global Operations

Wiwynn Corporation has strategically deployed in locations around the world, to provide the most complete services from product design, integration, optimization to after-sales. With cooperation of different locations through division of labor and support, assistances, creating the maxium synergy in sales and services, we provide customers with precise, rapid, and matching solutions.



Sales distribution

Unit: NT$ thousand



Production Overview

Unit: PCS; NT$ thousand

Item	Data center products 2022	2023
Capacity	1,730,985	1,784,059
Volume	2,199,764	1,423,543
Value	233,599,562	203,269,870

BUSINESS PERFORMANCE

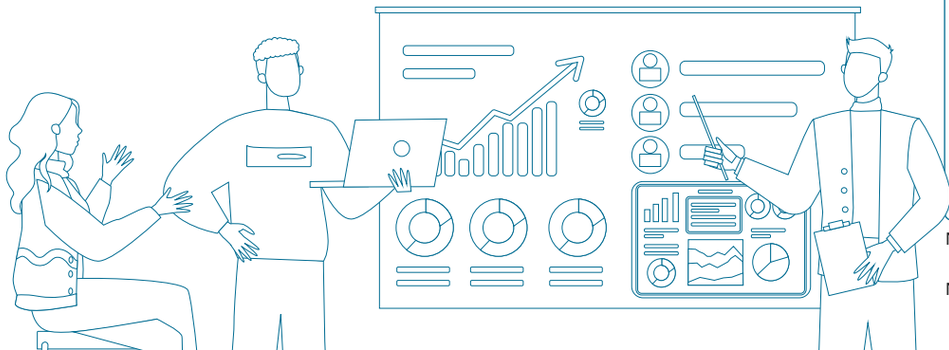
Committed to devoting and sharing the added values from the company with the society, the environment, and our stakeholders to create a positive cycle.

Management strategy

Wiwynn provides information equipment and solutions to large-scale data centers. With our experienced R&D team, we consider ourselves as a world-class cloud service providers with innovative business models.

Financial performance

In 2023, the consolidated revenue was NT$241.901 billion, an annual decrease of 17.4%. The annual gross profit margin increased 1.2% and achieved 9.4%; the annual operating profit margin increased 0.5% and reached 6.6%; net profit margin increased 0.1% and achieved 5%; basic earnings per share was NT$68.88. The consolidated revenue in 2023 was the second highest in corporate history, and the gross profit margin, operating profit margin, and net profit margin all hit a record high.



Unit: NT$ thousand

Item	2022 & 2023 Financial performance 2022	2023	Item	2022 & 2023 Financial performance 2022	2023
Operating revenue	292,876,040	241,900,989	Operating costs	268,896,763	219,243,712
Gross profit	23,979,277	22,657,277	Operating expenses	6,144,997	6,786,731
Operating profit	17,834,280	15,870,546	Profit before tax	17,897,283	15,443,679
Net profit for the period	14,174,709	12,043,655	Retained earnings	27,039,558	30,335,745
Personnel expense	4,914,662	5,881,229	Employee bonus	935,000	800,000
Cash dividend	8,742,039	7,343,313	Payment to government		
			Income tax	3,722,574	3,400,024
Stock dividend	-	-	Others (customs duty, penalty)[Note 1]	195,951	1,251,790
Community investment[Note 2]	23,339	32,496	Political donation	0	0

Item	2022 &2023 Profitability 2022	2023	Item	2022 &2023 Profitability 2022	2023
Gross profit margin (%)	8.19	9.37	Net profit margin(%)	4.84	4.98
Before tax income to paid-in capital ratio (%)	1,023.63	883.30	Return on assets(%)	17.15	14.41
Return on equity (%)	42.85	29.73	Earnings per share (NT$)	81.07	68.88

Note 1: Payment of government fees - Others (listing fees, tariffs, fines, etc.): For the year 2022, the statistical scope was limited to Taiwan, which includes a fine of NT$50,000 for violation of the Labor Standards Act. For 2023, the statistical scope includes global major operational locations and manufacturing sites.

Note 2: Community investments: For the year 2022, the statistical scope was limited to Taiwan; for 2023, the statistical scope includes global major operational locations and manufacturing sites.

01

SUSTAINABILITY MANAGEMENT

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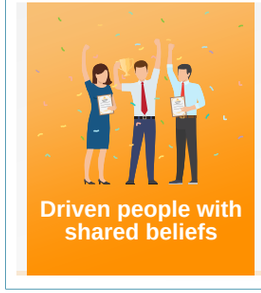
VISION AND STRATEGY

Wiwynn focuses on sustainable supply chain, Innovation with green technology, Eco-friendly Operation, and Driven people with shared beliefs, and establishes strategies and directions accordingly. We clearly define the role of Wiwynn in promoting each strategy and have set the short-term (2025), medium-term (2028), and long-term (2030) goals. It has been reported to the Board of Directors on February 26, 2024, how to realize the vision of “Unleash the Power of Digitalization, Ignite the Innovation of Sustainability”.

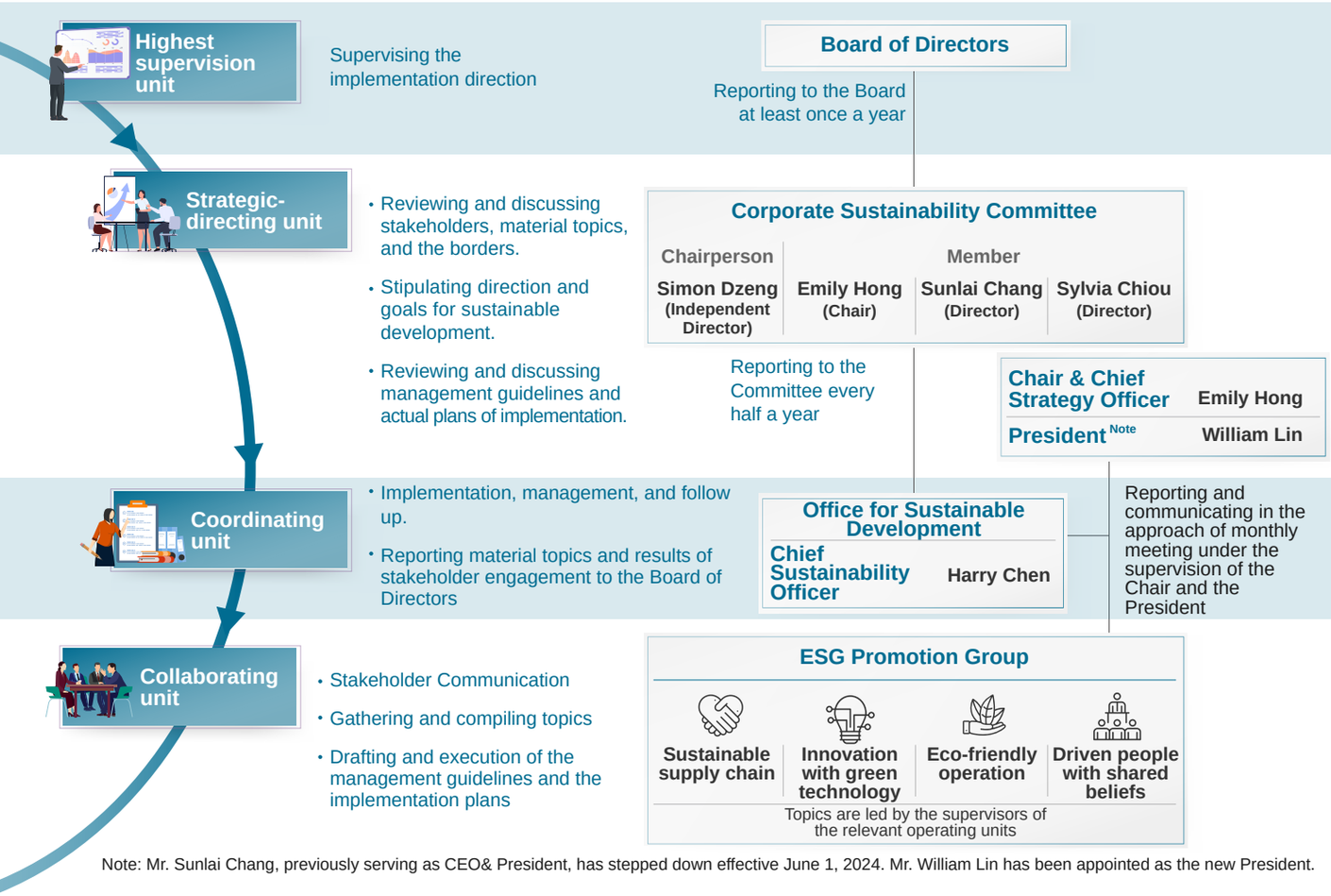
Unleash the Power of Digitalization, Ignite the Innovation of Sustainability

	Direction	Role	Goals			
			Item	2025	2028	2030
Sustainable supply chain	• Accelerate sustainability by empowering partners and exceeding expectations.	Sustainable supply chain accelerator	Suppliers signing the code of conduct	95%	98%	100%
			Completion of the sustainable supplier self-evaluation survey	95%	98%	100%
			Key and high-risk suppliers’ audit and improvement supervision	100%	100%	100%
			Promotion of supply chain greenhouse gas inventories passing third-party verification	60%	80%	100%
			Promotion of supply chain passing RBA third-party verification	70%	80%	100%
			Suppliers’ ESG training coverage	100%	100%	100%
Innovation with green technology	• Integrate cutting-edge technologies to develop green products	Eco-changemaker	Floating-point operations per second/ power consumption for cooling	>2.5 X	>5 X	>10 X
			Revenue from low-carbon products	60%	80%	90%
			Using green metal in products	50%	70%	90%
			Recovery rate of recycled plastic materials from products	50%	65%	85%
Eco-friendly operation	• Endeavour to minimize carbon emissions in all aspects and grow with eco-consciousness.	Decarbonization doer	Commitments of using renewable energy	75%	90%	100%
			Newly constructed plants meeting local regulations as Gold Level (or above) green buildings	100%	100%	100%
			Introducing low-energy consumption PCBA production lines worldwide	15%	60%	100%
			Reduction of rack-testing power consumption during idle time	10%	5%	2%
 Driven people with shared beliefs	• Foster an enriching workplace where people thrive with purpose and excellence.	People growth enabler	Female managers	26%	27%	30%
			Job rotation	6%	7%	9%
			“Diversity and Inclusion” scores from the Global Engagement Survey is the same when comparing against the WTW Global High-Performance Norm	Maintained	Top 25%	Top 25%
			Participation of the Global Engagement Survey (IDL)	80%	85%	90%
			“Sustainability” scores from the Global Engagement Survey compares against the WTW Global industry norm.	Consistent with norm for high tech		Close to high-performance norm
			Employees taking “Charity Leave”	2%	4%	6%

1_1_1 Sustainability framework

Board of Directors is the highest supervision unit for sustainability topics while the Corporate Sustainability Committee is the strategic directing unit. Chief Sustainability Officer is in charge of the implementation, management,and follow-up of sustainability issues and reporting the major topics and the result of stakeholder engagement to the Corporate Sustainability Committee and the Board of Directors. The latest report to the Board of Directors was on February 26, 2024.

The KPIs (key performance indicators) of each topic is set by supervisors in every operating unit as management goals. It will be effectively linked to performance assessment and the remuneration mechanism (accounting for at least 10% of performance assessment). Monthly progress reports are carried out in the form of OKR (objective key result) meetings under the supervision of the Chair & Chief Strategy Officer and the President & CEO.



Note: Mr. Sunlai Chang, previously serving as CEO& President, has stepped down effective June 1, 2024. Mr. William Lin has been appointed as the new President.

1_1_2 Important events of sustainability

2023

- **Setting Aggressive Carbon Reduction Goals**
  In response to the urgent climate crisis, Wiwynn is committed to establishing two aggressive long-term goals: achieving 100% renewable energy use by 2030 and reaching net-zero emissions by 2040.
- **Sustainability vision and strategy**
  Taking “Unleash the Power of Digitalization, Ignite the Innovation of Sustainability” as the vision of sustainability; environmentally friendly operations, sustainable supply chain, Driven people with shared beliefs, and green innovation as the development strategy.
- **Passed the review of carbon reduction goals by SBTi to link with international carbon reduction pathways**
  Committed to taking year 2021 as the base year and achieve at least 25% of Scope 1 and Scope 2 reduction, and 12.3% for Scope 3.
- **Linked ESG performance with remuneration to enhance ESG management.**

2022

- **Milestone of renewable energy utilization**
  The self-owned electricity accounts in Taipei Operation HQ were all transferred to using green energy partially. The approach of “single account and multiple users” was adopted for non-self-owned electricity accounts to significantly increase the usage of green energy and actively fulfill the commitment to renewable energy made by Wiwynn.

2021

- **Launched Ocean Hugs**
  Launched Ocean Hugs to implement corporate social responsibility and realizing circular economy with responsible production and consumption. By replenishing sand and planting trees,the activity aimed to protect coastal line in order to create a sustainable coastal ecosystem.
- **Enhanced information quality**
  Sustainability Report has obtained the third-party independent assurance statement,while the TCFD received the Level-5 excellence grade of Third-Party Independent Conformity Verification Statement.
- **Established functional committees**
  Established “Corporate Sustainability Committee Charter” and announced publicly of the establishment of Corporate Sustainable Development Committee. It shall hold at least two meetings every year and report to the Board of Directors at least once a year.

MATERIALITY ANALYSIS AND ENGAGEMENT

Materiality analysis is the foundation of the sustainability report. Wiwynn followed GRI 2021 standards to carry out systematic analyses and identify material topics on sustainability,in order to further establish management guidelines as the basis of sustainability implementation. Through the process of evaluating material topics of sustainability, we gather internal consensus, enhance competitiveness and resilience, and realize the vision of “Unleash the Power of Digitalization, Ignite the Innovation of Sustainability”.

1_2_1 Stakeholder engagement

Through the five principles (Dependency, Responsibility, Influence, Diverse Perspectives, and Tension) of AA1000 Stakeholder Engagement Standard (SES), Wiwynn identified six categories of major stakeholders. We value the topics that our stakeholders concern, and eager to understand the topics and needs of the stakeholders of each category through effective channels of communication. Each year, the results of stakeholder communications and the material topics are being reported to the Board of Directors regularly. The latest submission to the Board of Directors was February 26, 2024.

Importance to Wiwynn	Topics concerned	Communication channel/ frequency	Results
Employee Employees are important partners of Wiwynn Corporation as well as the cornerstone Wiwynn relies on to maintain stability and to create new values.	• Salary and welfare • Human rights • Occupational safety • Healthcare • Learning and promotion opportunities • Grievance channels	• Employee Relationship Promotion Committee/ quarterly • Occupational Safety and Health Meeting/quarterly • Employee Welfare Committee/ quarterly • Newcomer symposium/ quarterly • Performance interview and assessment/ semiannually • Communication and work meetings/ irregularly • Employee questionnaire survey/ irregularly • Internal network and physical electronic bulletin/ permanently • Employee grievance hotline and email/ permanently • Company website/ permanently	• The average training hours for indirect staff reached 40.32 hours. For global employees, the average training hours were 23.90 hours. The average training cost per employee amounted to NT$1,270.13. • There were 88 employees applied for cross-disciplinary transfer; 26.53% of vacancies were filled internally. • Developed policies that respect different cultures and beliefs; established prayer rooms to provide employees time and space for religious practices. • Optimized safety protection equipment, including hearing protection equipment, soundproof earmuffs with NRR of 31dB; office chairs are completely replaced with ergonomic chairs to reduce ergonomic hazards. • To enhance employee awareness of occupational safety and health, 6,428 individuals participated in various occupational safety, health, and first aid training courses, totaling 12,278.06 training hours.
Customer Recognition and support from customers are the key to continuous growth of Wiwynn.	• Innovation management • Product quality and service • Safety of use by customers • Customer privacy • Corporate integrity • Risk management • Non-hazardous substance and conflict minerals management • Strategies of plastics reduction and carbon reduction • RBA compliance	• Industrial technology seminar and exhibition/ annually • QBR (Quarterly Business Review)/ depends on the customer Semiannually • Business meetings/ irregularly • Customer audit/ irregularly • Customer service hotline and business contact/ permanently • Company website/ permanently	• There was no violation against Restriction of Hazardous Substances (RoHS) Directivenor complaints caused by violation of customers’ requirements. • Paid attention to customer feedback and introduced safety-related design into the product from the very beginning of product development. • Developed a range of computing platform products in collaboration with customers and technical partners to optimize cloud workload efficiencies. • Incorporated recycled plastics into products, with the addition of recycled steel in 2023, resulting in a total reduction of 2,490 tons CO_2e emissions.

Importance to Wiwynn	Topics concerned	Communication channel/ frequency	Results
Supplier Suppliers are important long-term partners. We maintain strategic alliance relationship of long-term cooperation to ensure stable supply source and quality as well as rapid implementation of latest technology to respond to the fast-growing market demands.	• Company integrity • Status of operation • Manufacturing strategies • Raw material requirements • Supply chain sustainability management	• Supplier assessment/ annually • Supplier conference/ annually • On-site supervision and audit/ irregularly • Supplier questionnaire / irregularly • Company website/ permanently	• Launched a 3-year supply chain carbon reduction program from 2023 to 2025. Established a sustainable supply chain platform to open up online two-way communication with partners in our supply chain. • Wiwynn continues requesting suppliers to achieve 100% survey and use minerals from 100% qualified smelters. • Continuously encouraged suppliers to obtain international certifications and accreditations. • Trained procurement personnels with capabilities in implementing sustainable supply chain management,together with the suppliers to achieve inclusive growth.
Government agency Government agencies are responsible for the punishment and rewards mechanism to enterprises, and could seriously influence corporate sustainability and corporate images. Maintaining a healthy two-way communication and trust with the government are essential for the sustainable development of an enterprise.	• Ethical management • Corporate governance • Status of regulatory compliance • Taxation policy • Information security management • Intellectual property rights management • Labor relation management • Workplace safety • Waste disposal • Carbon emission data management	• Official letters/ irregularly • Participating in seminars and presentations / irregularly • Authority audit/ irregularly • Market Observation Post System/ irregularly • Company website/ permanently	• There was no event of material violation in 2023. • Completed relevant declarations regularly according to government and legal requirements. • Supported government tax policies in enterprise innovation, research and development, and economic growth. • Provided diverse communication platforms and channels to gather mutual agreement with employees to build a harmonious labor-relation. • Employing qualified waste managing and disposal institutions to ensure the waste generated during operations of the Company meets the handling procedures for environment, safety, and health.
Investor/ financial institution Investors are enjoyed with the rights of fully inquiry and understanding of the financial information related to the Company, and may effectively evaluate the true value of the Company,which is helpful for the stability of company management and value of the stock. In addition, financial services provide flexible fund allocation in terms of management. Transparent disclosure of ESG performance helps to increase the interaction with financial institutions and enhance the foundation of mutual trust.	• Economic performance management • Risk management • Product R&D • Corporate governance • Company integrity • Climate issues • Ethical management • Status of regulatory compliance • ESG performance	• Shareholders' Meeting/ annually • Investor Conference/ semiannually • Annual report/ financial statements/ sustainability report/ regularly • Market Observation Post System/ irregularly • IR mailbox/ permanently • Company website/ permanently • Investor calls and collaborative meetings/ irregularly	• The consolidated revenue in 2023 was the second highest in company history, while gross margin, operating margin, and net profit margin also hit a new high. • Listed as a component stock in "FTSE TWSE Taiwan 50 Index" and "FTSE4Good TIP Taiwan ESG Index". • The Carbon Disclosure Project (CDP) received an A- leadership level. • Ranked in the top 10% of the 2024 S&P Global CSA score and were named an "Industry Mover".
Community/ nonprofit organization Wiwynn devotes to create added values, then give back to and share with the society.	• Promoting public welfare • Local participation • Industrial/ academic cooperation	• Sustainability Report/ regularly • Cooperative Projects and visits/ irregularly • Employee relationship and contact of the welfare committee/ permanently • Company website/ permanently	• Worked with Tse-Xin Organic Agriculture Foundation to promote nature protection and environmental education. • Assisted the minority groups to enhance employment and integration into the society. • Conducted industrial-academic cooperations with domestic and overseas universities. Through such exchanges, we aimed to enhance the sharing of knowledge, technology, and resources, and provided students employment opportunities to link studies with practices in order to cultivate new talents.

1_2_2 Process of determining materiality topics

Wiwynn conducts an annual materiality analysis according to the requirements of GRI 3: Material Topics (2021), covering impacts on the economy, environment, and people (including human rights). Through a three-stage identification and analysis process, incorporating results from the ERM risk assessment (see "2_2 Risk management" section), we identify material topics for Wiwynn in the areas of economy, environment, and human rights, and define these as Wiwynn's key sustainability issues.

Stage 1
Understanding organizational context and identification

The main purpose of this stage is to identify the main stakeholders of Wiwynn and collect and choose sustainability topics., Six categories of key stakeholders were identified according to GRI Standards and Stakeholder Engagement Standard AA1000 SES, including employees, customers, suppliers, government agencies, investors and financial institutions, and communities/ nonprofit organizations. As for sustainability topics, we focused on the four dimensions in "governance", "innovation", "environment", and "social inclusion", as well as to accommodate internal and external viewpoints, such as international sustainability regulations and standards, industrial specific topics, sustainability rating, stakeholder communication, and internal goals of operation to re-define and summarized into 21 sustainability topics.

1

Identified 6 categories of key stakeholders

Screened out 21 sustainability topics

Stage 2
Evaluating impacts

Other than the online investigation of the level of attention from the six categories of key stakeholders, we also introduced the concept of Double Materiality promoted by EU to evaluate the importance of sustainability topics from "operational impact" that affects the Company's growth and financial performance; and the external impacts to the "sustainable development" of the economy, environment, and people.

For "operational impacts", we considered the level of impact by topic on Wiwynn's income, cost, customer satisfaction, employee cohesion, and social influence. In terms of "sustainable development impacts", we determined the impact significance through the evaluation of impacts on economy, environment, and people (including their human rights) caused by the Company's operational activities.

2

Issued 110 copies of questionnaires

Double Materiality Analysis

1. Operational impact survey
2. Sustainability impact survey

Stage 3
Sequencing and confirmation

According to the analysis stage 2, and the discussion of 5 executives, and confirmation by the Board of Directors, 11 out of the 21 sustainability topics were confirmed as material topics. We adopted the demonstration of value chain to help stakeholders understanding the impact stages and influences caused to the value chain by different topics. It could also be used as the basis for the Company to strengthen its sustainable governance.

3

Formulated 11 material topics

Confirmed 11 material topics

Materiality analysis process

Stage 1 Understanding organizational context and identification

Identified 6 categories of key stakeholders

AA 1000 SES (stakeholder engagement standard) was adopted to identify six categories of key stakeholders, including: employees, investors and financial institutions, customers, suppliers, government agencies, and communities/ nonprofit organizations, for the collection and analysis of sustainability topics as well as carried out communication and engagement.

Screened out 21 sustainability topics

To demonstrate the sustainability context in Wiwynn, we opened to suggestions through diverse channels to collect and summarize 21 topics related to sustainability, including stakeholder communication channels, international sustainability trends and standards (GRI Standards, SBSC, SDGs, RBA, and SASB), sustainability ratings (DJSI, CDP, TCFD, ESG Ratings) concerned by investment institutions, and the internal goals of the organization.

Stage 2 Evaluating impacts

Issued 110 copies of questionnaires

Conducted survey on the six categories of key stakeholders to analyze the topics concerned by each category. The questionnaires included 48 copies to employees, 21 copies to investors and financial institutions, 3 copies to customers, 20 copies to suppliers, 11 copies to government agencies, 2 copies to communities, and 5 copies to nonprofit organizations.

Double Materiality Analysis

1. Operational impact survey

To understand the impact on Wiwynn's operation caused by sustainability topics, 5 executives assisted withe valuating operational impacts from five key factors, including: income, cost, customer satisfaction, employee cohesion, and social influence, and then conducted analysis to understand key topics linked by different operating factors.

2. Sustainability impact survey

To understand sustainability impacts caused by the Company's operating activities to the economy, environment, and people (including human rights).Evaluations of positive and negative impacts were also conducted on 5 executives to analyze and identify the significant level of impacts caused by each sustainability topic.

Stage 3 Sequencing and confirmation

Formulated 11 material topics

Through the evaluation of the previous stage, the distribution of the sustainability topics on the three dimensions of stakeholders, operational impacts, and sustainability impacts were identified. After executive level discussions, 11 material topics and impact stage of value chain by each topic were formulated.

Confirmed 11 material topics

The 11 material topics corresponded to 21 topics in GRI Standards and 1 specific topic exclusive to Wiwynn respectively were used as the main basis for the Report. In 2023 and 2022, there were 11 material topics, and the comparison is as follows:

	Corporate Governance / Sustainable supply chain	Innovation with green technology	Eco-friendly operation	Driven people with shared beliefs
2022	• ESG strategy and vision • Ethical management • Information security and customer privacy • Sustainable supply chain management	• Product/ service R&D and innovation • Intellectual property rights • Sustainable products • Customer relationship management • Customer safety and health	• Climate change strategies and energy management • Waste management	• Talent attraction and retention • Human capital development • Employee concern and human rights management • Occupational safety and health
2023	• Vision and strategy for sustainability • Ethical management • Information security • Sustainable supply chain	• Innovation and R&D • - • Green products • - • Product service and responsibility	• Climate strategy and energy management • -	• Talent attraction and retention • - • Employee care and concern • Workplace safety and health

Material topics sequencing

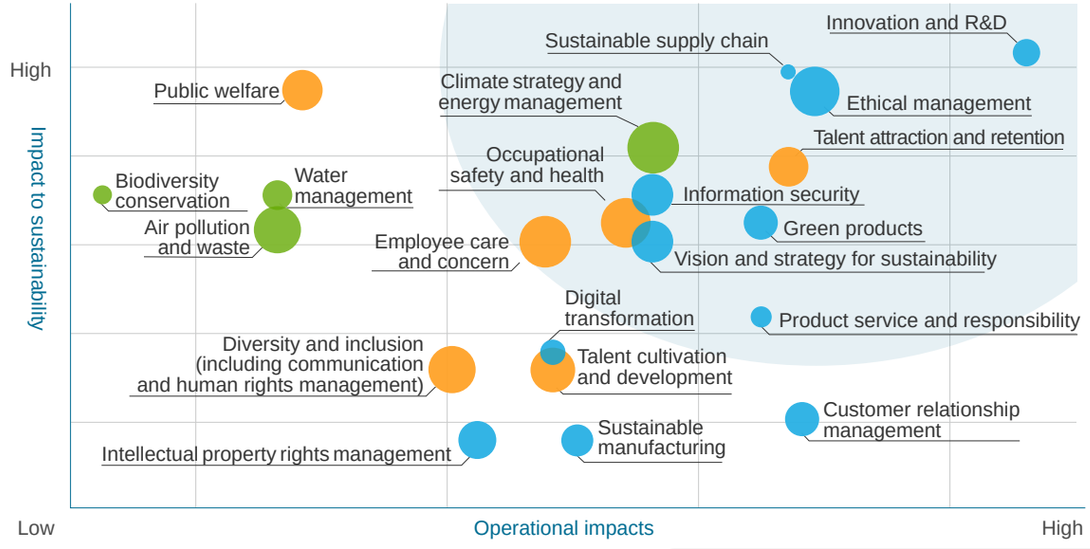
Level of attention from stakeholders

Level of operational impacts

Level of impact to sustainability

Level of attention from stakeholders	Level of operational impacts	Level of impact to sustainability
High		
• Employee care and concern • Climate strategy and energy management	• Innovation and R&D	• Innovation and R&D • Information security
Level of attention		
• Occupational safety and health • Ethical management • Diversity and inclusion (including communication and human rights management) • Air pollution and waste • Talent cultivation and development • Information security • Vision and strategy for sustainability • Public welfare • Talent attraction and retention • Intellectual property rights management • Green products • Customer relationship management • Water management • Product service and responsibility • Biodiversity conservation • Sustainable supply chain	• Ethical management • Customer relationship management • Sustainable supply chain • Talent attraction and retention • Green products • Product service and responsibility • Information security • Vision and strategy for sustainability • Climate strategy and energy management • Occupational safety and health • Sustainable manufacturing • Talent cultivation and development • Employee care and concern • Intellectual property rights management • Diversity and inclusion (including communication and human rights management) • Public Welfare • Water management	• Sustainable supply chain • Public welfare • Ethical management • Water management • Biodiversity conservation • Green products • Air pollution and waste

Matrix results



Positive and negative impact sequencing

Positive impact sequencing	Negative impact sequencing
• Information security • Innovation and R&D • Sustainable supply chain • Green products • Ethical management • Product service and responsibility • Climate strategy and energy management • Vision and strategy for sustainability • Talent attraction and retention • Occupational safety and health • Employee care and concern	• Information security • Ethical management • Innovation and R&D • Sustainable supply chain • Climate strategy and energy management • Occupational safety and health • Green products • Vision and strategy for sustainability • Product service and responsibility • Talent attraction and retention • Employee care and concern

Economy/ Governance | Environment | Society/ Human rights

Importance of material topics to Wiwynn, corresponded GRI/ SASB topics, and impact to the value chain

Material topic[Note 1]		Importance to Wiwynn	Corresponded GRI topic	Corresponded SASB topic	Value chain[Note 2] Upstream supplier/ Contractor	Value chain[Note 2] Self-operation	Value chain[Note 2] Customer application	Chapter
Corporate Governance	Vision and strategy for sustainability	Establishing complete strategies for sustainable development to guide the Company's sustainable development and growth.	Specific topic			●		1_1 Vision and strategy
	Ethical management	Integrating ethics and moral value with the Company's management strategies is the cornerstone to maintain sound corporate reputation.	Anti-corruption (205), anti-competition behavior (206), public policy (415)			●		2_1 Accountable governance
	Information security	To maintain rights and interests of stakeholders, we will fully perform our confidentiality obligations during the process of operation as well as to adopt proper information security measures to protect data integrity.	Customer privacy (418)			●		2_3 Information security
Sustainable supply chain	Sustainable supply chain	Working with suppliers to take responsibilities towards the economy, environment, and society, and to ensure the sustainable development of supply chain.	Procurement practice (204), supplier environmental evaluation (308), supplier social evaluation (414)	TC-ES-320a.2 TC-ES-320a.3 TC-ES-440a.1 TC-HW-430a.1 TC-HW-430a.2 TC-HW-440a.1	○	●		3_1 Sustainable supply chain management
Innovation with green technology	Innovation and R&D	Providing customers the most optimized cloud technology services and the most complete cloud application solutions.	Indirect economic impact (203)			●	▲	4_1 Innovative value
	Green products	Implementing sustainable actions through green product design to enhance corporate value.	Materials (301), Energy (302)	TC-ES-410a.1 TC-ES-440a.1 TC-HW-410a.1 TC-HW-410a.2 TC-HW-410a.3 TC-HW-410a.4 TC-HW-440a.1		●		4_1 Innovative value
	Product service and responsibility	Avoiding any substance that contains risks or hazards to human body and the environment being used in products to ensure customers' health and safetyand increase their confidence and recognition of Wiwynn products.	Customer health and safety (416)	TC-HW-230a.1		●	○	4_1 Innovative value

Note 1: ■Substantial ■Potential

Note 2: Level of involvement: ● Direct ○ Indirect ▲ Business relationship

Importance of material topics to Wiwynn, corresponded GRI/ SASB topics, and impact to the value chain

Material topic[Note 1]	Importance to Wiwynn	Corresponded GRI topic	Corresponded SASB topic	Value chain[Note 2] Upstream supplier/ Contractor	Value chain[Note 2] Self-operation	Value chain[Note 2] Customer application	Chapter
Eco-friendly operation							
■ Climate strategy and energy management	Actively responding to risks caused by climate change and grasping opportunities during the transition to low-carbon economy to effectively allocate resources and enhance corporate competitiveness and resilience.	Economic performance (201), energy (302), emissions (305), waste (306)	TC-ES-140a.1 TC-ES-150a.1	▲	●		5_1 Climate change
Driven people with shared beliefs							
■ Talent attraction and retention	Employees are our most important partners. Providing competitive salary, welfare, and DEI policies to attract talents and to create a warm and healthy workplace culture.	Economic performance (201), market position (202), employment (401), training and education (404), employee diversity and equal opportunity (405)	TC-HW-330a.1		●		6_1 Talent attraction and retention
■ Employee care and concern	Dedicated to realizing a respectful, equal, and inclusivework environment, and createharmonious labor relations.	Labor relations (402), non-discrimination (406), forced or compulsory labor (409)	TC-ES-310a.1 TC-HW-430a.1 TC-HW-430a.2	▲	●	●	6_3 Human rights management 6_4 Health and safety
■ Occupational safety and health	Reducing therate of occupational injury to ensure safety and health ofthe Wiwynn partners.	Occupational safety and health (403)	TC-ES-320a.1	▲	●		6_4 Health and safety

Note 1: ■ Substantial ■ Potential

Note 2: Level of involvement: ● Direct ● Indirect ▲ Business relationship

Short-term, medium-term, and long-term goals for the material topics

Material topics	Strategy	Item	2023 implementation	Goals 2025	2028	2030
Corporate Governance — Vision and strategy for sustainability	• Environment-friendly • Driven people with shared beliefs • Sustainable supply chain • Green Innovation	Enhancing international sustainability rating performance	• The Carbon Disclosure Project (CDP) received an A- leadership level. • Ranked in the top 10% of the 2024 S&P Global CSA score and were named an "Industry Mover".	Enhancing international sustainability rating performance		
Corporate Governance — Ethical management	• Commited to and comply with ethical management policy from top down • Implementing educational training and promotion from inside out • Providing sufficient grievance channels • Working with supply chain to fulfill ethical concepts. • Continue deepening the corporate culture of ethical management	Significant loss caused by the violation of internal control	• 0 case	0 case	0 case	0 case
		Violation of legal regulations related to social and economic areas (a penalty over NT$0.5 million)	• 0 case	0 case	0 case	0 case
		Reporting the complaints sent through grievance channels to the Board of Directors regularly	• The date of the latest submission to the Board of Directors was January 18, 2024	Implementation rate 100%	Implementation rate 100%	Implementation rate 100%
Corporate Governance — Information security	• Establishing information security policies to fully perform confidentiality obligations. • Provide and promote information security education and to enhance employees' awareness. • Realizing daily operation and discussion on information security • Ensuring the applicability and effectiveness of information security technology and tools	Complaints related to the violation of customer privacy and the loss of customer data	• 0 case	0 case	0 case	0 case
		ISO27001 evidence-collection coverage	• 51%	>60%	100%	100%
Sustainable supply chain	• Continue to implement risk management through new supplier assessment • Supplier audit and performance evaluation	Suppliers signing the code of conduct	• 94.69%	95%	98%	100%
		Completion of the sustainable supplier self-evaluation survey	• 89.77%	95%	98%	100%
		Key and high-risk suppliers' audit and improvement supervision	• 100%	100%	100%	100%
		Key material suppliers meeting greenhouse gas verification standards	• 81.65%	(Please refer to "newly added" for goal adjustment.)		
		Promotion of supply chain greenhouse gas inventories passing third-party verification	• (Newly added)	60%	80%	100%
		Promotion of supply chain passing RBA third-party verification	• (Newly added)	70%	80%	100%
		Suppliers' ESG training coverage	• 100%	100%	100%	100%

Short-term, medium-term, and long-term goals for the material topics

Material topics	Strategy	Item	2023 implementation	Goals 2025	2028	2030
Inovation with green technology — Innovation and R&D	· Investing in R&D and actively participating in the development and cooperation of the next-generation platforms. · Ensuring the Company's R&D and innovation meets closely with the need of customers' application through international exhibition and tech launches · Encouraging innovation and R&D · Strengthening corporate intellectual property (IP) portfolio	Floating-point operations per second/ power consumption for cooling	· **1.15 X**	>2.5 X	>5 X	>10 X
		Number of patents	· Completion rate **70%**	500 cases	700 cases	-
		Increase patent application	· Increased **37.5%**	-	-	5-10%
		Number of patents eliminated	· **0** (Conducted evaluation of the patents received in 2023)	-	-	3-5%
Green products	· Optimizing the efficiency of energy conservation and electricity saving through product design, verification, and life cycle management; using hazard-free and recyclable raw materials and planning products with easily disassembled features and recyclable to reduce the impact to the environment caused by product life cycle	Recovery rate of recycled plastic materials from products	· Product introduction rate **68%** · Recycled material recovery rate **50%**	50%	65%	85%
		Using green metal in products	· Product implementation rate **19%**	50%	70%	90%
		Revenue from low-carbon products	· **14%**	60%	80%	90%
Product service and responsibility	· Paying attention to customers' opinions, interests, and rights · Establishing improvement guidance and strategy based on the result of satisfaction survey, tracking the effect of improvement, and continue enhancing customer satisfaction · Paying attention to customers' feedback on the use of products to carry out continuous improvement plans. · Complying with international regulations for product design and meeting the regulations of safety and hazard-free. · Implementing quality policies and solutions; introducing management training courses	Customers complaints related to safety and health, or violations against health and safety regulations.	· **0** case	0 case	0 case	0 case
		Products meet the regulations of Product Safety Certifications	· **100%**	100%	100%	100%
		Products meeting legal regulations related to hazardous substance free and customers' requirements	· **100%**	100%	100%	100%

Short-term, medium-term, and long-term goals for the material topics

Material topics	Strategy	Item	2023 implementation	Goals 2025	2028	2030
Eco-friendly operation — Climate strategy and energy management	· Evaluating risks and opportunities due to climate change · Establishing plans for greenhouse gas reduction and energy management · Net Zero by 2040	Commitments of using renewable energy	· **57.07%**	75%	90%	100%
		Newly constructed plants meeting local regulations as Gold Level (or above) green buildings	· WYMY plans to obtain GBI green building certificate by 2024	100%	100%	100%
		Introducing low-energy consumption PCBA production lines worldwide	· In progress	15%	60%	100%
		Reduction of rack-testing power consumption during idle time	· In progress	10%	5%	2%
Eco-friendly operation — *Environmental management	· Traceability management · Proper waste classification to enhance the utilization rate. · Ensuring waste disposal procedures meet with legal regulations for environment, safety, and health	Penalty by the competent authority due to the violation of legal regulations related to environmental protection.	· **0** case	0 case	0 case	0 case
Driven people with shared beliefs — Talent attraction and retention	· Establishing a salary and welfare system that is competitive and generous as well as implementing diversity and equality. · Ensuring effective operation of strategies through continuous recruitment, retention, turnover, and employee satisfaction surveys	Female managers (Definition: Above and include section-level managers, but exclude functional managers)	· **25%**	26%	27%	30%
		Enhancing the ratio of female STEM talents	· **31%**	(Please refer to “newly added” for goal adjustment.)		
		Annual retention rate of R&D and engineering technical talents	· **94%**	(Please refer to “newly added” for goal adjustment.)		
		Global IDL employee turnover rate	· **12.33%**	(Please refer to “newly added” for goal adjustment.)		
		Sustainability” scores from the Global Engagement Survey compares against the WTW Global industry norm.	· (Newly added)	Consistent with the norm for high tech		Close to the norm for high perfor-mance
		Employees taking “Charity Leave”	· (Newly added)	2%	4%	6%
Driven people with shared beliefs — *Talent cultivation	· Enhancing professional skills and strengthening core management competence through seven major training systems to develop talent pool	Global average training hours per person	· **19.83 hours**	≥20 hours	≥22 hours	≥25 hours
		Job rotation (Definition: department/ change of main and sub- positions)	· (Newly added)	6%	7%	8%
Driven people with shared beliefs — Employee care and concern	· Establishing human rights policies and maintaining labor rights through the implementation of human rights system, training, and diverse and smooth communication channels.	Participation of the global employee engagement survey (IDL)	· **81%**	80%	85%	90%
		“Diversity and Inclusion” scores from the Global Engagement Survey is the same when comparing against the WTW Global High-Performance Norm	· (Newly added)	Maintained	Top 25%	Top 25%
Driven people with shared beliefs — Occupational safety and health	· Maintaining adequate resources and effective procedures · Enforcing preventive measures for occupational injury and disease management. · Implementing health promotion management through the result of annual health examination and labor health protection plans	The Frequency-Severity Indicator is below the average of the ICT industry over the past three years. 【Computer and Peripheral Equipment Manufacturing FR 0.54、SR 19、FSI 0.1】	· Taiwan FR 2.16, SR 4, FSI 0.09 Please refer to 5.4.2 Occupational safety and health for more information on improvement measures.	100%	100%	100%

* Non-material topics

1.2.3 Linking with SDGs

Corporate governance/Sustainable supply chain

- Rooting integrity into the corporate DNA, and place fairness, honesty, credibility, and transparency as top priority
- Establishing a corporate culture of ethics and integrity, and co-prosperity with the society.

Innovation with green technology

- Fulfilling cross-generation product applications with innovative technologies
- Realizing product sustainability design through integrated R&D technologies

Eco-friendly operation

- Adopting sustainable development measures to fulfill circular economy.
- Enhance the implementation of climate change solutions.
- Responding to risks and grasping opportunities to improve corporate resilience.

Driven people with shared beliefs /Social wellbeing

- A friendly workplace with equaled learning and developing opportunities, diversity and inclusion.
- Protecting the health of Wiwynn partners and safeguarding workplace safety
- Embracing the ocean and prosper with the ecosystem

Corresponded SDGs	Role and action played and taken by Wiwynn

Corporate governance/Sustainable supply chain

· Ensuring full and effective female participation and leadership opportunities

Number of female directors in the Board of Directors increased to 3.

· Establishing a fair and inclusive corporate culture

Wiwynn works with suppliers on the declaration of the integrity principles through trainings, anti-corruption promotions, and internal and external reporting systems to establish a high-moral corporate culture. In 2023, there was no violation of honesty and integrity or involved in any corruptions.

Corresponded SDGs : 2_1_2 State of the Board of Directors, 2_1_9 Business ethics

Innovation with green technology

· Enhancing product energy efficiency

The carbon reduction benefits of two products in sales have been calculated. Over the lifecycle of these products, the energy savings to our downstream customers amounted to 8,080,383 kWh, equivalent to a reduction of 3,992 tons CO_2e.

Corresponded SDGs : 4_1_3 Responsible product

· R&D capacity

The number of R&D personnel was 1,479 persons, accounted for 20.38% to the entire workforce. The R&D budget was NT$4 billion.

· R&D achievements

The ratio of invention patents to the total number of patents was 91.17%. The number of global approved patents increased 37.5% compared to that in 2022.

Corresponded SDGs : 4_1_1 Product development and application, 4_1_2 Intellectual property rights management

· Source design

All products developed were to follow WEEE-3R operating procedures of evaluation and verification. The product design meets 3R requirements (Reuse and Recycled rate=80%, Recovery rate=85%). Products are labeled with WEEE recycling mark to regulate the disposal of waste electronics and electrical products.

Using recycled materials and paper packaging reduces emissions by 2,490 tons CO2e. Additionally, incorporating DRAM modules recycling reduces emissions by 158 tons 4.4 times growth compared to 489.5 tons CO_2e in 2022.

Corresponded SDGs : 4_1_3 Responsible product

Corresponded SDGs Role and action played and taken by Wiwynn

Eco-friendly operation

· Reutilization of water

In 2023, the recycled water was 14.92 million liter. It accounts for 9% of total water intake. It was recycled through air conditioning condensed water, rainwater, and water used for hand washing. It was then reused in landscape watering.

Corresponded SDGs : 5_3_2 Water resource

· Adopting renewable energy

Followed the completion of using green electricity at Taipei Operation HQ in 2022, Tainan Plant also started to use green electricity in 2023. Overseas sites enhanced green power utilization rate through the installation of roof-top solar panels and the purchase of renewable energy certificates. In 2023, the corporate global renewable energy usage was at 57.07%.

Corresponded SDGs : 5_1_3 Climate indicators and goals

· Circular economy

Wooden boxes and pallets were recycled and reutilized. It reduced the waste generation by 3,004,500 kgs. The economic effect was NT$0.46 billion.

· Waste reduction

The volume of waster output per unit revenue reduced 24.74% compared to that in 2022.

Corresponded SDGs : 5_3_1 Waste management

· Carbon reduction goals

Our carbon reduction targets have been SBTi-certified. To further advance our commitment to carbon reduction, Wiwynn has set two long-term goals: achieving 100% renewable energy use by 2030 and reaching net-zero emissions by 2040.

Corresponded SDGs : 5_1_3 Climate indicators and goals

Driven people with shared beliefs /Social wellbeing

· Increasing birth rate

The Company provides an incentive of NT$60,000 per childbirth, the Employee Welfare Committee offers birth-giving benefit of NT$2,000 per childbirth, and the discount of day care and after-school class for children between 0-6 years old in external institutions.

Corresponded SDGs : 6_1_2 Talent attraction

· Promoting human rights training

Since 2020, we introduced RBA-related courses to help employees understand their rights and interests as well as the Company's policies and approaches in labors, human rights, health and safety, environment, and ethical regulations. Training to all employees was completed. These are also listed as the compulsory courses for new employees. We continued carrying out re-trainings for relevant personnel and implementing new employee trainings.

Corresponded SDG : 6_3 Human rights management

· Equality and no discrimination

Regulations for recruitment and salary are fair and impartial. The procedures for recruitment and dismissal are conducted according to laws. We also established "Procedures Governing Anti-Discrimination Management" as the accordance.

Corresponded SDGs : 6_1_2 Talent attraction

· No child labor

In 2023, there was no employment of child labors.

· Assisting young people to connect to workplace

Wiwynn works hard to promote internship programs in order to cultivate talents, assist young people connecting to workplace, and to further enhance the stability and development of the society.

Corresponded SDGs : 6_1_1 Diversity, 6_5_1 Social engagement

· Ocean Hugs

Through plantation in shoals and other conservation plans, Wiwynn has planted 24,800 trees in Taiwan. It shows our emphasis and determination in biodiversity and forest protection. We work with our sustainable supply chain and value chain partners as well as engaging opinions from internal and external stakeholders to support biodiversity maintenance and forest conservation.

Corresponded SDGs : 6_5_1 Social engagement, 6_5_2 Biodiversity and forest conservation

02

CORPORATE GOVERNANCE

I ACCOUNTABILITY 25
I RISK MANAGEMENT 31
I INFORMATION SECURITY 34
I TAXATION MANAGEMENT 39

PERFORMANCE

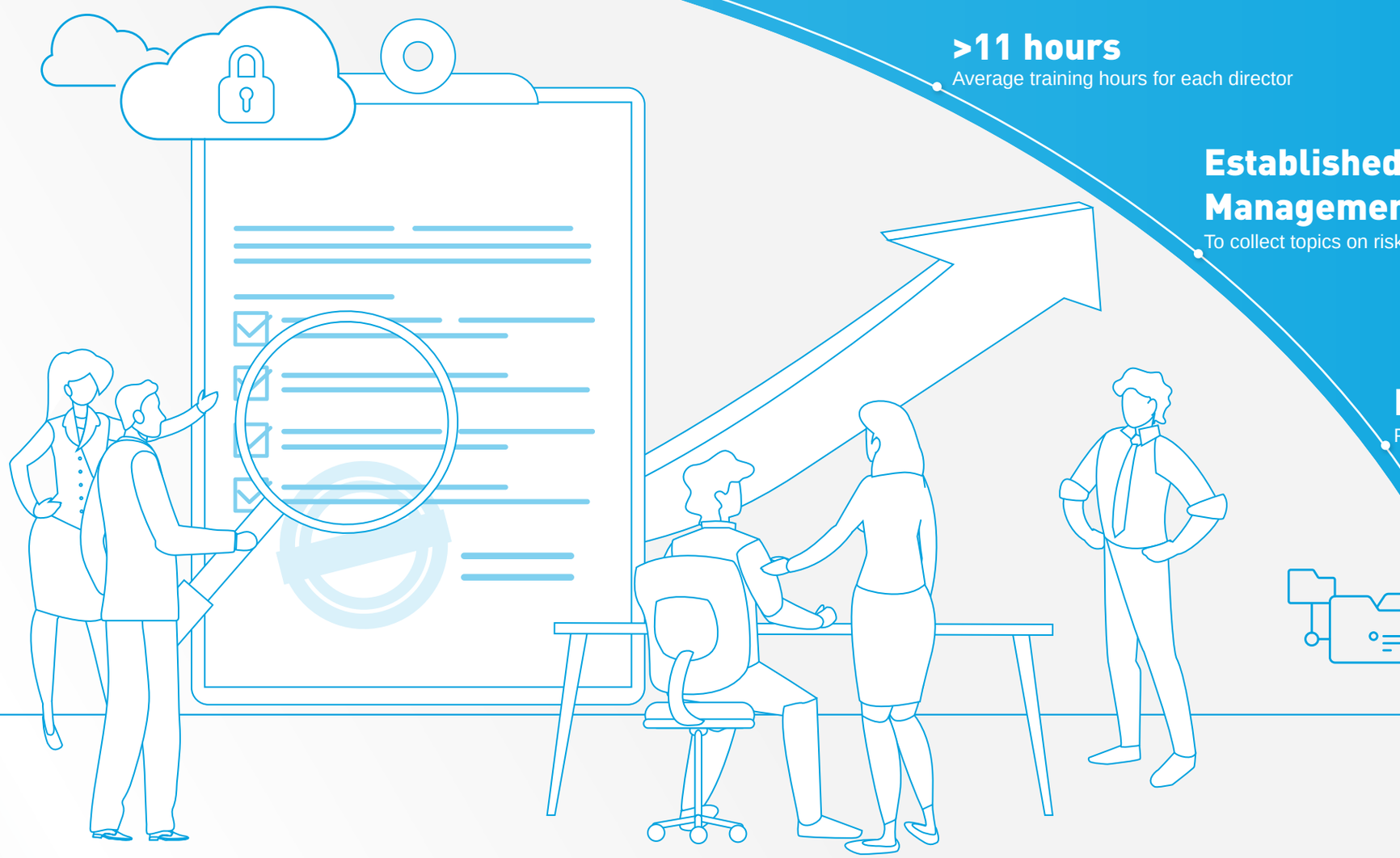
33%
Proportion of female board seats

>11 hours
Average training hours for each director

Established Risk and Security Management Task Force
To collect topics on risks and safety

ISO 27001
Passed ISO 27001 verification

ISO 22301
Passed ISO 22301 verification



ACCOUNTABILITY

Implementing a sound corporate governance system to ensure effective supervision mechanisms in business management and operations.

Policy and Commitment

Protecting shareholders' rights, strengthening legal capacity of the Board of Directors, exercising the function of the Committees, respecting stakeholders' rights, and enhancing information transparency.

Resources

Installing Corporate Governance Officers, Aduit Committee, Compensation Committee, Nomination Committee, and Corporate Sustainability Committee.

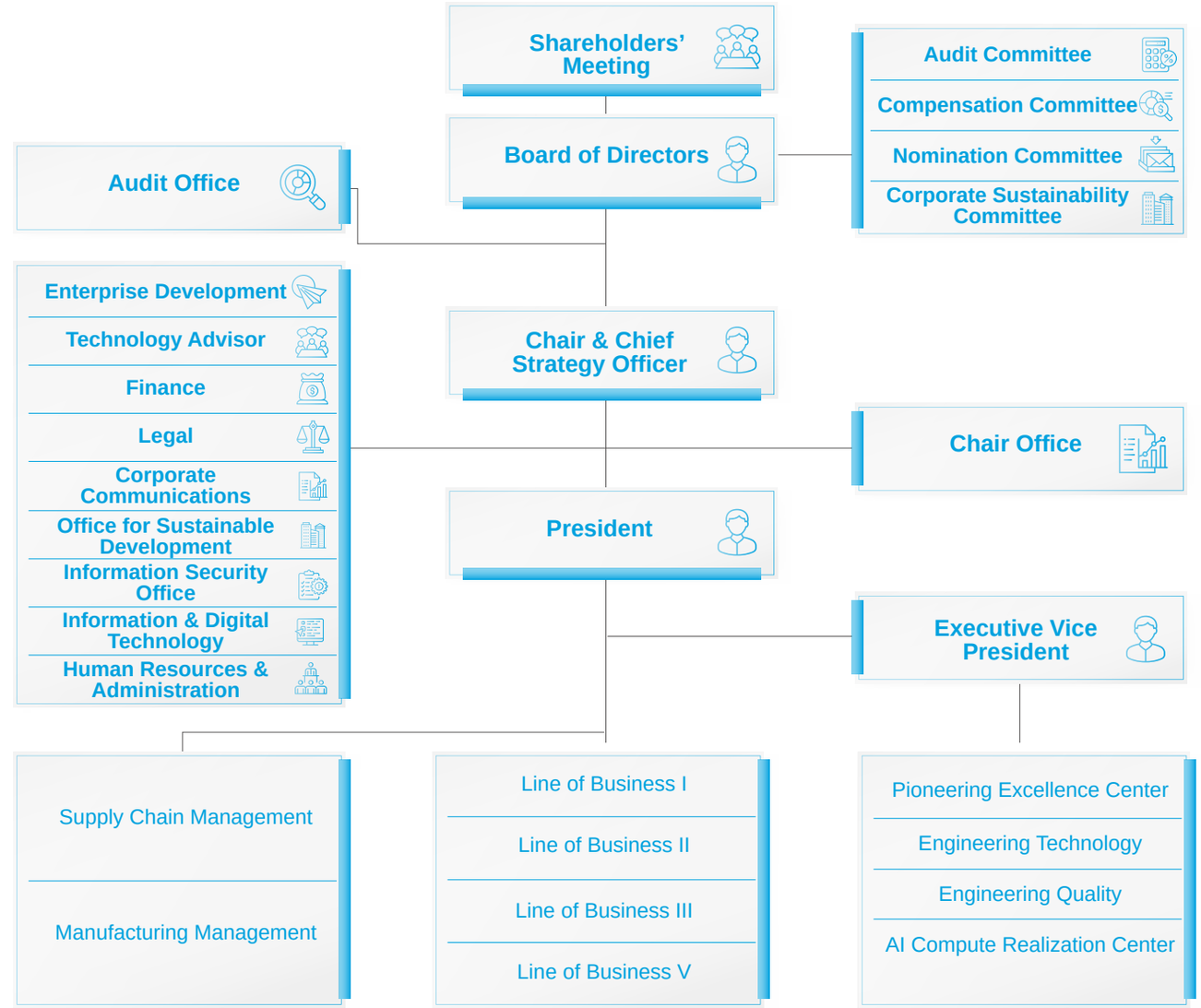
Grievance Mechanism

On Wiwynn's official website and under "Stakeholders Engagement" provides communication channels for stakeholders, including employees, suppliers, customers and shareholders.

Evaluation Mechanism

Taipei Exchange Corporate Governance Evaluation, internal audit, supervision by the competent authority, and irregular audits.

2_1_1 Organizational structure



2_1_2 Operations of the Board of Directors

Wiwynn's Board of Directors is the highest governance unit in the Company, and it holds a meeting at least once every quarter. In addition, the members of the Board of Directors shall be able to effectively perform their duties. According to the Corporate Governance Best Practice Principles, the annual attendance rate of each member at the meetings of the Board of Directors shall achieve at least 85%.

There were 8 meetings held in 2023

the average attendance was 98.6%

Members of the Board of the Company adopts a candidate nomination system according to the Articles of Incorporation. The number of independent directors must not be less than three seats. In addition, shareholders holding more than 1% of the total issued shares of the Company can also take part in the nomination process of director candidates. Shareholders shall vote from the list of candidates announced by the Company. The term of office is three years and may continue serving if re-elected.

There are nine directors on the current Board of Directors, including four independent directors and three female directors (accounting around 33%)

The average term of office is 5.9 years. The ratio of independent directors is around 44%, and their consecutive terms of office are all less than three terms. Three directors are also managerial officers of the company.

2_1_3 Functional committees

To strengthen an effective and sound governance mechanism, the Company established “Audit Committee”, “Compensation Committee”, “Corporate Sustainability Committee”, and “Nomination Committee” under the Board of Directors to assist the Board to review and discuss important proposals related to economy, environment, society, risk, and integrity governance. Please refer to the Company’s website under “Corporate Governance” for relevant duties.

	Audit Committee	Compensation Committee	Corporate Sustainability Committee	Nomination Committee
Establishment	The Special Shareholders’ Meeting approved the establishment of Audit Committee on January 17, 2018. The supervisor system was replaced by the system of Audit Committee.	Compensation Committee was established on October 30, 2017.	Corporate Sustainability Committee was established on March 8, 2021.	Nomination Committee was established on November 1, 2022.
Members	Convener: Cathy Han/ Independent Director Member: Charles Kau/ Independent Director Member: Simon Dzeng/ Independent Director Member: Victor Cheng/ Independent Director	Convener: Charles Kau/ Independent Director Member: Simon Dzeng/ Independent Director Member: Victor Cheng/ Independent Director	Convener: Simon Dzeng/ Independent Director Member: Emily/ Chair Member: Sunlai Chang/ Director Member: Sylvia Chiou/ Director	Convener: Emily Hong/ Chair Member: Frank Lin/ Director Member: Charles Kau/ Independent Director Member: Victor Cheng/ Independent Director Member: Cathy Han/ Independent Director
State of operation	At least one meeting shall be held every quarter. In 2023, there were seven meetings held. The attendance rate of each independent director was 100%. Internal Auditing Officer, Chief Accounting Supervisor, and CPAs attended the meeting of Audit Committee every quarter to report on the information related to internal audit, financial status, and updates of legal regulations.	At least two meetings shall be held every year. In 2023, there were four meetings held. The attendance rate of each member was 100%. Chairman will be invited to attend each meeting. However, in case of the proposals having conflict of interest to the Chair, the Chair shall be recused and may not participate in the discussion. In lieu of such attendance, other relevant personnel may be invited to present at such meeting and provide information as necessary.	At least two meetings shall be held every year. In 2023, there were two meetings held. The attendance rate of each member was 100%. Relevant personnel may be invited to attend the meeting and provide necessary information based on the actual demands.	Meetings may be held anytime when it is deemed necessary by the Committee. In 2023, there were four meetings held. The attendance rate of each member was 100%. Relevant personnel may be invited to attend the meeting and provide necessary information based on the actual demands.

2_1_4 Independence and diversity of directors

The posts of Chair and the President of the Company are not concurrently held by the same person, nor are they spouse or first-degree relatives of each other. No family relationship such as spouse or second-degree relatives among all directors. For the proposal of the meeting that has an interest with any director or his/ her representative, the related director shall implement interest recusal according to the" Rules of Procedure for Board of Directors' Meetings" and must not exercise the voting rights on behalf of other directors. In addition, the directors' concurrent roles at other companies, interest recusal situations, and main shareholders and their relationships shall be completed disclosed in the Annual Report each year, and information of related parties shall be disclosed in the financial report according to the Financial Report Preparation Guidelines.

To facilitate a sound development in the structure and the competence of the Board of Directors, it is specified in the "Corporate Governance Best Practice Principles" that the composition of members of the Board must take into consideration of diversity, including but not limited to the basic conditions and background in gender, age, nationality, race, and culture as well as professional skills and industrial experience in terms of economy, society, and environment. Moreover, a proper guideline of diversity shall be established based on the Board operation, operating pattern, and development demands.

In terms of the goals of diversity, the Company has achieved at least two female directors at all time. We also recruit and appoint directors with different professional backgrounds, including business leaders and talents in the areas of finance, banking, technology, and law. In the future, we will continue developing towards a diversified board of directors.

Information on the independence and diversity of Board members

	External independence Note 2	Name	Nationality	Gender	Age (years old) Below 60	Age (years old) 61-65	Age (years old) Over 66	Industrial and professional background Note 3
Chair & Chief Strategy Officer / member of Corporate Sustainability Committee / Convener of Nomination Committee	-	Emily Hong	R.O.C.	F			●	Information Technology
Director / member of Corporate Sustainability Committee	-	Sunlai Chang	R.O.C.	M		●		Information Technology
Director / Representative of corporate juridical person, Wistron Corporation / member of Nomination Committee	Meet	Frank Lin	R.O.C.	M			●	Information Technology
Director/ Representative of corporate juridical person, Wistron Corporation / member of Corporate Sustainability Committee	Meet	Sylvia Chiu	R.O.C.	F	●			Information Technology
Director / Senior Vice President	-	Steven Lu	R.O.C.	M	●			Information Technology
Independent Director / member of Audit Committee / Convener of Compensation Committee / member of Nomination Committee	Meet	Charles Kao	R.O.C.	M			●	Information Technology
Independent Director / member of Audit Committee / member of Compensation Committee / Convener of Corporate Sustainability Committee	Meet	Simon Zeng	R.O.C.	M			●	Banking
Independent Director / Convener of Audit Committee / member of Nomination Committee	Meet	Cathy Han	R.O.C.	F	●			Banking
Independent Director / member of Audit Committee / member of Compensation Committee / member of Nomination Committee	Meet	Victor Cheng	R.O.C.	M			●	Information Technology/ Industry (law)

Note 1: Status of diversity among members of the Board of Directors as well as the education, experience, background, and concurrent posts in other companies of individual director have been disclosed on the official website of Wiwynn Corporation or in the annual report.

Note 2: The following criteria are used by external independence evaluation to assess whether directors are independent. Directors must be non-executive directors and have to meet at least four from the following nine indicators. Two of the top three indicators must be met. Please refer to the report for the status of independence

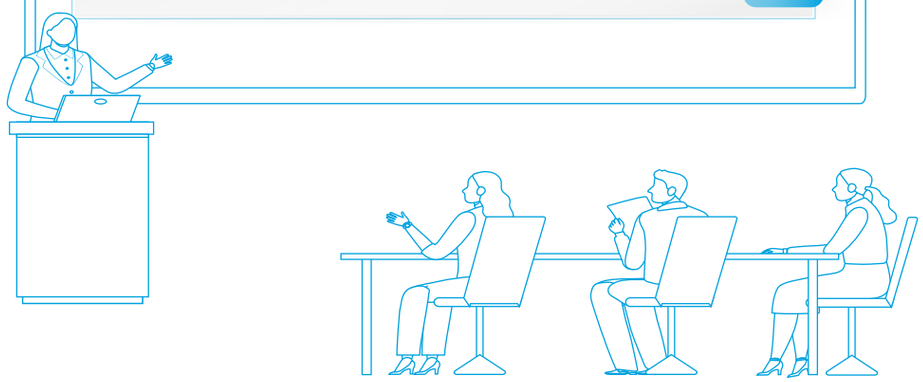
1. Not being hired by the Company as a senior management level officer in the past year.
2. Other than the scope permitted by SEC Rule 4200, the director he himself/ she herself and the family members do not receive a remuneration over US$60,000 every year from the Company and its subsidiaries.
3. None of the family members of the director is a senior management level officer in the Company or its subsidiaries.
4. Not concurrently being the advisor of the Company during the term as director, not a related party to any consulting company, nor a senior management level officer in any consulting company.
5. Not a related party to the important customers or suppliers of the Company during the term as director.
6. Not involving with personal service contracts with the Company or senior management personnel of the Company during the term as director.
7. Not an NGO related party that receives a significant donation from the Company during the term as director.
8. Not an auditing officer or accountant of the Company in the past year.
9. Not having any conflict of interest with the Board of Directors during the term as director.

Note 3: Professional experience in the industry is defined according to GICS (Global Industry Classification Standard) Level 1, including energy, materials, industrials, consumer discretionary, consumer staples, healthcare, financials, information technology, communication services, utilities, and real estate.

2_1_5 State of training and continuing education provided to directors

According to “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies”, all directors must complete training every year in order to grasp important international trends in corporate governance, information security, corporate sustainability, and risk management. In 2023, the average training hours per director were above 11 hours.

Courses	Hours
Key for enhancing effectiveness of the Board of Directors	27
Greeting the future- global ESG key trends and practical cases	27
2023 Cathay sustainable finance and climate change summit	24
Corporate governance and securities regulations	6
2023 TAISHIN Net Zero Summit Go Towards Green Energy	6
Impact and influence on corporate financial disclosure caused by climate change	3
Corporate reputation risk management	3
Innovation, digital technology, and competitive advantages	3



2_1_6 Performance evaluation

To implement corporate governance and enhance the competence of the Board of Directors, the Company established “Rules for Performance Evaluation of Board of Directors and Functional Committees” and specified that the Board of Directors and functional committees of the Company must conduct performance evaluation once a year. It shall be conducted by the responsible unit to set up the questionnaire and rating based on the indices. Suggestions and improvements shall be compiled based on the results of the evaluation to establish the goals of the competence and deepen the efficiency of the Board of Directors. At least every three years, it shall commission an external professional and independent institution or a team of external experts and scholars to conduct performance evaluation of the Board of Directors.

Results of internal performance evaluation in 2023

Board of Directors	Audit Committee	Compensation Committee	Corporate Sustainability Committee	Nomination Committee
Exceeding the standard (achieved a score of 90 or above)	Exceeding the standard	Exceeding the standard	Exceeding the standard	Exceeding the standard

Status of the Implementation of measures suggested by external performance evaluation

The Company commissioned “Taiwan Association of Board Governance” to conduct external evaluation of the Board performance for 2022 (from January 1, 2022, to December 31, 2022). Through the interview and evaluation on independence and professionalism done by external experts and scholars, seven dimensions including the composition and structure of the Board, selection and training of directors, participation to the Company’s operation, quality of decision making, internal control, sustainable environment, and value creation were reviewed and were provided with suggestions

Suggestion	To establish a mechanism to link the emails from whistleblowers to the mailboxes of independent directors (or their representatives) in order to demonstrate that the Company can handle the complaints fairly. Besides, it is suggested the performance evaluation and remuneration of the Chief Officer of Internal Audit to be send to the Compensation Committee for discussion.
Measure	Stakeholders’ complaints should be submitted to the Board of Directors regularly to fully disclose relevant matters so that board members may understand in time and discuss the issues fairly.
Implementation	The state of communication with stakeholders (employee suggestions or complaints) was submitted to the Board of Directors on August 7, 2023, and January 18, 2024, respectively.

2_1_7 Corporate Governance Officer

The Company established a Corporate Governance Officer according to laws, the officer is in charge of affairs related to corporate governance and assist directors on their business execution in order to fulfill the function of supervision. Besides, it acts as a bridge between Board of Directors and various business units and competent authorities.

In 2023, the Corporate Governance Officer completed 12 hours of training, including courses of corporate governance and of ESG development, etc.

2_1_8 Remuneration policy

The remuneration policy for directors follows the Company's "Articles of Incorporation" and "Principles of Remuneration to Directors and Functional Committees", as well as taking into consideration the norm of the industry, the Company's performance, the responsibility of the post, and the operating status of each functional committee.

The remuneration to senior management includes fixed items: base salary, traditional holidays bonus, and welfare; and the variable items are the combination of bonus, remuneration (cash/stock), and stock option. The main structure is based on the variable items. The fixed items are focused on maintaining the Company in the average competitive standards in the industry while the variable items are based on the consideration of the Company's and the individual's performance: the better the performance of the Company and the individual, the higher the variable and fixed items. The performance evaluation of senior management is based on the annual financial performance and the achievement of goals for relative financial indices, including but not limited to the Return on Assets (ROA), Return on Equity (ROE), Return on Invested Capital (ROIC), market share, growth and development of markets, customers, organizations, and personnel, and ESG. In the beginning of each year, evaluation items, goals, and weight will be established according to the development status of internal and external environment. Salary and remuneration of the senior management will be based on personal performance and be reviewed and assessed separately by the Compensation Committee before proposing to the Board of Directors for approval and implementation.

As for the key performance indicators (KPIs) of ESG, Wiwynn takes on sustainable supply chain, Innovation with green technology, Eco-friendly Operation, and Driven people with shared beliefs as the core strategies for sustainable development, and short-term (2025), medium-term (2028), and long-term (2030) goals are installed accordingly. To fulfill the goals, senior managements(including the general manager and their direct reports)will set up KPIs directly related to these in the balanced scorecard (BSC) at the beginning of every year with a weight of at least 10%,performance evaluations are conducted semi-annual, and the results are utilized in various aspects of human resource management, including salary adjustments, bonus allocations, promotions, and training and development initiatives. Linking performance outcomes to rewards and development goals aims to enhance both individual and organizational performance, effectively aligning personal achievements with the strategic goals of the Company's sustainability initiatives, thereby motivating and reinforcing goal execution.

2_1_9 Business ethics

Running the business with the highest ethical standards and incorporate integrity and moral value with the Company's management strategies, so that integrity takes root within the DNA of the Company. We carry the mission of being a quality enterprise to prosper with the society.

Policy

Actively preventing any deceitful or corruptive conducts from top down and from inside-out.

Commitment

Establishing a corporate culture of business ethics through the principles of fairness, honesty, trustworthiness, and transparency.

Resource

The Human Resources unit is the accountable unit of Ethical Management, which is responsible for the formulation and promotion of the policies and prevention plans.

Grievance Mechanism

- Establishing internal and external whistleblowing channels and procedures, formulating the procedures in the relevant regulations of ethical management, and disclosing the information on Wiwynn's website.
- The Company has announced the hotline and email for whistleblowing upon violations of integrity on the internal portal.
- Stakeholders could report through the whistleblowing mailbox on integrity and business ethics issues at ethic@wiwynn.com provided under the "Stakeholder Engagement" section on Wiwynn's official website.

Evaluation Mechanism

Regularly (at least once a year) reporting to the Board of Directors and regularly implementing internal audit.

Carrying principles of good faith, which includes: fairness, honesty, trustworthiness, and transparency

The Company has "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", and "Code of Ethical Conduct" to cover anti-corruption and anti-bribery, competition behavior, conflict of interest, and whistleblowing system. These apply to the subsidiaries of the Company, foundations and organizations that received more than 50% of the accumulated donation directly or indirectly from the Company, and other institutions and enterprises that are controlled by Wiwynn.

Code of Conduct for Wiwynn Corporation

The Company has established the "Code of Conduct for Wiwynn Corporation" approved by the Board of Directors, and applicable to all personnel, including subsidiaries and joint ventures. It covers confidential information protection, anti-insider trading, anti-money laundering, human rights protection, environmental protection, and maintaining a healthy and safe workplace. Consulting channels are provided for the code, and there is zero tolerance for violations. Compliance is mandatory and affects performance evaluations and salary adjustments. Additionally, the "Insider Trading Prevention Management Regulations" have been established to prevent insider trading. In 2023, there were no incidents of insider trading or money laundering activities.

Besides, we clearly specified the relevant procedures for legal political donation, charitable donation, and sponsorship in the "Code of Conduct" and "Code of Ethical Conduct". However, the Company keeps objective and low profile in public policy and does not engage actively in any political party, political activities, or political lobbying. Between 2020 and 2023, we did not provide any political donation. However, we encourage our employees to express their political stances freely, as well as encouraging them to perform their civic responsibility.

Fulfilling the policy of ethical management

The highest manager of the Human Resources Department is responsible for formulating and supervising the implementation of the ethical management policy and prevention plans. Through various actions, the core value of integrity and righteousness are promoted. The Board of Directors shall be reported upon at least once a year. The implementation status of ethical management policy in 2023 has been reported on January 18, 2024. Please refer to the "Corporate Governance" section on Wiwynn's official website. There was no violation of the Code of Ethical Conduct, integrity and ethics, or involvement in corruption in 2023.

Educational training

To ensure employees fully understand relevant regulations and to enforce training and promotion, the Company requests all employees (including domestic and overseas plants) to sign on "Code of Conduct for Wiwynn Corporation" and provides training courses[note]. The global signing rate achieved 100%. In 2023, we conducted a refresher training, the coverage achieved 100%.

Name of the course	Object	Number of emplyoyees participated	Training hours
Code of Conduct for Wiwynn Corporation	**Global Employees**	**5,941**	**3,466.36**

Anti-corruption and anti-bribery advocacy

To maintain the highest standards of ethical conduct, any form of bribery is absolutely forbidden. Before the three traditional holidays, all Wiwynn employees will receive information reiterating the regulations concerning the acceptance of gifts through internal email or employee information portals.

Anti-corruption and anti-bribery whistleblowing system

Wiwynn formulated a whistleblowing system and established internal and external whistleblowing channels. To protect whistleblower of good faith or those who participate in the investigation, we established a separate protective measure. Between 2020 and 2023, there was no whistleblowing received.

- Internal whistleblowing channels: including "anti-corruption and anti-bribery" reporting hotline and email address posted on the TV wall in the Company; "Ethical Management Code" and "Code of Ethical Conducts" announced at the employee information portal to deepen recognition among employees.
- External whistleblowing channels: The Company provides integrity and business conducts whistleblowing email (Ethic@wiwynn.com) on the "Stakeholders Engagement" page of the official website.
- Whistleblowing system and protection measure: The Company drafted regulations such as "Code of Ethical Conducts" and "Ethical Management Code", to clearly provide whistleblowing system and case acceptance procedures. The complaints can be sent anonymously or unnamed. Besides, we established grievance mailboxes and dedicated telephone lines for reporting violations of ethics and integrity. Through the smooth whistleblowing system, we accept internal and external grievances, and the handling procedures are properly recorded and tracked in accordance with the regulations. For well-intentioned whistleblowing or investigation participants, the Company has established a "whistleblower protection and anti-retaliation management procedure". We promise to take appropriate protection measures to prevent whistleblowers from improper handling or retaliation due to their reporting.

Suppliers' integrity policy

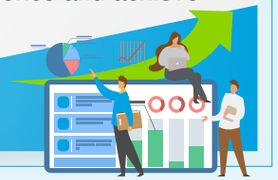
Suppliers are important partners of Wiwynn's fulfillment of business ethics and compliance. Every year, new suppliers are asked to sign the "Suppliers Ethical Management Letter". Suppliers must commit not to make direct or indirect appointments, bribes, improper gifts, entertainment, and other acts of unjust interests to the employees of the Company or their family members. Any supplier who fails to sign the letter will be excluded from the list of Wiwynn suppliers in 2023, 429 suppliers signed the "Suppliers Ethical Management Letter", and the coverage was 100%.

Risk evaluation

Wiwynn conducts risks evaluation of ethics and good faith based on the Responsible Business Alliance (RBA) Code of Conduct at all major operational sites and manufacturing facilities globally. There were no major risks identified in 2023. We will continue mitigating risks and working on the effective control of potential risks.

RISK MANAGEMENT

The relationship between corporate sustainable development and risk management is inseparable. Wiwynn adopts an effective risk management mechanism to formulate better management strategies in order to maintain corporate resilience and achieve the goals of sustainable development.



Policy and Commitment

Effectively integrate internal and external resources, adopt appropriate countermeasures to avoid or reduce any possible loss, and achieve the optimization of internal capital allocation.

Resource

Established Risk and Security Management Task Force to collect topics of risks; introduced ISO22301:2019 business continuity management system.

Evaluation Mechanism

ISO22301:2019 third-party verification, reporting to the Audit Committee and the Board of Directors regularly (at least once a year)

2_2_1 Risk management organization

Wiwynn established internal control based on relevant regulations. Other than reporting to the Audit Committee and the Board of Directors once every quarter on the audit findings and improvements required in risks related to finance and internal control, the Company formulated "Risk Management Policy and Procedures" in 2023, as well as established the "Risk and Security Management Task Force". The members of the task force are assigned by the CEO with the tasks of collecting topics of risks and safety. A motion report on risks and safety topics should be submitted to the Audit Committee and the Board of Directors at least once a year. The latest date of submission to the Board of Directors was February 26, 2024.

Board of Directors

It is the highest responsible unit for the Company's risks and safety management to oversee the approval of risk management policies and relevant regulations, supervision of the overall implementation of risk management, and the ensuring of the effective operation of risk management mechanism.

Audit Committee

It is to assist the Board of Directors to implement its duties in risk management, review risk management policies and procedures as well as to instruct and approve risk appetite, priority of risk control, and risk classification.

Risk and Security Management Task Force

CEO should assign members of the task force to carry out collection and overall evaluation of material risks; the task force should submit the report of implementation state of risk management to the Audit Committee and the Board of Directors regularly (at least once a year).

Representative Task Forces

In charge of identifying and analyzing each promotion, submitting information of risk management regularly to the Risk and Security Management Task Force, and ensuring risk management on each promotion and effective execution of relevant control procedures.

Operating units

The highest supervisors in each unit should act as functional representatives of risks and cooperate with Risk and Security Management Task Force and each representative Task Force to ensure operating units fully enforce the risk management system and relevant operating procedures.

2_2_2 Risk management procedures

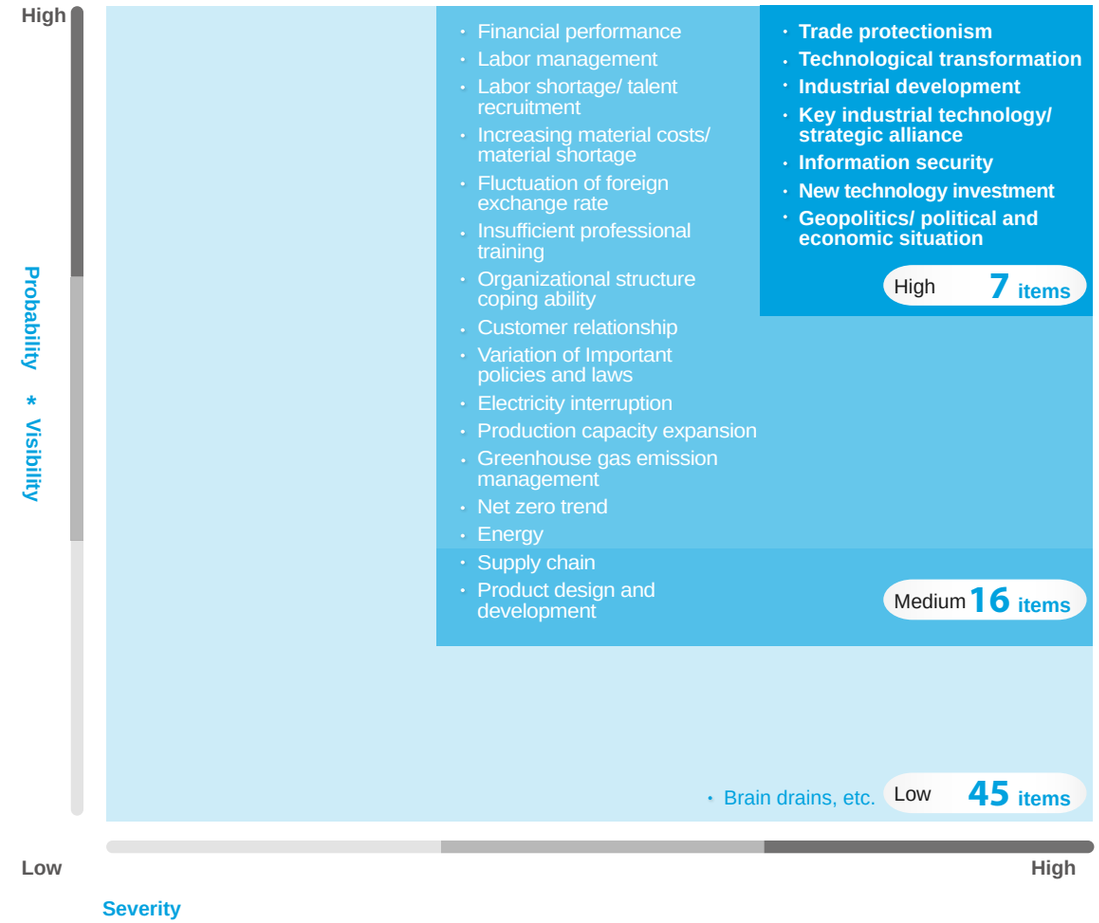
Based on Enterprise Risk Management and ISO 31000, the Company integrated material risks faced during the process of operating activities, including (but not limited to):strategic, operational, financial, information, regulatory compliance, ethical, privacy, climate change, and other emerging risks (such as biodiversity, forest, water or infectious disease related risks). In consideration of internal and external risk factors and topics concerned by stakeholders, each representative task force and operating unit (functional representatives/ groups) conducted risk identification and analysis. Besides, with the reference to the global risk reports from companies in the same trade, World Economic Forum, and the Economist, the Risk and Security Management Task Force collected 426 risk factors and 108 risk items and summarized 68 risk items in ten major dimensions.

Risk and Security Management Task Force formulated risk measurement criteria (probability*visibility with the highest score of 24 points; the highest score for severity is 10 points) as well as risk appetite (probability*visibility>15; severity>8). The levels of risk are classified as high, medium, and low; the responding measures were established according to different risk levels.

Risks	Measures
High	To maximize potential benefits in the approach of disciplined assumption of risk.
Medium	It should be evaluated at least once every half a year according to the pattern and appearance of risk and be adjusted on a rolling basis.
Low	It should be evaluated at least once every year.

2_2_3 Risk identification and management

The result of the matrix analysis shows 7 items are of high risk, 16 medium and 45 low risk items. The 7 high-risk items were summarized into three categories:“paradigm shift and industrial change caused by technological transformation”, “trade protectionism and geopolitics”, and “information security”, mitigating measures were established accordingly. It was submitted to the Audit Committee for approval and then reported to the Board of Directors on February 26, 2024. We will continue promoting and establishing a corporate culture of risk awareness and fulfilling corporate sustainable development.



Strategic risk, Emerging risks	Strategic risks	Information risks, Emerging risks
Economy, technology	economy, geopolitics	Economy, technology
Items		
Paradigm shift and industrial change caused by technological transformation	Trade protectionism and geopolitics	Information security
Description		
Changes caused by the revolution of severs' architecture, including product demands, industry chain, and brand-new technology.	• Political and economic wrestling between countries; establishment of new trade barriers and protection policies • The security of Taiwan Strait remains the key issue in geopolitics.	• Along with the impact of climate change, the scale of natural disaster is getting larger and more unpredictable. More considerations are required for the maintenance and operation of IT infrastructure and equipment. • Phishing emails or using resources from external networks might cause information leakage. • Domestic and overseas technology manufacturers were constantly attacked by ransomware.
Impact or influence		
• Response to key technology and human resources • Response to capital structure • Rapid changes in R&D technology • Insufficient verification and equipment	• Restraint on country of production as well as the imported and exported countries for materials or goods. • Business held-up or interrupted • Material shortage • Labor shortage • Increasing labor cost	• Business loss caused by operating interruption. • Leakage of critical, confidential, and sensitive information that affects the interests of the Company or its stakeholders. • Response of back-up and recovery mechanism.
Responding measures		
• Review the structure of internal organizations when needed • Adjust capital structure on a rolling basis • R&D technology investment/ technology alliance evaluation • Enhance production technology and plant equipment	• Update the importation and exportation regulations of the countries that customers/ suppliers are located and establish response plans on a rolling basis • Establish a business continuity plan (BCP) and exercise on regular basis • Supply chain alternative plans • Build-up back-up suppliers • Enhance the ratio of automation and AI, and Lower the dependency of manpower	• Establish a 24X7 information security monitoring and reporting center • System recovery mechanism and back-up mechanism should be tested regularly. • Establish an information security incident response team • Strengthen employees' awareness on information security and information protection. • Establish information leakage protection mechanism.

2_2_4 Regulatory compliance

To ensure the implementation of regulatory compliance, Wiwynn continues paying attention to changes in domestic and overseas laws and regulations, revising relevant internal rules and regulations in a timely manner, strengthening management of regulatory compliance, and deepening the culture of regulatory compliance within the Group. Legal compliance is also one of the key tasks of internal control. Verification of regulatory compliance is implemented every year to check the implementation performance of regulatory compliance and to grasp the risks of regulatory compliance in the Group, as well as the trends of domestic and overseas supervision. In 2023 there was no material violation against the regulations (penalty above NT$0.5 million), nor was there any legal actions of anti-competition, anti-trust, or anti-monopolistic.

In addition to legal compliance, Wiwynn established the "Wiwynn Corporation RBA Management Committee" and issued the "Wiwynn Corporation Responsible Business Alliance Code of Conducts Commitment Letter", which promised the cooperation and compliance with RBA specifications, support and encourage the first-tier suppliers following the identical guidelines and do their best to employ RBA methods and tools appropriately in the spirit of meeting the common goals of the industry. We have introduced ISO22301:2019(business continuity management system), ISO27001:2013(information security system), QC 080000:2017(hazardous substance process management system), ISO 14001:2015(environmental management system), ISO 45001:2018(occupational safety and health management system), ISO 50001:2018 (energy management system), etc. Through systematic management, we are increasing the effectiveness of risk management, committing to being environmentally friendly, reducing the environmental hazards during the process of waste treatment, lowering greenhouse gases emission, enhancing energy efficiency, providing human rights protection, and creating a healthy and safe working environment.

Training courses related to the management system in our global sites

	Number of employees participated	Training hours
Management systems related (Including ISO22301:2019, ISO27001:2013, QC 080000:2017, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018)	10,831	14,042

INFORMATION SECURITY

Comply with the privacy policy to fully exercise the duty of confidentiality for the information obtained in the process of business operation and adopt appropriate information security measures to protect data integrity, and to safeguard the rights and interests of stakeholders.

Policy

Maintaining the confidentiality, integrity, and availability of business information

Commitment

Providing safe and sound information services to protect stakeholders' privacy

Resource

Introducing ISO27001:2013 information security system, international information security certification, and various protection systems.

Grievance Mechanism

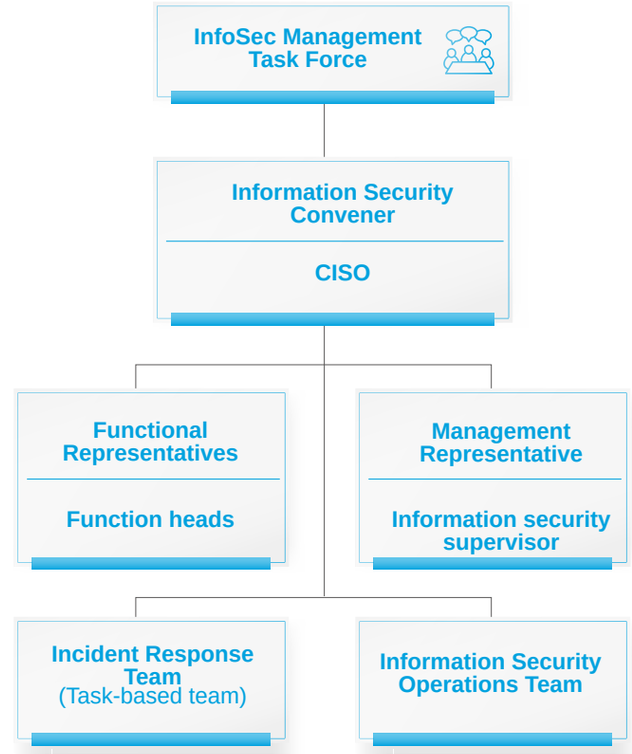
In case of an infringement of privacy or grievance, customers/ clients could report to their business contact persons or their supervisors directly. Besides, they could also submit complaints through the phone and email provided in the "Stakeholder Engagement" section on Wiwynn's official website.

Evaluation Mechanism

Internal audit, irregular information security audit by customers, third-party information security rating mechanism, and ISO27001:2013 third-party verification.

2_3_1 Information security management organization

The highest-level cross-department InfoSec Management Task Force was established to focus on the main tasks of monitoring current situation, strengthening management, and rapid response. Chief Information Security Officer is responsible for reporting to the Board of Directors every year. The latest report submission to the Board was on January 8, 2024,so the Board of Directors could supervise issues related to information security.



Function

- Collecting and reviewing opinions before implementing information security policy and measures.
- Understanding the information security status of the Company.

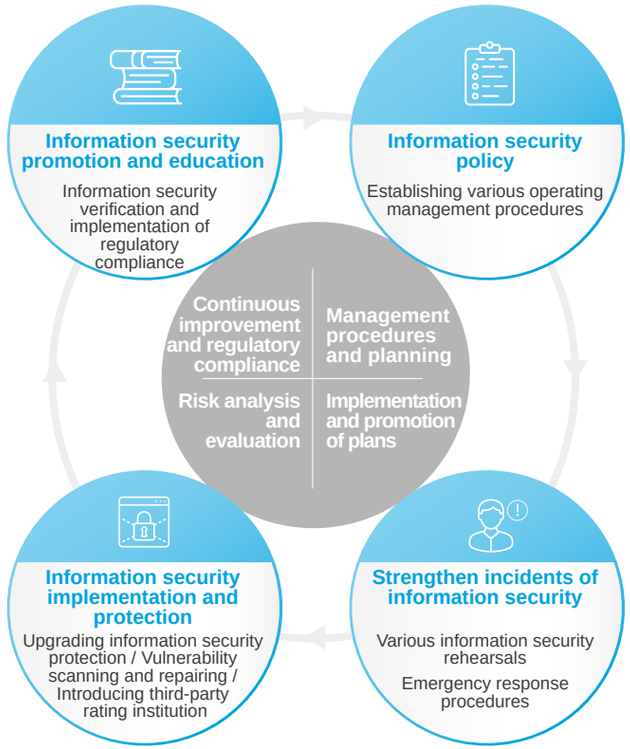
Implementation

- Holding an information security meeting every half a year.
- Chief Information Security Officer is responsible for reporting information security status to the Board of Directors at least once per year.

(SCM) Supply Chain Management	(FIN) Finance	(Legal) Legal
(HR) Human Resources	(IT) Information Technology	(ET) Engineering Technology
(QE) Engineering Quality	(LoB) Line of Business	(MFG) Manufacturing Management Manufacturing management covers global production sites.

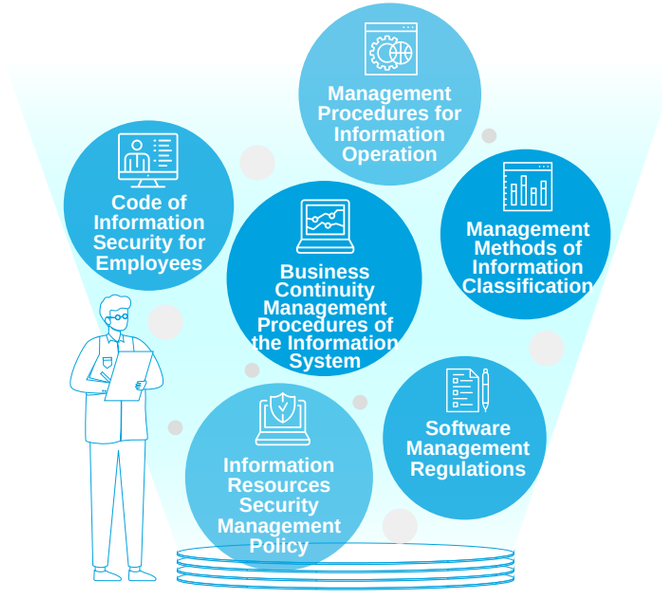
2_3_2 Information security management procedures

Wiwynn passed ISO27001:2013 certification in December 2023. The scope includes the key system and infrastructure in Taipei Headquarters and the computer room in Tainan Plant, covers around 51% of all operating sites (Note). We will expand the verification scope to Tainan Plant step by step as well as to obtain certificates for the subsidiary company in Mexico and other overseas operating sites.



Note: Taiwan Headquarters has obtained ISO27001:2013.The coverage was employees worldwide.

Information security policy



To fully protect the Company's information resources and to further maintain the confidentiality, completeness, and availability of business information, Wiwynn drafted the Information Resource Security Management Policy as the accordance of management, and it is applicable to all employees as the regulation to follow. Meanwhile, Wiwynn also has the Code of Information Security for Employees, to ensure understanding of the regulations related to information usage and responsibility among all employees. Besides, Wiwynn arranges educational trainings for IT and general personnels to fully implement information security protection. In addition, to strengthen the operational resilience for the information system, we developed business continuity management procedures in 2022 and passed ISO22301:2019 verification in 2023 Q4, to ensure the information services continue to support company operations in any event that affects the operation of information system.

Strengthen incidents of information security

To strengthen the promptness of recovery in the aftermath of any disaster, and to enhance the adaptability after incidents of information security, we arrange disaster rehearsals for different information security hazards.

Data backup & restore

Data backup &restore: Four times of data backup and restoration procedures rehearsals are implemented every year to ensure data validity of the backup and the timeliness of data restoration procedures.

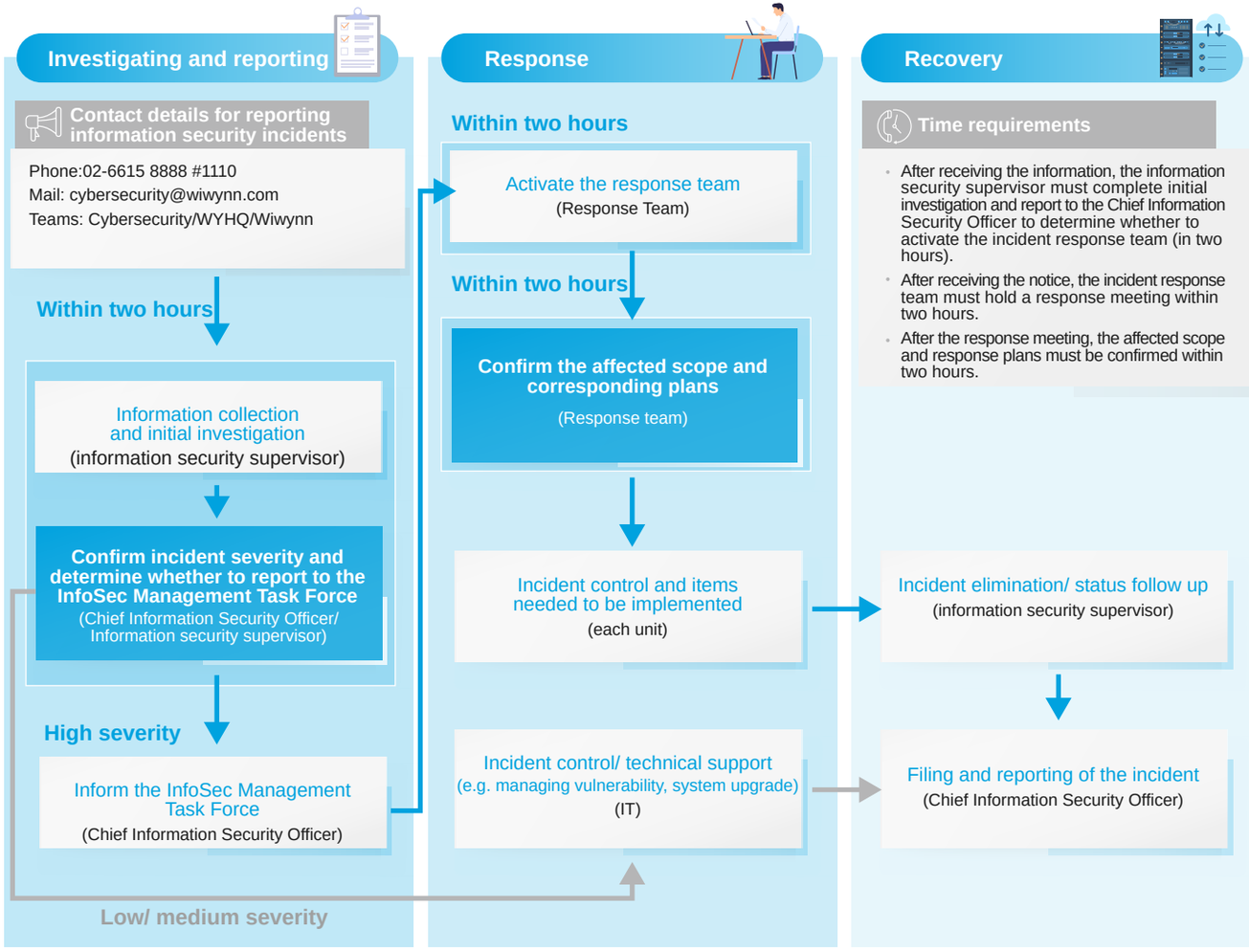
Disaster recovery rehearsal

Remote backup disaster recovery rehearsal: Two times of disaster rehearsals for the key business systems (including systems related to ERP) are implemented every year to simulate the timeliness of activating the services in the backup data center by the system administrator when the main data center is unable to function.

Security incident response rehearsal

To reduce the risks of information security, Wiwynn established the Information Security Reporting Process and the Emergency Response Procedures. Based on the level of seriousness of the information security incident (low, medium, or high), the corresponding response will be activated. One emergency procedures rehearsal will be carried out every year. The rehearsal is based on the scenario of the key system being encrypted by hackers. The incident response team reviews the correctness of the reporting procedures, the decision-making principles for the announcement of important information, and the emergency response capability of each unit. The information security technical team shall carry out disaster recovery rehearsal for the key systems at the same time based on the scenario.

Information Security Reporting Process and Emergency Response Procedures



Implementation and protection of information security

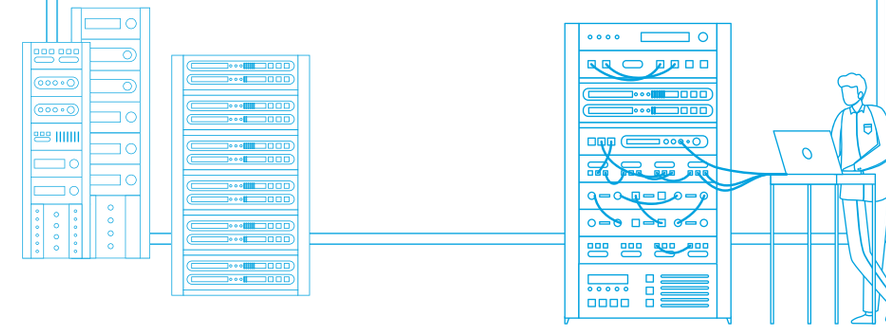
To enhance information security protection, we devoted many resources between 2022 and 2023 on software and hardware. The key items include:

Information system architecture

- Passed ISO 22301:2019 verification to implement remote back-up protection mechanism on critical IT systems.
- In 2023, we set up the virtual WAN network HA to enhance the availability of information system service through back-up connections provided by several network suppliers of the public cloud service.

Protection and monitoring

- Vulnerability scan upgrading
- Continue with the monthly internal vulnerability scan and the annual third-party penetration test, as well as mending and strengthening the vulnerabilities.
- Maintained the average level of “Advanced” in the 2023 third-party information security rating mechanism. It was higher than the average in the technology industry.
- Established 24*7 information security incident detection and warning platform (SIEM/SoC) in October 2023.
- Introduced the user end-point management (UEM) system and the privileged access management (PAM) system, in order to fully monitor the asset safety of end-point equipment, regulatory compliance for information security and the security of privileged accounts, and to keep track of connections that will be saved for future auditing or investigation.



Information security promotion and education

In terms of strengthening employees' awareness towards information security protection and enhancing organizational operational capability, Wiwynn launched new training courses for information security education in 2023. The training was given to all employees once a year and the coverage in 2023 was 100%. In addition, information security notice was delivered through email, intranet, and video walls in the Company to enhance employees' awareness on information security.

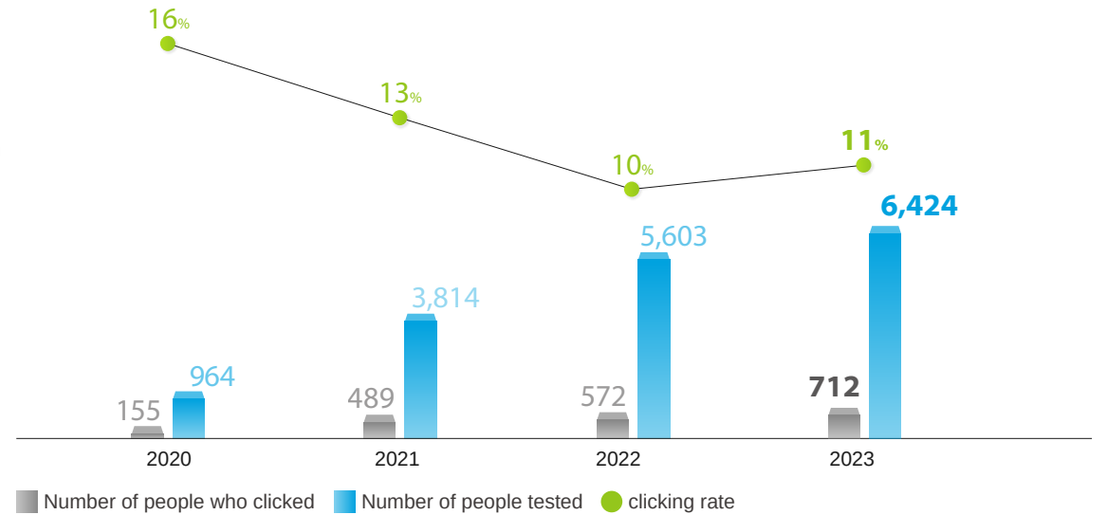
Implementation of courses related to information security

	Hours	Total Number of employees to receive the training	Number of employees who completed the course	Coverage
Distance to Information Security (Phishing- attack by social engineering)	30 minutes	1,630	1,630	100%
InfoSec Awareness Training	30 minutes	501	501	100%

Social engineering rehearsal

Under the increasing threat of malicious emails and phishing emails, as well as the frequency of working from home in the post pandemic era, Wiwynn carries out social engineering rehearsals among all the employees every year to enhance awareness. In 2023, there were two social engineering rehearsals, and the rate of employees mistakenly clicking on simulated phishing emails slightly increased by 1% compared to the previous year. It was found through data analysis that the clicking rate of new employees (serving for less than one year) was higher. Therefore, in addition to strengthening awareness of social engineering attacks among the new employees, Wiwynn specifically included key training materials for the recognition of phishing hazards, skills of identification, and subsequent processing in 2023 Q4. It is expected to significantly enhance employees' ability in phishing prevention.

Clicking rate of phishing emails



Note: Employees in the subsidiary in Mexico, Wiwynn Mexico, S.A. de. C.V. (WYMX) were included in the test from 2021. In 2023, employees in the subsidiary in Malaysia, Wiwynn Technology Service Malaysia SDN.BHD. (WYMY) were included in the test.

2_3_3 Privacy protection

Implementing the verification of information security and the operation of regulatory compliance

To ensure the software used by employees are legal, 2illegal software installation detection was carried out in 2023 to avoid any unnecessary legal investigations or lawsuits. Wiwynn also continued strengthening the protection against information security threats and passed the annual ASRA information security certification in December 2023. Wiwynn also purchased information security insurance as an information security protection measure. Through such insurance, it is expected to lower the possible information security losses and could rapidly resume the normal business operations.

As the best partner of cloud technology services, Wiwynn provides customers professional and safe service environment. We are devoted to ensure the confidentiality, completeness, correctness, and availability of business information through the information security management mechanism.

As the best partner of cloud technology services, Wiwynn provides customers professional and safe service environment. To fulfill personal data protection and management, we follow the EU "General Data Protection Regulation" (GDPR), and the relevant laws and regulations in each branch office. Through the rigorous management mechanism, we implement personal data protection and management to ensure no invasion of privacy. Meanwhile, we are also dedicated to make sure all employees, suppliers, contactors, and external advisers in our subsidiaries and joint ventures to follow the policy.

In terms of the management mechanism, Wiwynn has included privacy and personal data protection into the scope of internal control and risk management. We established “Wiwynn Corporation Internal Control System” and related managing details to reduce potential risks and impact. Besides, we provide regular educational training on privacy protection to our employees. In 2023, we conducted “Information Classification Management Method Q&A& Business Secret ABC” to employees in Taipei HQ. There were 1,059 participants in total with training hours of 368.34 hours and 100%coverage. At the same time, we also established consultation and grievance channels. Should you have any questions or encounter any possible violations, please contact the legal department. As for privacy, we adopt a zero-tolerance policy. Any violations of privacy will result in penalties according to internal rules and regulations.

Between 2019 and 2023, there was not a single complaint related to the loss of customer data nor cyber kidnapping caused by phishing.

We did not receive any external or regulatory authorities compliant of such between 2019 and 2023, as well as zero secondary utilization of customer data.

Taxation management

Fulfill the social responsibility as a taxpayer, support various government taxation strategies that help the development of industry, and achieve corporate sustainability with sound tax planning.

Policy
Regulatory compliance, information disclosure, risk management, integrity communication.

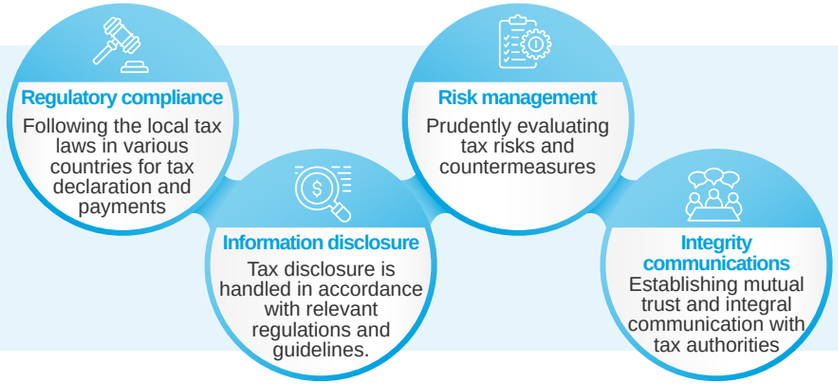
Commitment
Honest taxation without aggressive tax planning.

Resource
Appointing dedicated tax personnel and external professional consultants.

Grievance Mechanism
Financial unit responsible for handling taxation advice or disputes.

Evaluation Mechanism
CPA Audit, Taxation Unit Audit

Wiwynn plans sound taxation based on four dimensions, including “regulatory compliance”, “information disclosure”, “risk management”, and “integrity communication”. We also established “Taxation Policy” and have been approved and implemented by the Board of Directors on February 22, 2022.



Regulatory compliance and transparent information disclosure of taxation

- When interpreting tax laws and regulations, consider the literal meaning and legislative intent at the same time to comply with local tax laws and disclosure requirements, declare and pay taxes according to the regular limits, and fulfill the social responsibility of a taxpayer.
- Adopting a legal and transparent tax preferential policy without enjoying deductions or exemptions in a way that violates laws and regulations.
- The transaction of related parties complies with the transfer pricing specifications and conventional transaction principles of the relevant national tax laws.
- Disclosing tax information in financial statements in accordance with regulations to ensure information transparency.

Tax governance and risk management

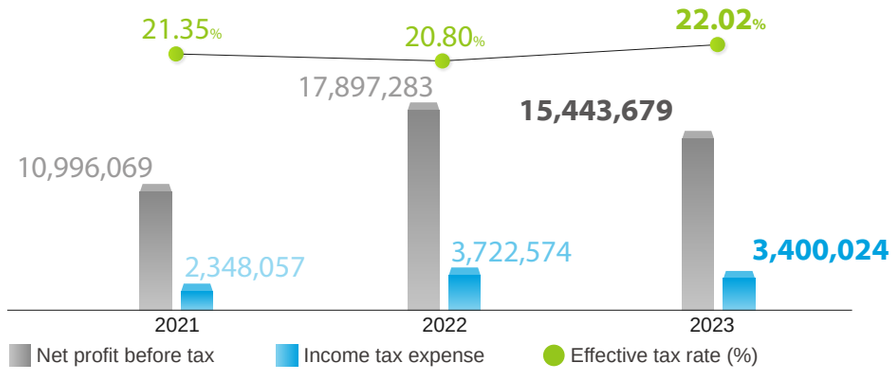
- Important decisions are to consider the influence of tax, and we increase the approval level to the top manager of the Company. The Company establishes a dedicated tax officer. The top manager of the financial unit is responsible for supervising related tax operations and tax risk management as well as reporting the relevant tax implementation status to the highest executive of the operating unit and ensure the effective operation of taxation management mechanism.
- Business operation is evaluated for tax planning, including social responsibility and reputation of the group in various countries, risks control and sustainable values.
- When facing tax risks under major uncertainty and high complexity, we consult external professional advisors and obtain tax advice timely.
- We do not conduct transactions only for the purpose of tax avoidance.
- We do not transfer profits to the non-cooperative blacklist and tax haven countries (low tax rate countries) defined by the International Organization for Economic Cooperation and Development (OECD) and the European Commission (EU).
- We do not use illegal methods, like related parties to deal with transactions or set up a subsidiary in a tax haven, to retain our benefits in a low-tax area to reduce the tax obligation.

Tax integrity and benign communications

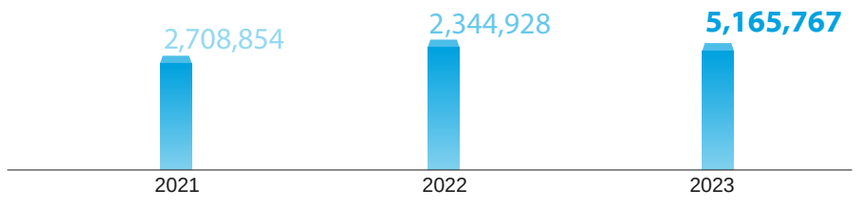
- Communicate all tax risks with the local competent authorities in an honest and professional manner, interpret tax laws and regulations, and maintain a good relationship with the local competent taxation authorities.
- In certain regions, we seek immediate communication and review with the local tax bureau according to the reporting period or execute a pre-pricing agreement with the authority.
- In case there are differences or disputes on taxation opinions with stakeholders, we will seek advice from professional third-party consultants or consult local tax authorities for advice in a timely manner.

Information of tax payment

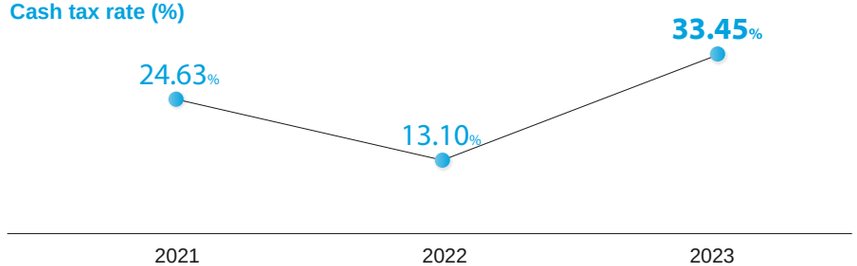
Unit: NT$ thousand



Income tax paid



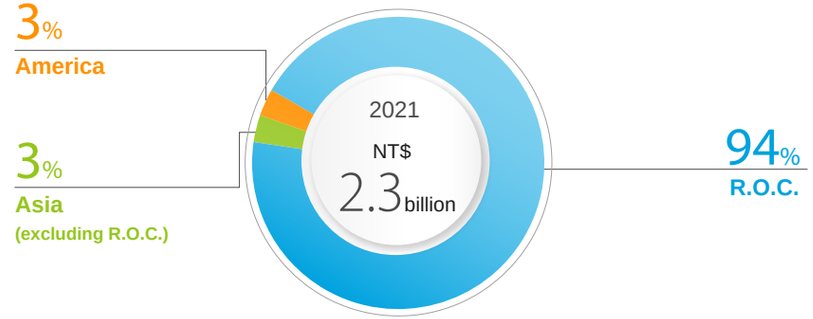
Cash tax rate (%)

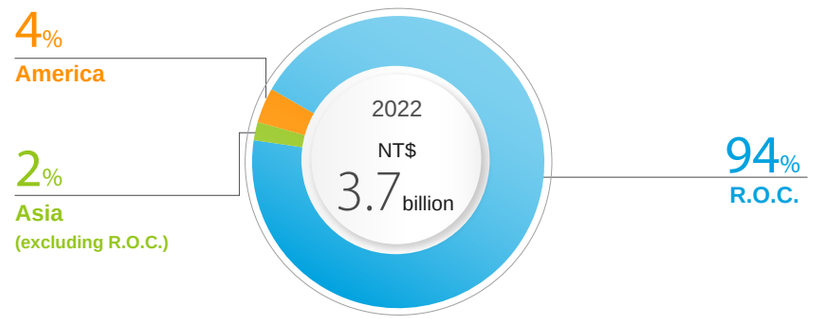


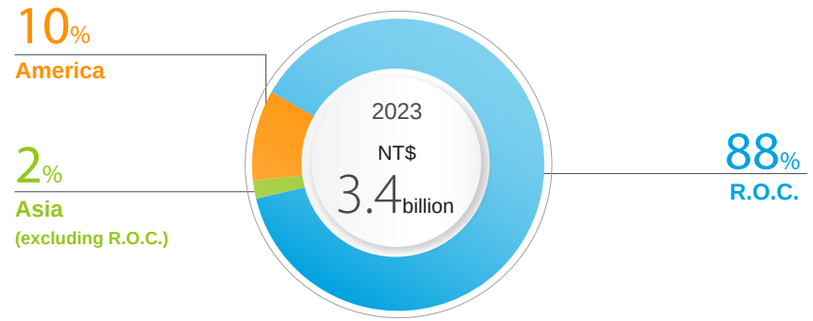
Note: Please refer to Wiwynn Corporation 2023 Consolidated Financial Statements.

Ratio of income tax contribution

Wiwynn's Operations HQ is in Taiwan. The estimated income tax expense in 2023 was approximately NT$3.4 billion. 88% income tax expense of which was attributable to the government of the Republic of China. We contribute to the local tax revenue while providing employment opportunities and boosting economic development.







Government subsidy over the past years (Taiwan)

Wiwynn supports various tax policies for enterprise innovation, research and development, and steady growth promoted by the government. We perform our best for the social responsibility of tax obligation and pursue sustainable development through stable operational tax planning based on the goal of the Company's operation.

Unit: NT$ thousand

Year	Subsidized item
2022	Statute for Industrial Innovation Amount: 48,388
2021	Statute for Industrial Innovation Amount: 45,809
2020	Statute for Industrial Innovation Amount: 26,501

Note: The subsidy for 2023 is still under approval.

03

SUSTAINABLE SUPPLY CHAIN

I Sustainable supply chain management 43

PERFORMANCE

Established a sustainable supply chain platform

Strengthen two-way communication with supply chain partners.

239 personnel trained
437 training hours

Procurement personnel sustainability management training, enhancing awareness to drive sustainable collaboration across the supply chain.

Mentorship program by major enterprise

Empowering suppliers to achieve mutual operational success

100%

Supply chain ESG training coverage

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Work together with suppliers to take responsibilities towards economy, environment, and society, to create the cornerstone for sustainable development in supply chain.

Policy and Commitment

Maintaining a long-term strategic alliance with suppliers and encouraging them not only possessing quality, skills and delivery capabilities, but also fulfilling their corporate social responsibilities in order to build a sustainable supply chain.

Resources

- Developing a number of supply chain management programs and establishing a suppliers evaluation team.
- To fully implement the evaluation of sustainability risks, we established supplier quality management (SQM) representatives to join the audit of suppliers
- Courses are provided in the sustainable supply chain platform as well as questionnaires for two-way communication.

Grievance Mechanism

"Stakeholders Engagement" section on Wiwynn's official website provides communication channels for stakeholders, including employees, suppliers, customers and shareholders, a channel for communications and supplier conference.

Evaluation Mechanism

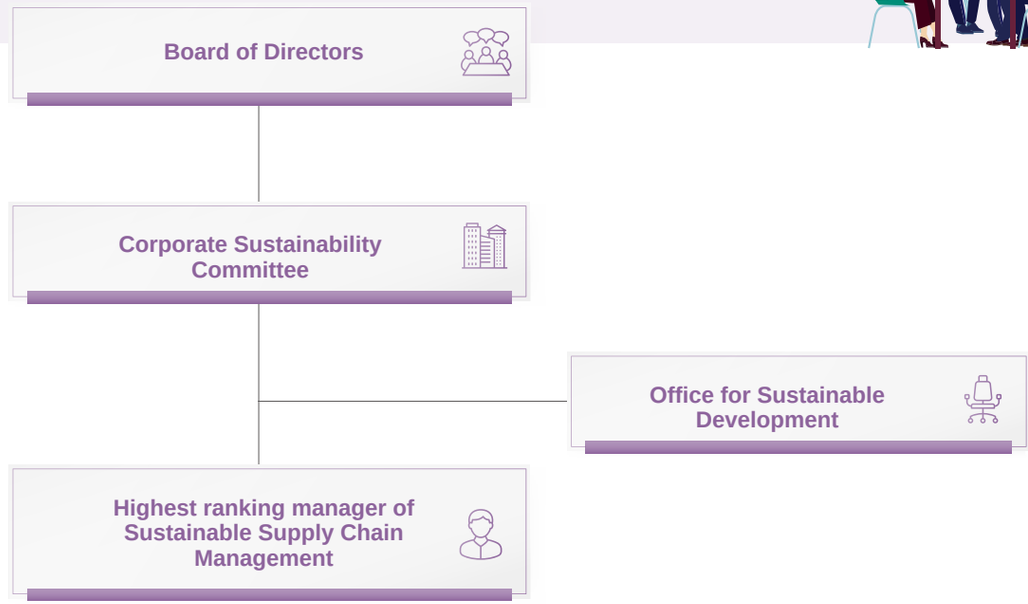
Selection of suppliers, sustainability risks evaluation, written/ on-site/ third-party audits.

3_1_1 Sustainable supply chain management framework

The global attention on climate issues allowed the idea of carbon reduction to spread from supply chains to every enterprise. To ensure the impact on operational strategies are being effectively integrated into the supply chain management, and the implementation of the policies and commitments for a sustainable supply chain, will be reported the highest ranking manager of the sustainable supply chain needs to report to the Corporate Sustainability Committee and the Board of Directors on the management procedures, results, and performance of the sustainable supply chain. The latest report to the Board of Directors was on February 26, 2024.

Goals and implementation status

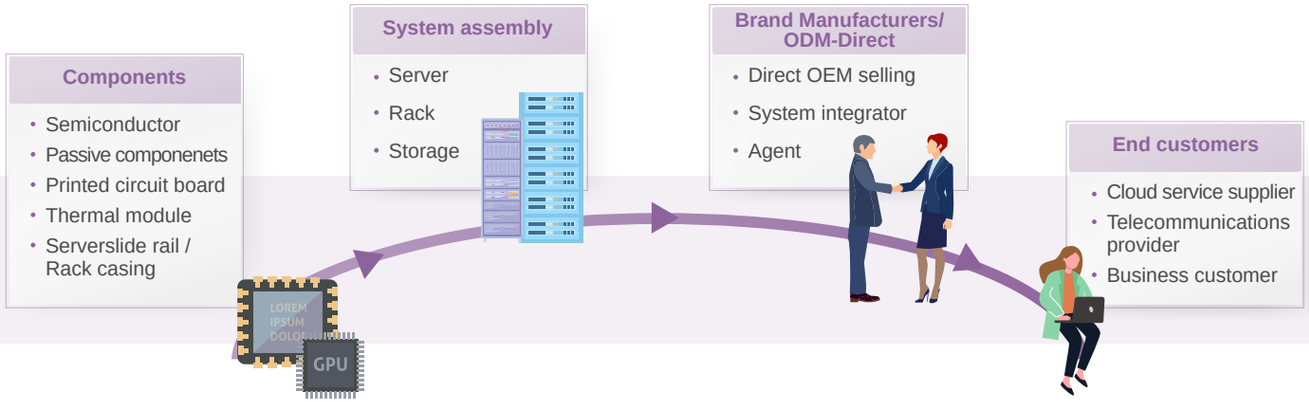
must be reported to the Board of Directors at least once a year.



3_1_2 Overview of the industry chain and supply chain

Cloud server industry chain

In recent years, digital transformation is a trending topic and pushes forwards information technology infrastructure and information service demands. Amongst the steady growth of global information service markets, the cloud service market is at the heart of the expansion. Wiwynn Corporation provides solutions for infrastructures that support cloud applications and services, and specialized in designing, developing, and manufacturing high-efficiency servers, storage devices, and network switches, as well as providing corresponding software, services, and solutions. Wiwynn continues offering quality products and services to customers at the midstream of the industy chain of cloud computing.



General situation of the supply chain

The core business of Wiwynn Corporation is to provide various products and system as solutions for hyper scale data centers and cloud infrastructures. By the end of 2023, we work with more than 200 suppliers all over the world, mainly located in Taiwan, China, Japan, Korea, the United States, and Europe. Products and materials provided by key suppliers include key components, electronic and mechanical parts. The types of suppliers are manufacturers, agents, and distributors. The characteristic of the industry is both capital and technology intensive.

Unit: companies

	2020	2021	2022	2023
Asia	198	176	198	251
America	28	28	14 Note	33
Europe	0	0	2	2
Total	**226**	**204**	**214**	**286**

Note: Revision of the numbers.

To effectively manage suppliers, we carried out classification and rating as factors to be taken into consideration when making managerial decisions. We also analyzed the supply chain to reduce potential risks of supply chain disruption, and to enhance the resilience through the risk evaluation of sustainability. In 2023, Wiwynn has 106 key suppliers (including tier 1 and non-tier 1 suppliers) in total.

Supplier		Key supplier
Tier 1 supplier	**Non-tier 1 supplier**	
Suppliers that the Company directly purchases from.	Suppliers that are traded with through agents or Tier 1 suppliers.	Amount of purchase above NTD 10 million

Tier 1 suppliers/ number of key suppliers and the ratio of purchase amount

	2020	2021	2022	2023
Number of Tier I suppliers	226	204	214	286
Number of Tier 1 key suppliers	14	19	20	88
Ratio of Tier 1 key supplier (%)	6.19	9.31	9.35	30.77
Ratio of the purchase amount from Tier 1 key suppliers	90.66	90.90	90.47	99.75

Note: Tier 1 key suppliers from 2020 to 2022 were defined as the purchase from these suppliers accounted for more than 90% of the total purchase.

Overview of non-tier 1 supplier

Number of controllable non-tier 1 suppliers	26
Number of non-tier 1 key suppliers	18

3_1_3 Training of internal sustainable management

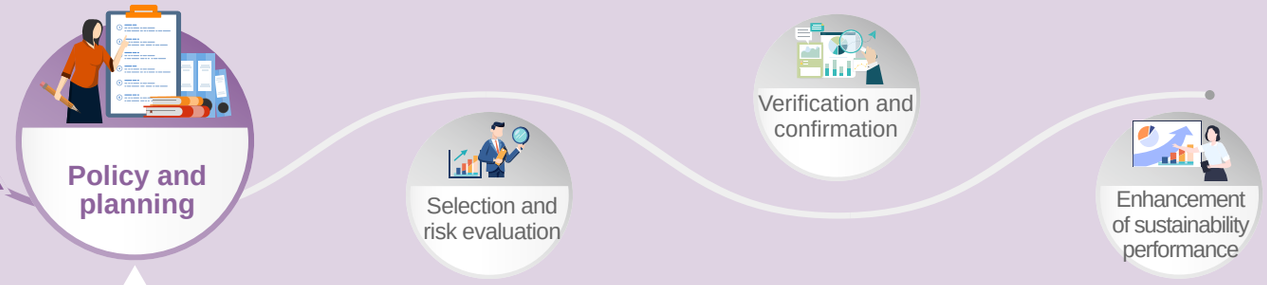
To develop purchasing personnel's capabilities in sustainable supply chain management, and to further guiding suppliers to implement green procurement and meeting the requirements of corporate social responsibilities, we provided various trainings to all purchasing personnel to enhance their understandings toward issues of sustainability and the importance of sustainable development. In 2023, 239 employees received such trainings, the total training hours were 437. It helped purchasing personnel on how to enforce sustainable supply chain management process during the purchases, and to further develop sustainable development strategies.

	Number of participants	Training hours
Upstream supply chain carbon survey	26 people	65 hours
Supplier code of conduct management	54 people	54 hours
Climate change topic_carbon management knowledge	50 people	100 hours
Recycling topic_circular economy	45 people	90 hours
ESG sustainability actions and methods for energy saving and carbon reduction in plants	30 people	60 hours
GHG scopes' basic understanding & explanation of carbon survey	34 people	68 hours

3_1_4 Management process of sustainable supply chain

Wiwynn Corporation established four key stages of the sustainable supply chain management process and continues enhancing the supply chain sustainable performance.

Policy and planning



Supplier Code of Conduct

In 2022, Wiwynn Corporation installed the "Supplier" Code of Conduct" as the accordance for suppliers to follow. Other than covering five key dimensions of labor, health and safety, environment, business ethics and moral, and management system, it also includes biodiversity, zero deforestation and land conservation to ensure the sustainable utilization of natural resources as well as the survival of the ecosystems and to reduce impact on the environment. To form consensus with suppliers on sustainable development, we communicated with and requested suppliers to sign the code of conduct.

Up to the first quarter of 2024 the signing rate, including new suppliers, achieved 94.69%

Global supply chain

Since 2020, Wiwynn Corporation activated a new global supply chain strategy based on the concern of supply chain safety and risk distribution. “Multi-region” and “localization” became the direction of supply chain management. In 2023, the construction of a new plant in Malaysia was completed. Other than Mexico, Wiwynn gradually increased the proportion of production in Malaysia. We encourage our key components suppliers to implement global production strategy based on “decentralization”, as well as continue to communicate with customers to work towards the target that more than 80% of the key components suppliers on board our “localized production at the origin strategy.

In 2023

Local procurement achieved 72.90%

	Type	2020	2021	2022	2023
Asia (including Taiwan and Malaysia)	Local procurement (%)	98.16%	88.24%	84.70%	89.24%
	Non-local procurement (%)	1.84%	11.76%	15.30%	10.76%
U.S. and Mexico	Local procurement (%)	68.16%	63.96%	64.15%	70.43%
	Non-local procurement (%)	31.84%	36.04%	35.85%	29.57%

Selection and risk evaluation

Supplier selection

Wiwynn Corporation established a selection criteria for suppliers (for both new and existing suppliers), it contains the following three dimensions: “basic information”, “core capability”, and “sustainable resilience”. Other than signing the code of conduct and various declarations, we encourage suppliers to issue ESG reports and request them to obtain the ISO certifications, or pass the RBA VAP (Validated Assessment Program).

In 2023, the proportion of new suppliers evaluated based on the international certification standards of "sustainable resilience" was 100%

Basic information

Industry, product, country/ region, factories (equipment) distribution, credibility and business reputation, relationship with upstream suppliers and downstream customers, and distribution of major customers.

Core capability

Quality, cost leadership, delivery and supply, service team and technological capabilities.

Sustainable resilience (accounts for 15%)

- **International certification standards/ RBA** (2%)

Basic requirements	ISO 9001、IECQ QC 080000、ISO 14001、ISO 45001
Additional (not required)	ISO 14064-1, ISO 50001 and pass RBA VAP

- **Labor, health and safety, environment, ethics, and management system** (accounting for 13%)

Sustainability risks evaluation

To understand the status of sustainable development in the supply chain, we carried out self-assessment questionnaire (SAQ) survey on 88 suppliers to whom the purchase amount was more than NT$10 million in 2023 (accounted for 99.75% of the entire annual procurement). 79 of them, or 89.77%(Note), responded and answered the survey. The content of the questionnaire contains “transparency and business ethics”, “business continuity management”, “labor rights”, “environmental management”, and “responsible procurement”. Based on the response, we identified suppliers with high risks in the dimensions of economy, environment, and society.

Note: 9 suppliers failed to respond, Wiwynn will continue communicating with them to achieve 100% response rate.

Five key dimensions in SAQ

Verification and confirmation

Audit and improvement actions

Wiwynn assessed supplier behavior through on-site/ remote/ document review/ third-party audit/ relevant industrial standards (like RBA VAP). In 2023, the 79 suppliers above were given an audit of SAQ survey in 2023 via document review and third party (RBA VAP) to ensure the SAQ responses are true reality.

Wiwynn classifies the risk assessment for sustainability into four levels (A, B, C, and D). Among them, those who are rated below level C (below 60 points) and fail to obtain any score in the specific questions(Note) will be regarded as suppliers of high risk. The result of risk evaluation in 2023 showed no supplier with SAQ score under 60. Besides, three dimensions, including: (1) audit performance in two most recent years, (2) users and procurement evaluations, and (3) whether customer LOGO is required on materials, were used in the evaluation. It was found that 1 supplier had a higher risk. Therefore, we requested the supplier to pass RBA VAP. The supplier has already submitted the RBA VAP external audit report ahead of schedule in Q1 2024. The non-conformity rate was 4.3%. It was mainly in the dimensions of “health and safety” and “environment”. Wiwynn has asked the supplier to complete the improvement within 90 days according to the regulations.

Status of suppliers SAQ and audit

	2022	2023
Number of suppliers replied SAQ (A)	32	79
Number of key suppliers (a)	20	79
Number of suppliers audited (B)	32	79
Number of key suppliers (b)	20	79
Method of audit		
Document review	32	31
Remote	0	0
On-site	0	0
Third party (RBA VAP)	0	48
Auditing rate (%)(B/A)	100%	100%
Key suppliers (b/a)	100%	100%
Goal of audit	>10家	100%
Achievement rate of audit	100%	100%

Status of high-risk suppliers supervision and improvement

2022	2023
Number of high-risk suppliers (B)	
0	1
Status of High-risk suppliers supervision and improvement	Request of submitting the third-party audit report (RBA VAP)
Completion rate of supervision and improvement	100% (The supplier has submitted the report before 2024Q1 and is required to complete improvements within 90 days as per regulations.)

Note: Specific questions (1) involving with violation against business behaviors in the three most recent years and being fined, (2) business operation being affected due to water cutoff/ electricity cutoff/fire/ natural disasters/ significant occupational accidents/ strikes in the three most recent years, (3) involving with violation against hazardous substance prohibition or being requested by customer in the three most recent years.

Performance enhancement of sustainability

Reward and elimination/ withdrawal mechanisms

To enhance the performance of sustainable management of the supply chain, Wiwynn Corporation established reward and elimination mechanisms. Quarterly assessment and annual SAQ assessment results are used as the accordance.

Quarterly assessment is based on two dimensions: “core capabilities” and “sustainable resilience (accounts for 10%)”, and is classified into five levels: A, B, C, D, and E. Suppliers scoring Level A or above in three consecutive quarters and are rated Level B or above in the annual SAQ assessment will be provided with more business orders and opportunities to participate in new projects.

In addition, suppliers who are rated Level E in three consecutive quarters and are rated Level C or below in the annual SAQ assessment will be less orders and listed as secondary suppliers, removed from the list of qualified suppliers, and requested to propose improvement measures. Suppliers who fail to improve within two years will be temporarily suspended from any procurement or cancelled the qualification as Wiwynn suppliers. In 2023, there was no supplier being suspended or cancelled the qualification.

Quarterly assessment		Annual SAQ assessment	
Level A	Above 85	Level A	81-100
Level B	72-84	Level B	60-80
Level C	60-71	Level C	41-59
Level D	46-59	Level D	Less than 40
Level E	Below 45		

Reward and elimination mechanisms based on the results of assessment

Evaluatioon results

Reward

- Rated Level A or above in the quarterly assessment for three consecutive quarters
- Rated Level B or above in the annual SAQ assessment

→
- More orders
- New project participation
- More collaboration opportunities

Elimination

- Rated Level E for three consecutive quarters in the quarterly assessment, and below Level C in the annual SAQ assessment
- Above described suppliers fail to improve within two years.

→
- Cancel supplier qualification
- Activate the elimination mechanism

Supplier training and supervision

Goal: 100% coverage

Goal achievement: 100%

There were nearly 200 suppliers participating in the “Wiwynn Corporation Suppliers Briefing: Greenhouse gas inventory and carbon questionnaire”. Other than inviting benchmark enterprises to share the issue of “Speeding up the Energy Transition”, we also hired professional lecturers to provide trainings on carbon issues and assist our supply chain to get a better picture and have more effective actions towards sustainability, in order to establish a foundation for the subsequent introduction of the carbon management platform.

In early 2024, we held “Supplier Workshop” to provide training on carbon questionnaires. At the same, time, we announced the three-year supply chain carbon reduction plan from 2023 to 2025 and activated the sustainable supply chain platform. A total of 92 suppliers (215 persons) attended the training. For those unable to attend, the complete training content was accessible through the Sustainable Supply Chain Platform. The initiation of the sustainable supply chain opened up online two-way communication with our suppliers and achieved the goal of 100% training coverage.

Performance enhancement of sustainability

Supplier capacity building programs

Goal of project: At least 2 key suppliers, and more than 50% of them are key suppliers | **goal achievement rate: 100%**

To achieve sustainable development and uphold our commitment to the environment, and enhance our suppliers' capacity to provide green materials. In addition to the two ongoing sustainability projects introduced since 2020, we introduced the adoption of recycled steel in 2023, and participating in the government's "Empowering Suppliers Through Mentorship" program, focusing on smart manufacturing. This involves leveraging intelligent technologies and automated equipment to enhance production efficiency, reduce human errors, improve production quality and efficiency, and lower production costs. Through continuous improvement efforts, we aim to elevate our position within this competitive market alongside our supply chain partners. We are collaborating with nine suppliers, with five being key suppliers to Wiwynn, each with procurement amounts exceeding NTD 10 million. Key suppliers represent 55.56% of our collaborating suppliers. Beyond fostering mutual successes, these efforts contribute to greater environmental and societal value creation.

	Recycled plastic materials	Recycled EPE	Recycled steel	Empowering Suppliers Through Mentorship
Content	To reduce the usage of plastic materials in products, we worked with suppliers for the evaluation of using recycled materials since 2020. In order to ensure the quality of recycled plastic materials meeting Wiwynn's standards, the suppliers that worked with us must test the product tolerance (such as heat resistance and flexibility) repeatedly and submit reports. Besides, to adhere to the characteristic of recycled plastic materials, Wiwynn has to further modify product design, communicate with customers for the possibility of introducing it in the new products, and carry out mold tryout, verification, testing, and approval.	Introducing recycled EPE (expandable polyethylene) as packaging materials to ensure the safety and protection of products. Wiwynn must also carry out corresponding adjustment and testing on the design. In the future, we will continue working with suppliers to develop possible packaging material that reduces EPE consumption or carbon emission.	Other than reducing on the plastic materials usage, Wiwynn started to work with suppliers in 2023 to introduce steel materials that contains more than 11% recycled steel on the shell case plates. Through the new design, Wiwynn ensures the quality and resilience of such steel remains the same.	Empowering suppliers to advance from single-machine design and development to becoming integrated manufacturers of automated production systems.
Qualitative benefits	Fulfill circular economy and create positive effects to the environment.			Technology sharing for mutual successes.
Quantitative benefits	Plastic materials have incorporated over 50% recycled content. In 2023, the product consumption of plastic materials was 448,129.8 kg. Among which, the recycled plastic matierls was 304,472.5 kg. Compared to using virgin materials, it reduced 332, 011.2 kg CO_2e.	The consumption of product packaging materials was 264,873 kg and was entirely recycled EPE or employ plastic reduction designs. It is estimated the usage of recycled EPE reduced 158,592.7 kg CO_2e. Along with the use of other plastic reduction designs, which reduced around 254,972 kg CO_2e.	Steel that contains more than 11% recycled steel were introduced to the sheet plate of products. In 2023, the total consumption of steel was 10,362,634.4 kg. Among which, the consumption of green steel was 1,989,985.3 kg. Compared to virgin materials , it reduced 1,902,965.8 kg CO_2e.	(1) Integrating automated robotic arms to increase development speed by 50%. (2) Enhancing equipment utilization by approximately 15%, and yield by 10%. (3) Substituting repetitive human tasks, resulting in a 10% reduction in labor costs.

3_1_5 State of supplier communication

In 2023, we held a supplier conference by the theme of “Resilience” and exchanged opinions with supply chain partners in topics of “multi-region” and “localization”, new technology, flexible delivery, and digital transformation. We aim to work with our supply chain to face the opportunities and challenges in the future, and to promote sustainable supply chain and work together towards a better future.

3_1_6 Management of conflict minerals

Wiwynn Corporation established “Conflict Minerals Policy” and operating procedures. We also carried out due diligence through Green Product Management System (GPM) according to the “Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas” published by OECD. The list of smelters in the supplier report is evaluated based on the Conflict Minerals Reporting Template (CMRT) published by the Responsible Minerals Initiative (RMI) and the list of qualified smelters RMI announced. Wiwynn ensure the evaluation of the smelters and refineries to confirm the metals used, including gold (Au), tungsten (W), tantalum (Ta), and tin (Sn), are not from conflict or high-risk regions. Any supplier that violates the regulations will be listed as high-risk suppliers. Our purchasing team will be informed to suspend all tradings with the supplier until improvement is completed. If the supplier does not cooperate and improve will lose its qualification as Wiwynn supplier immediately.

Until Q1, 2024

the signing rate (including new suppliers)

was 94.69%

We established Supplier Code of Conduct to deliver the message of not supporting and not using conflict minerals to our suppliers

04

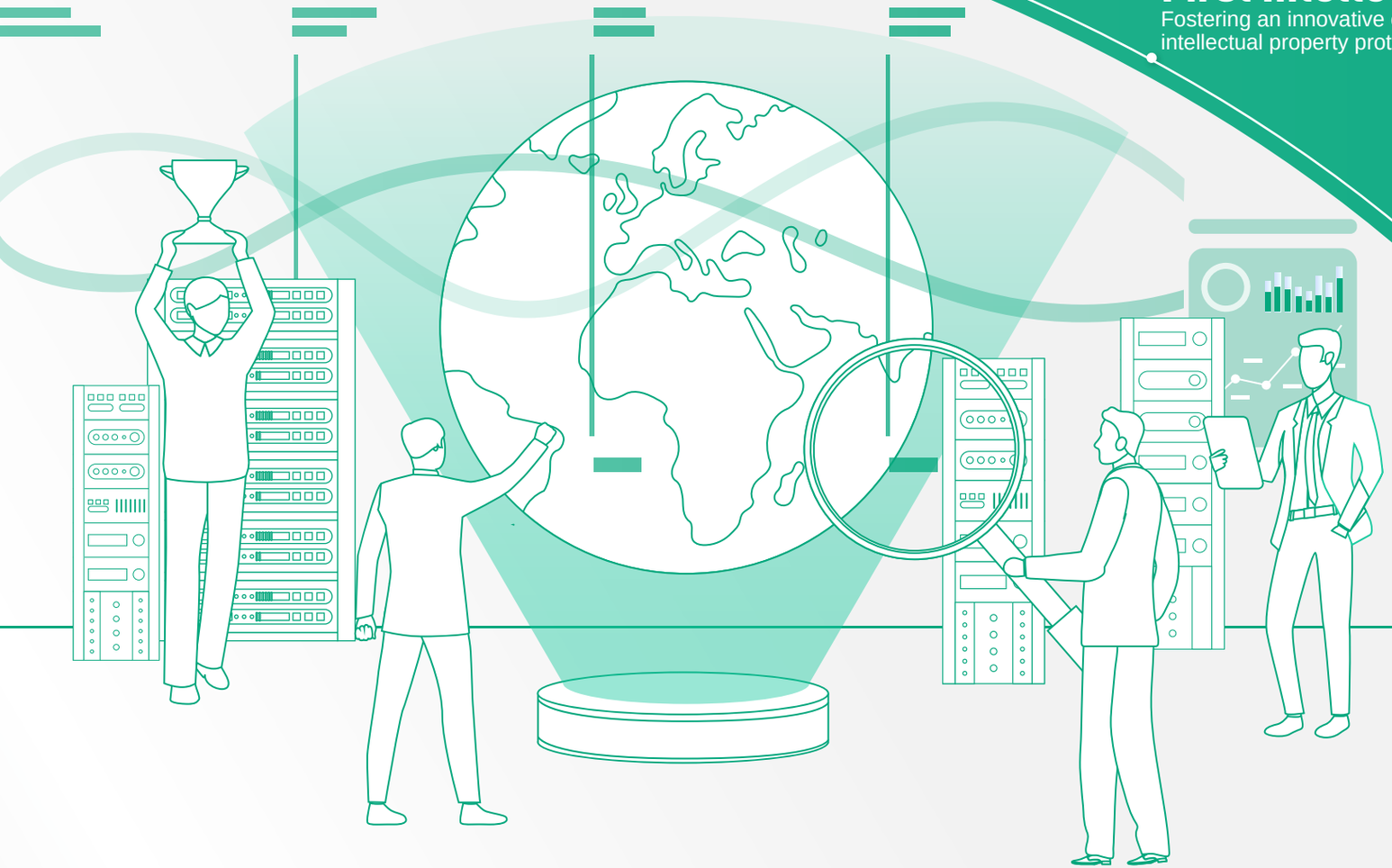
INNOVATION WITH GREEN TECHNOLOGY

I Value Innovation 54

PERFORMANCE

91.17%
Proportion of Invention Patents

First Intellectual Property Innovation Award
Fostering an innovative culture and emphasizing intellectual property protection



4x growth
Carbon reduction benefits from product materials, applications, and end-of-life cycle increased compared to the previous year

Reduced 3,992 tons CO_2e
Calculate the carbon reduction benefits brought to downstream customers by two of the products sold.

VALUE INNOVATION

Carrying a R&D spirit of innovative technology, we provide customers with the most optimized cloud technology services, the most completed cloud application solutions, and better product competitiveness.

Policy and Commitment

- Unleash the power of digitalization, Ignite the innovation of sustainability
- Provide the Best TCO, Workload and Energy Optimized IT Solutions from Edge to Cloud

Resource

Installed Rack Integration LAB, rack-level large-scale constant temperature and humidity laboratory, wind tunnel and verification laboratory.

Grievance Mechanism

- Any technical advice or feedback is handled by the top manager of the Product R&D Department or by the supervisors of each R&D section or division under the supervision of the top manager.
- Patent related affairs are handled by the managers of the Company's Legal Affairs Department or Patent Department.

Evaluation Mechanism

Product roadmap meeting, cooperation with open communities, customer feedback, and internal audit implementation.

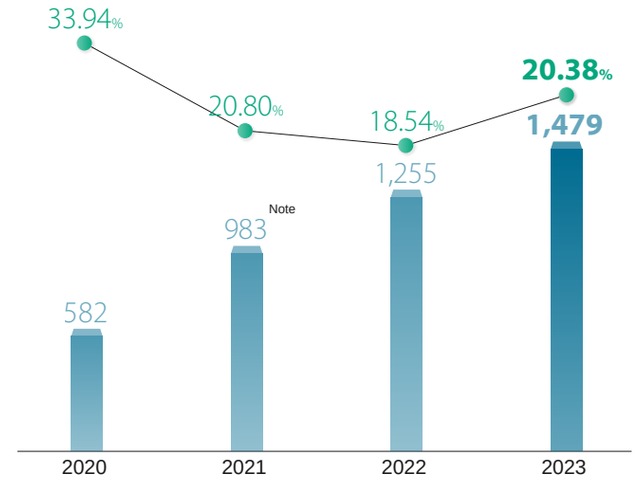
- **Wiwynn's Vision: "Unleash the power of digitalization, Ignite the innovation of sustainability"**
- **Wiwynn's Mission: "Provide the Best TCO, Workload and Energy Optimized IT Solutions from Edge to Cloud"**

Wiwynn devotes to develop innovative technology in order to provide product and systematic solutions to hyperscale data centers and cloud infrastructure. In terms of edge computing products, outdoor edge servers have passed IP65 (note), salt spray, and earthquake tests to ensure products can be reliably operated under different environmental conditions.

In addition, considering the increasing demands of cooling in AI computing and relevant products, we invested in AI products as well as liquid cooling and immersion cooling technologies to meet customer demands and provide technologically leading products in the market. In 2023, we had 1,479 R&D personnel and a R&D budget of NT$4 billion.

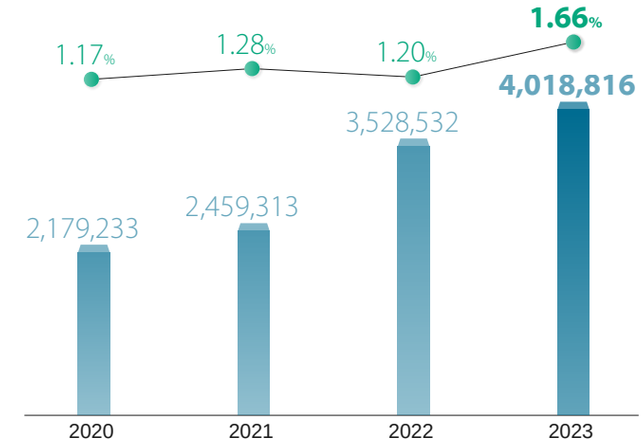
Note: IP (Ingress Protection), an international recognized protection certification. The first digit is the level of dust protection (level 0-6), and the second digit is the level of waterproof (level 0-8).

R&D personnel



Note: Revised the number of R&D personnel.

R&D budget



4_1_1 Products development and application

Core technology

- High-energy efficiency
- High-speed transmission
- Cooling solutions
- Reliable availability

Name/Description	Product highlight
AI computing Successfully developed AI accelerating computing systems to provide high-efficiency deep learning training and other applications to hyperscale data centers. The entire system is based on a 16U architecture, and central processing unit (CPU) and graphic processing unit (GPU) disaggregated structure. It helps the allocation of GPU resources, enhances training efficiency, and makes data center equipment maintenance easier. The system supports PCIe Gen5 transmission standards and is suitable to run multiple GPUs concurrently.	• Adopt disaggregated structure design of CPU and GPU. • More than 10 petaflops
CXL high-density memory application Introduce CXL (compute express link) high-density memory applications on servers of new generation to realize high-efficiency data transmission and enhance performance of the whole system. The product is 7U8N computing server, and the memory of a single CPU could be expanded to 384G to significantly boost system efficiency. It is also designed to support tool-free maintenance, convenient to assemble and disassemble, hot-swapping system, and fan. It has a convenient structure to shorten maintenance time. Besides, it maintains the operation of the system during maintenance and repairing to reduce the impact on the server efficiency.	• Servers with CXL high-density memory application • 384G CXL memory
Liquid cooling technology A new liquid cooling rack integrated solution was successfully developed by Wiwynn Corporation and members of OCP community. It introduces AALC (Air-Assisted Liquid Cooling)technology to enhance the efficiency and reduce power consumption for cooling. Compared to the existing models of air-cooling servers, it reduces 13% cooling power consumption. The result was published at OCP conference in October 2023.	• OCP’s liquid colling rack integrated solution. • Saves 13% power consumption from cooling

4_1_2 Intellectual property rights management

Combining the Company's operation with R&D strategy development to maintain the leading position and competitiveness in enterprise innovation through the management of intellectual property rights.

Policy and Commitment

Through managing R&D activities, we started to establish relevant regulations for the acquisition, maintenance, and application of intellectual property rights step by step. With loss control, dispute prevention, and integration of operations, we aimed to create the maximum value of intellectual property rights in the future.

Resource

Set up incentives, application and maintenance budgets as well as the establishment of management system and development of engineer log system.

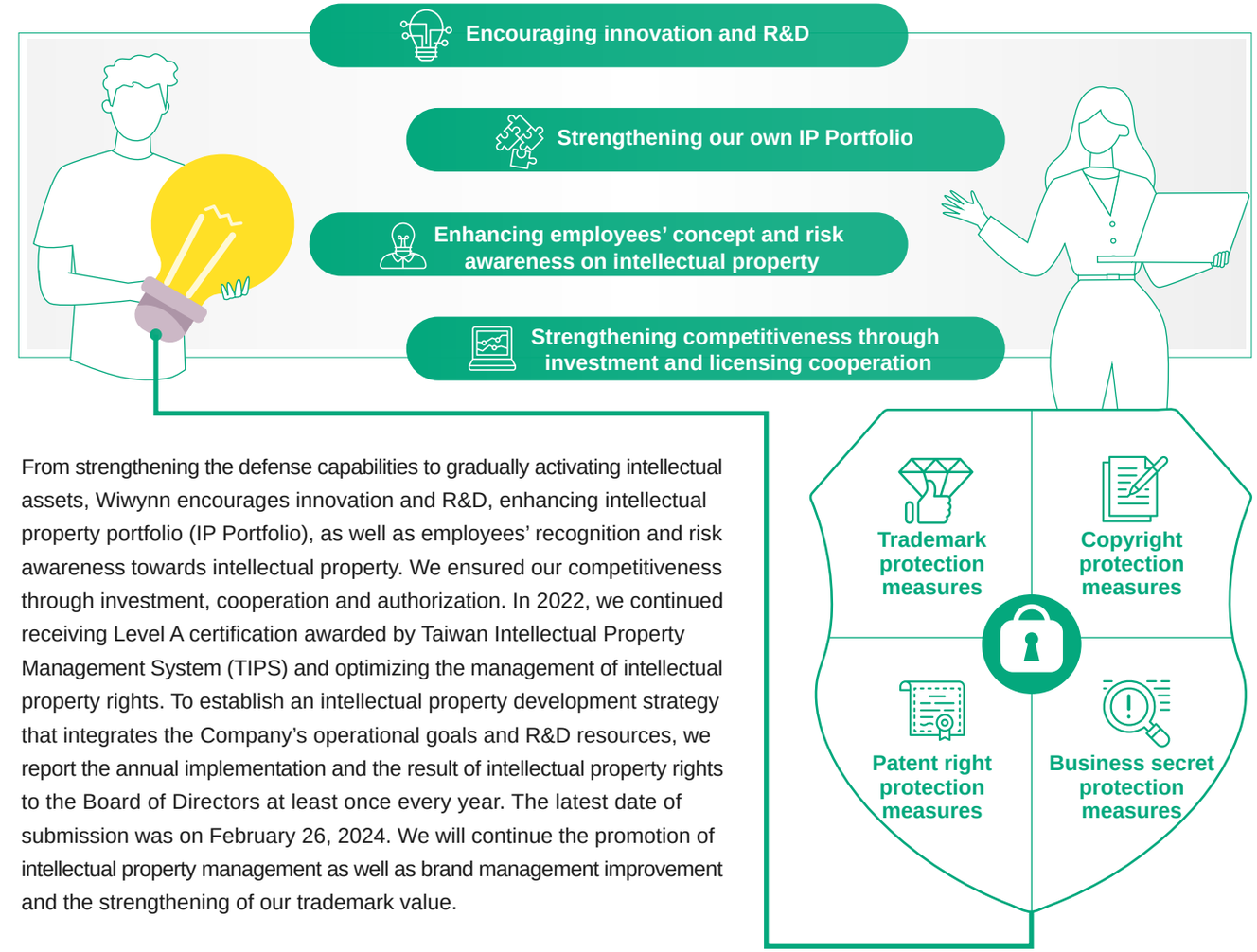
Grievance Mechanism

The Legal Affairs Department is responsible for handling disputes related to intellectual property.

Evaluation Mechanism

We incorporated the acquisition, maintenance, and use of intellectual property into the internal control system and adopt necessary controlling procedures for the protection and potential risks of intellectual property. Besides, we take early prevention measures through the intellectual property management system.

Strategy for intellectual property rights



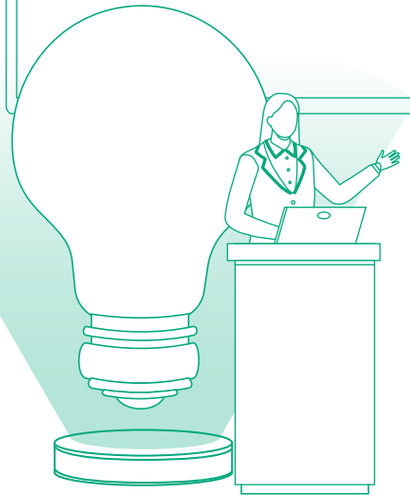
From strengthening the defense capabilities to gradually activating intellectual assets, Wiwynn encourages innovation and R&D, enhancing intellectual property portfolio (IP Portfolio), as well as employees' recognition and risk awareness towards intellectual property. We ensured our competitiveness through investment, cooperation and authorization. In 2022, we continued receiving Level A certification awarded by Taiwan Intellectual Property Management System (TIPS) and optimizing the management of intellectual property rights. To establish an intellectual property development strategy that integrates the Company's operational goals and R&D resources, we report the annual implementation and the result of intellectual property rights to the Board of Directors at least once every year. The latest date of submission was on February 26, 2024. We will continue the promotion of intellectual property management as well as brand management improvement and the strengthening of our trademark value.

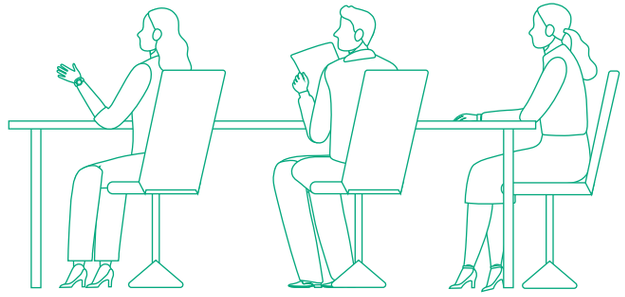
Protection measures

Trademark protection measures	**Global registration**	The registration of Wiwynn trademark has spread across ten major regions in the world.
	Regular maintenance	We review the status of registered trademarks and evaluate the necessity of continued maintenance depending on the Company's future planning and development in order to deploy the trademark registration in time.
Copyright protection measures	**Copyright ownership**	In the employment contract provided by the Company, it is stipulated that the work completed by employees during they are with Wiwynn shall belong to the Company. Development projects that cooperate with customers will also agree to the ownership of the software copyright in advance.
	Legal usage	We established "Software Management Regulation" and implement software detection irregularly. If any employee uses unauthorized software, we will request the employee to remove it immediately to ensure the Company's employees all use original and legitimate software.
Patent right protection measures	**Incentive system**	Budgeting for invention and creation incentives to encourage innovation and R&D.
	System construction	The establishment of new patent management system has been completed to manage all the Company's proposals and patents more effectively.
	Reviewing meeting	Adjusted the way of holding the meeting for reviewing patent to speed up patent applications.
	Regular maintenance	We regularly review and maintain the validity of patents to optimize the resource allocation. **In 2023, invention patents accounted for 91.17%**.
	Risk management	We regularly conduct patent analysis and track patent deployment on the technology that customers, peers in the same trade and the Company consider developing. We continue paying attention to the dynamics of competitors and establishing an experienced patent team to enhance the number of patent cases systematically.
Business secret protection measures	**Confidentiality obligation**	In the employment contract and resignation affidavit letter, we clearly stipulate that the technology and information known to or obtained by employees while working for Wiwynn shall be kept strictly confidential during the period of employment and after the resignation, and shall not be disclosed without authorization. Since October 1st, 2020, the legal affairs team started to implement one-on-one interviews with resigned employees to ensure that they understand their confidentiality obligations and have returned confidential information related to the Company.
	Contract management	Through internal contract management system, the Company established NDA (non-disclosure agreement) automatic generation function to more effectively manage and protect business secret. The automatic generation of NDA can considerably enhance the efficiency of the contract signing process. **Since the announcement of activation of the function in September 2023, the reviewing efficiency increased by 37.53%**.
	Innovation registration	To protect our business secret, the Company launched a business secret innovation registration form in November 2022. It is to encourage employees to propose registration for business secret innovation if they have any inspirational ideas so that the evaluation and application can be conducted under a protection mechanism. **Since its debut and until the end of 2023, we have registered more than 50 cases of business secret. No business secrete leakage was registered in 2023, and it will be further promoted and evaluated in 2024**.
	Information security management	Every computing equipment in the Company has been introduced the full-disk BitLocker encryption. **Regulation on USB storage device usage was activated in 2021 to strengthen the protection of business secrets**.
	Document control	According to "Regulations on Classification of Cyber Security Responsibility Levels", each department has access permissions for their documents and files, and non-related personnel are not allowed to browse and download. To access relevant documents or information, it must follow the procedures of document-access application established by each department. After being approved, the information must be used according to the scope applied as well as complied with confidential responsibility. No reproduction or disclosure to any third party is allowed.
	Access control	Access control cards must be swiped in and out at the control areas, as well as keeping the access records. Visitors need to register at the counter and may have access to the public areas only. Each functional laboratory has access control with authority permissions. Non-laboratory related personnel are not allowed to enter, and it is forbidden to take pictures or videos in the laboratory in order to protect the confidential materials of the operation and avoid theft of information.
	External cooperation	**In 2022, the Company joined the Taiwan Association for Trade Secrets Protection (TTSP) to continue establishing and strengthening systems and measures related to business secret protection, as well as to follow the most up-to-date changes in relevant laws and regulations and industrial trends.**

Seminars related to intellectual property rights

	Object	Number of employees	Training hours
Business secret ABC	All employees in the Business Headquarters	1,059	368.34
Introduction to the Company's intellectual property strategy and IP rights/ Introduction to IP rights	New employees	139	69.5
How to produce valuable patent	R&D employees	88	88
Information classification management	All employees in the Business Headquarters	1,059	368.34





Topic sharing: the 1st Intellectual Property Innovation Awards

On March 8, 2024, Wiwynn held the 1st Intellectual Property Innovation Awards. There were 6 items of award in total, including rookie of the year, business secret innovation registration pioneer, software licensing mileage, proposer of the year, the best proposal of the year, and special award for female inventor. In the ceremony, we praised the excellent performances of 142 employees.

Through the awards, we hope to encourage employees to learn, develop, and innovate continuously as well as to establish a corporate culture that encourages innovation, respects intellectual property rights, and seeks continuous improvement.

The ceremony not only recognized employees' hard work and creativity, but also showcased the spirit of innovation and intellectual property rights protection Wiwynn emphasized. In the future, we will continue working relentlessly to create an environment that encourages employees to continue improving and embracing innovation, so as to work together to promote sustainable development.

4_1_3 Responsible product

Being a pioneer of cloud services and global supply, we pursue co-prosperity with environment and the ecosystem while enhancing the growth of the enterprise. We design products in line with the economy, society, and environmental protection demands as our sustainable actions and to create a triple win.

Policy and Commitment

Design product that has better energy efficiency and providing green products that meet substance requirements of environmental management.

Resource

Introducing IECQ QC 080000 Hazardous Substance Process Management System, ISO 14001 Environmental Management System, Green Product Management System (GPM), and Product Lifecycle Management System (PLM) to manage raw material origins, components, and analysis reports.

Grievance Mechanism

Stakeholders may file complaints via the telephone line and email address provided under the “Stakeholder” section on Wiwynn’s official website.

Evaluation Mechanism

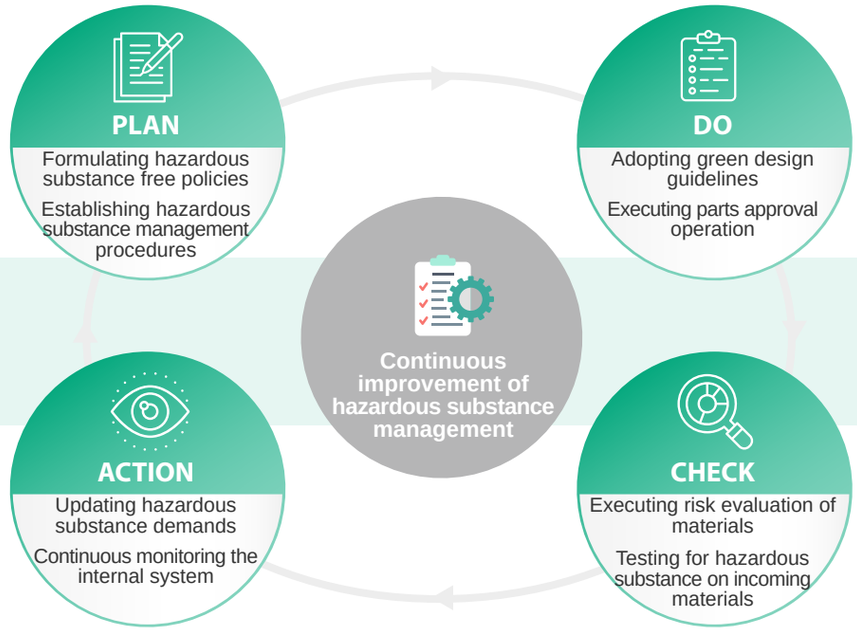
Third-party verification of IECQ QC 080000 and ISO 14001, internal audit, and irregular audit by customers.

Wiwynn integrates the spirit of sustainability and innovation into very detail, considering the entire life-cycle of products from design, raw materials, production, distribution, use, to recycling. This approach aims not only to create value in products but also to reduce environmental carbon footprint, lower energy consumption, and implement hazardous substance control, pursuing a benign ecological cycle. In addition, Wiwynn has established a Green -Design Guide and Review Checklist to provide guidance and training for employees responsible for related operations. starting from material selection, they ensure compliance with MRS (Material Requirements Specification), international environmental regulations, and customer requirements, thereby offering customers green products that are safe, environmentally friendly,recyclable and energy-efficient.

Hazardous substance control

Based on three key areas: products, batteries, and packaging materials, we established “Hazardous Substance Control and Management Procedures”. We also implement Green Product Management System (GPM) and Product Lifecycle Management System (PLM) to manage ingredients of materials used by suppliers and the analytical reports. Through the certification of IECQ QC 080000 Hazardous Substance Process Management System, we continue conducting effectiveness assessments on the management mechanism to ensure the material management in Wiwynn Corporation fully comply with international laws and customer requirements. In 2023, there was no violation against prohibition of hazardous substance or complaints caused by the breach of customers’ requirements.

Hazardous substance management procedures



Hazardous Substance Control and Monitoring

Management scope	Type / Content of control and monitoring
Product (component materials)	**EU RoHS prohibited and restricted substances** Prohibited and restricted substances based on EU RoHS Directive 2011/65/EU and its extended directive (EU) 2015/863.
	Wiwynn Corporation controlled substances Items listed in Material Declaration Standards IEC 62474 published by International Electrotechnical Commission and requirements from customers.
	Wiwynn Corporation monitored substances Substances that are under the classification of environmental protection and concerned by customers but have not been banned; they shall be monitored continuously as the basis for the evaluation of future reduction or elimination.
	Halogen-free product controlled substances In response to the requirements from customers on zero or reduced hazardous substance usage, we introduced halogen-free or low-halogen regulations to specific products.
	EU REACH substance of very high concern Controlled substances according to Substances of Very High Concern (SVHC) announced by European Chemicals Agency.
Battery	**EU Batteries Directive controlled substances** Carrying out control on storage battery and button cell battery according to EU Batteries Directive 2006/66/EC and its revised directive 2013/56/EU.
Packaging material	**EU Packaging Directive controlled substances** Controlling packaging materials and its waste according to Directive on Packaging and Packaging Waste (Directive 94/62/EC).

Environmentally Hazardous Substance Management Plan

	Product Restricted Substance Control Plan	Packaging Material Control Plan	Product Halogen Free Control Plan
2021	Added five new substances, which are persistent bioaccumulation toxic substances listed in United States Toxic Substances Control Act, including decabromodiphenyl oxide, isopropylated phosphate, 2,4,6-tri-tert-butylphenol, hexachlorobutadiene, and pentachloro thiophenol.	Added two new controlled substances published by United States Toxics in Packaging Clearinghouse, including phthalates and Per fluoroalkyl substances.	Achievement of halogen free: 85%
2022	Added five new substances, which are prohibited and restricted substances listed in Prohibition of Certain Toxic Substances Regulations published in Canada, including hexabromocyclododecane, polybrominated diphenyl ethers, perfluoro octane sulfonic acid, perfluorooctanoic acid, and long-chain perfluorinated carboxylic acid.	Added mineral oil, which is a controlled substance for packaging and printed matter listed in Mineral Oil Act in France.	Achievement of halogen free: 90%
Implementation in 2023	Unfolded PFAS (per- and polyfluoroalkyl substances) control and monitoring plan and executed supply chain information disclosure and improvement follow-up. It is expected to complete the replacement plan for PFAS before 2026.		**Achieved 92%**
2025	Continue monitoring the prohibited and restricted substance plan on per/poly fluoroalkyl substances proposed by European Chemicals Agency as the medium and long-term goals for products complying with the legal requirements of prohibited and restricted substances.	Continue monitoring the updates of Packing and Packing Waste Directive in EU and United States as the medium and long-term goals for complying with legal regulations on prohibited and restrict substances for packing materials.	In medium and long run: continue achieving more than 90%.

Designing energy saving and low carbon products

Operation of a liquid-cooling server in one year could save 426 kWh of electricity, which is equivalent to 210 kg CO_2e.

Liquid-cooling technology

Developed liquid cooling: The test runs revealed a reduction of 13% power consumption in cooling, a significant improvement compared to the of traditional air-cooling solution. It is estimated that each liquid-cooling server saves 48.6 W. Operation in one year could save 426 kWh of electricity, which is equivalent to 210 kg CO_2e.

Each server saves around 151 kWh in one year, which is equivalent to 75kg CO_2e.

European Union requests the publication of ErP Directive (2009/125/EC) for ecological design on energy-related products. Lot 9 is the regulations to server and storage product in ErP Directive.

In the latest Lot 9 regulations, from January 1, 2024, in all products sold to the European Union, the part of power supply unit (PSU) should be improved from Platinum PSU efficiency (94%@50%load) to Titanium PSU efficiency (96%@50%load).

Take a project product as an example, the difference of using Platinum PSU input power and Titanium PSU input power is 17.28W. It is estimated the operation of each L10 in one year could save 151 kWh, which is a reduction of equivalent 75 kg CO_2e.

Recycled and reused DRAM reduces 158,111 kg of carbon dioxide emission.

Recycling and reusing DRAM in good condition by the end of the server life cycle could avoid carbon emissions generated by DRAM manufacturing. In 2023, it is estimated to reduce around 158,111 kg CO2e and save nearly NT$100 million in procurement costs. (Products implementing this plan account for about 2% of revenue.)

Each server saves around 266 kWh in one year, which is equivalent to 131kg CO_2e.

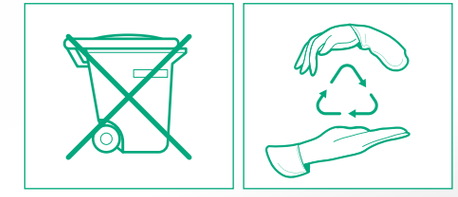
Adoption of metal-oxide-semiconductor field-effect transistor (MOSFET) with new manufacturing process: Through circuit board design and circuit integration, we effectively enhanced the board power conversion efficiency by more than 91%. It further reduces the total power consumption of the system and is better than the conversion efficiency required by customers (90%). Operation of a server in one year could save266.04 kWh of energy in average, which is equivalent to 131.42kg CO_2e reduction per server every year.

Product design meeting 3R requirements

Reuse 80% | Recycled rate 80% | Recovery rate 85%

Complying with Waste Electrical and Electronic Equipment Directive (WEEE) to carry out product design based on the goals of “easy to disassemble, recyclable, and environmental protection”.

Since 2020, all products developed fully followed the operating procedures and went throughWEEE-3R evaluation and verification. Product designs that meet the 3R requirements (reuse and recycled rate=80%; recovery rate=86%) could bear the WEEE recycle label, and are not allowed to randomly dispose any electronic products.



Using recycled material to reduce 2,489,950 kgCO_2e.

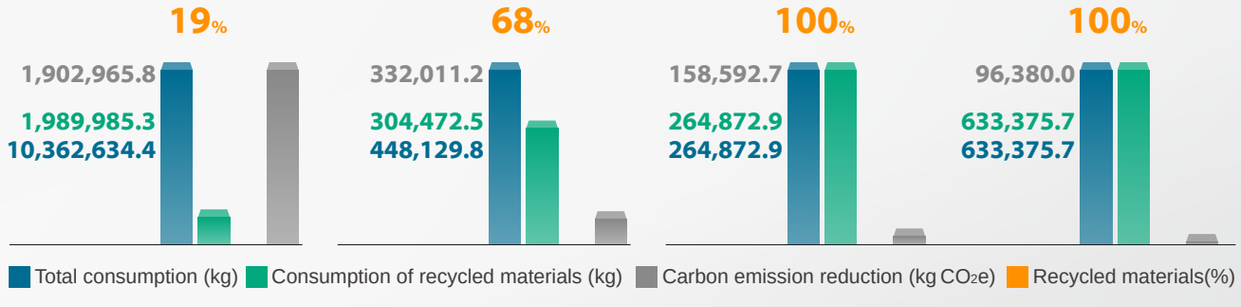
At the stage of product design, we followed the Green Design Guide. With the basic architecture of ISO 9001 quality management system, we increased the utilization of recycled materials step by step. For sheet metal of product case, we introduced more than 11% of recycled steel. In 2023, the total consumption of steel was 10,362,634.4 kg. Among which, the consumption of green steel was 1,989,985.3 kg. Compared to the use of virgin steel, it is estimated to reduce 1,902,965.8 kg CO_2e.

We also introduced plastics containing more than 50% recycled material. In 2023, the consumption of plastic materials on products was 448,129.8 kg. Among which, the consumption of recycled plastic was 304,472.5 kg. Compared to the use of virgin plastic, it reduced 332,011.2 kgCO_2e.

Other than steel and plastics, the consumption of product packaging materials was 264,872.9 kg and was entirely recycled EPE or employ plastic reduction designs. It is estimated the usage of recycled EPE reduced158,592.7 kg CO_2e. Along with the use of other plastic reduction designs, which reduced around254,972.7 kg CO_2e.

We will continue introducing new products and fulfill circular economy through responsible production to create positive effects to the environment.

Steel	Plastics	Packaging	
Introduced more than 11% of recycled steel on sheet metal of case	Introduced plastics containing more than 50% recycled material	Introduced recycled EPE	other plastic reduction designs

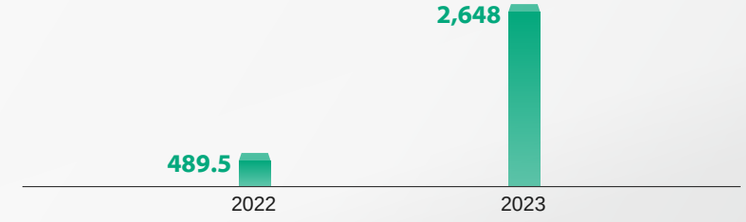


Note: Emission factors are primarily based on carbon footprint data provided by suppliers, which have been verified by third parties, and data provided by the Simapro database.

Carbon reduction benefits from product material selection, application, and end-of-life cycle

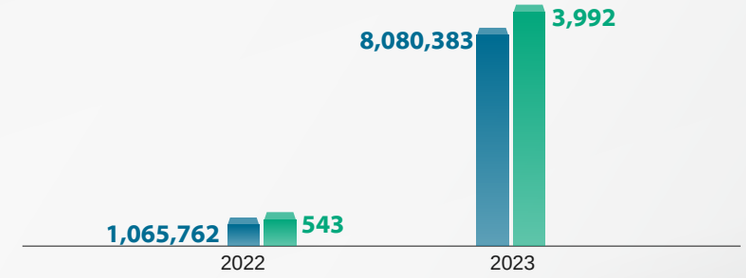
The use of recycled materials and plastic reduction designs can reduce 2,490 tons CO_2e. Additionally, recycling and reusing memory at the end of the product's life cycle can reduce 158 tons CO_2e. In 2023, the total carbon reduction benefit reached 2,648 tons CO_2e, compared to 489.5 tons CO_2e in 2022, representing an increase of approximately 4.4 times.

Carbon reduction benefits from recycled materials, plastic reduction designs, and memory recycling and reuse (tons CO_2e)



Carbon reduction benefits from product operation

The carbon reduction benefits of two products in sales have been calculated. Over the lifecycle of these products, the energy savings to our downstream customers amounted to 8,080,383 kWh, equivalent to a reduction of 3,992 tons CO_2e.



Note: Adjusted in 2022 to the operational efficiency of the product life cycle.

4.1.4 Customer relation management

Wiwynn attaches great importance to the safety of products used by customers. We avoid using substances that contain risks or hazards to the human body and the environment on our products in order to ensure the health and safety of customers, and enhance their confidence and recognition of Wiwynn and our products.

Policy and Commitment

The policy of quality and hazardous substance free is: “delivering zero-defect and competitive green products and services to customers on time”.

Resource

Budget for the application of international safety certification, as well as implementing ISO9001 Quality Management System and IECQ QC 080000 Hazardous Substance Process Management System.

Grievance Mechanism

Sales representative of the product is the main contact person for product quality and safety, and the Product Manager assists handling any issues related.

Evaluation Mechanism

- The feedback from customers shall be handled in accordance with ISO9001 Quality Management Systems, and monthly meeting on product quality shall be held to follow-up on the improvement.
- Get to know customer satisfaction through QBR (Quarterly Business Review).
- The third-party verification of ISO9001 and QC080000, internal audits, and irregular audits by customers.

The policy in quality and hazardous substance free is:

“delivering zero-defect and competitive green products and services to customers on time”.

Wiwynn treats safety and impact on health when customers use our products as the goals of design. Form the initial stage of product development and design, we are proactively discussing product operation modes and utilization scenarios with customers. Besides, we continue optimizing our designs to provide customers safe, reliable, excellent-quality products. For different customers, we also offer customized designs to meet their demands.

In 2023, we did not receive any grievances from customers regarding safety and health issues, and our products and services did not involve in any violations against the laws and regulations of health and safety either.

The information labels on products and services are handled in accordance with relevant laws and regulations. Customers may obtain such information from the products, user manuals, or the Company’s official website. In 2023, there was no product or service information label that violated any laws or regulations, nor did any due to false sales.

No product or service involved in any violations against the laws and regulations of health and safety.

No product or service information label violated any laws or regulations, nor did any due to false sales.

Product development and design

Paying attention to the feedback from customers

From the initial stage of product development and design, Wiwynn is proactively discussing product-related operation modes and scenarios of use with customers. After each trial production, we will carry out internal discussion on problems that customers raised as well as to optimize our design. Subsequently, we continue following up on customers' opinions for the new version of products. We aim to introduce safety design to products from the beginning of product development.

Based on customers' requirements in hardware, software, or firmware, Wiwynn Corporation carries customized development and product design and implement safety protection mechanisms on products.

In terms of hardware design

TPM2.0 (Trusted Platform Module, TPM) is an international standard of secure crypto processor. It uses passwords to reduce hackers trying to capture sensitive information, and the risks caused by encrypted key.

In terms of firmware design

Security boot ensures devices only to be activated by trust-worthy software and further avoid unauthorized tampering or malicious manipulation.

Certification

Product safety regulations and verification mechanism, and materials due diligence investigation

To ensure providing toxin-free and safe products of worries-free when customers are using them. Meanwhile, we are devoted to r on-time product delivery and timely services to ensure the usage quality.

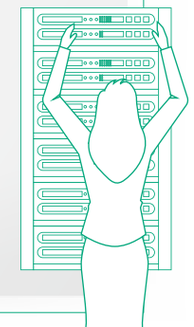
Users are able to know clearly from the regulatory label on products for the certification information, such as UL, CE, FCC, etc.

Use and service

Mechanical design optimization

Focus on structure design of tool-free maintenance, simple operation, labor-saving, error-proofing and safe.

It is to provide customers products of easy operation and easy maintenance to save maintenance time.. Moreover, the error-proofing design prevents product damage caused by mishandling to protect customers' property. For example, parts of that require maintenance are designed as pull-out drawers, along with labor-saving handles, which provides users convenient and safe operation. In addition, we try the best to shorten maintenance working hours through product design. For example, we use fast release clip-on to replace traditional thumb screws as structural fasteners, to reduce maintenance time and the possibilities of occupational injury. Meanwhile, all products are provided with complete operating instructions to provide users the most precise operating methods in order to ensure human and property safety.

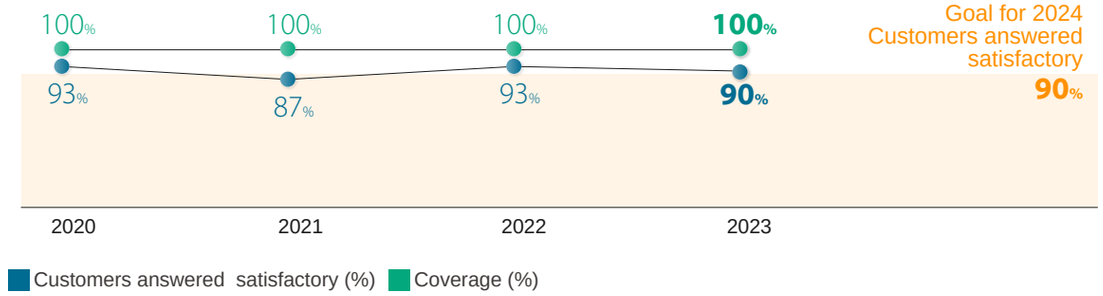


Customer grievance management and process

The Company implements customer feedback management and improvement based on the Quality Management System. Upon receiving complaints, PM or sales personnel will look into the problems that customers encountered at first, then transfer the issues to the Customer Service Unit for subsequent handling. The Customer Service Unit is responsible for judging the types of the complaints and coordinating with relevant and responsible units to collaborate and resolve the issues in the shortest time frame, in order to protect the rights and interests of customers.

Customer satisfaction

Wiwynn carries out regular customer satisfaction survey and evaluation through the Annual Customer Satisfaction Survey, Quarterly Assessment, and Customer Audit to ensure the needs of customers are fulfilled and properly handled . In the most recent four fiscal years, the survey coverage achieved 100%. The assessment result in 2023 showed that customers answered "satisfactory or above" was 100%, exceeded the 2023 goal of 90%.



Note: Indicators of satisfaction classification: A: Above 80% Satisfactory, B: 60%-80% Ordinary, C: Below 60% Improvement required.

An analysis will be carried out according to the results of satisfaction indicators. The management level will authorize a senior manager to draft improvement guidelines and strategies in detail, as well as to coordinate with internal relevant units for implementation and follow-up, in order to continue improving ourselves and enhance customer satisfaction.

05

ECO-FRIENDLY OPERATION

I Climate change 67
I Energy management 75
I Environmental management 77

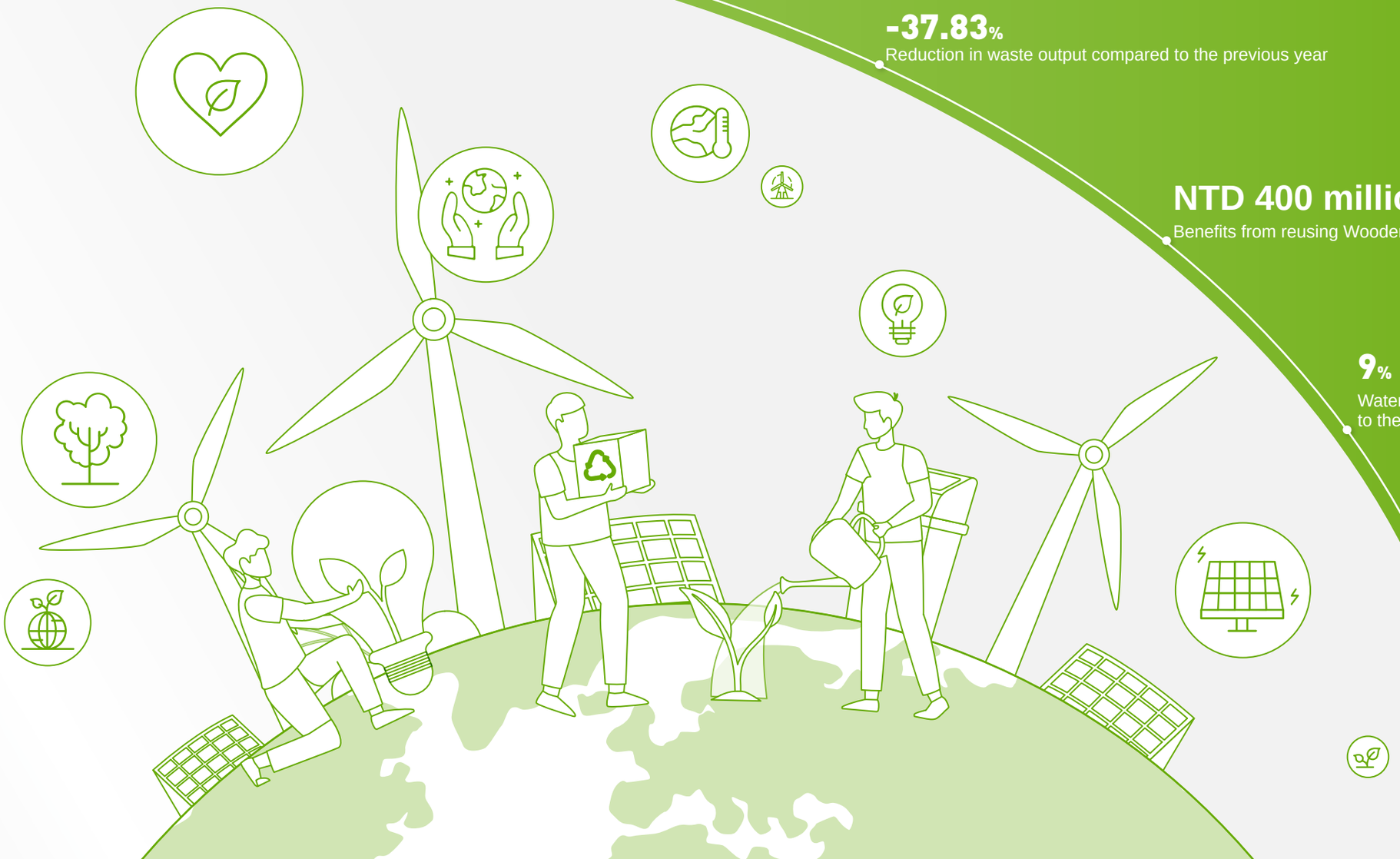
PERFORMANCE

57.07%
Rate of global renewable energy usage

-37.83%
Reduction in waste output compared to the previous year

NTD 400 million
Benefits from reusing Wooden Crates and Pallets

9%
Water resource recovery rate increased compared to the previous year.



CLIMATE CHANGE

Actively responding to the risks brought by climate change, grasp the opportunities obtained in the process of transition to a low-carbon economy, and effectively allocate resources to enhance corporate competitiveness and operational resilience.

Policy

Enhancing the implementation of solutions for climate change

Commitment

Lowering greenhouse gas emission and enhancing efficiency of energy utilization

Resource

Established Office for Sustainable Development, assigned ESG task forces, introduced the carbon management platform, ISO 14064-1:2018 Greenhouse Gas Inventory Management System, ISO 50001:2018 Energy Management System, and ISO 22301:2019 Business Continuity Management System.

Evaluation Mechanism

ISO 14064-1:2018, ISO 50001:2018, and ISO22301:2019 third-party verifications, Board of Directors, Corporate Sustainability Committee

5_1_1 Climate governance and management procedures

In recent years, under the influence of climate change, the concept of using the Earth's energy and resources has changed, and it has also brought operational challenges to economies. In order to make sure of the information transparency of climate-related risks and opportunities, Wiwynn started to follow TCFD framework to disclose information related to climate change in the Corporate Sustainability Report from 2019. We also continue introducing various plans through operational and investment decision to respond to the operational challenges and opportunities caused by the climate change. Meanwhile, we enhance the realization of the solutions for climate change and devote to the reduction of greenhouse gas emissions to fulfill our corporate social responsibility.

Governance unit on climate topics

Board of Directors is the highest governance unit on climate topics. It takes risks and opportunities related to climate topics into the consideration of overall risks, supervises total risk management, and ensure effective operation of the management mechanism[Note].

Corporate Sustainability Committee is a functional committee under the Board of Directors. It is responsible for controlling climate risks and assisting the Board of Directors to review climate policies, strategies, and goals. It consists of four directors and the independent director is to be assigned as the convenor. At least two meeting should be held every year.

Chief Sustainability Officer submits reports on climate topics to the Corporate Sustainability Committee and the Board of Directors every year. The latest date of submission was on August 7, 2023.

Note: Please refer to Chapter 2.2 Risk management.

Responsibility of the top management

Chief Strategy Officer and President are both responsible for climate topics. They are in charge of formulating climate strategies and making strategic commands. Chief Sustainability Officer and supervisors of operating units are responsible for risk evaluation on climate topics, and formulating management plans according to the strategic goals. Through regular monthly meetings, the management effect should be reported to the Chief Strategy Officer and President for the purpose of goal achievement checking.

Connection between climate strategy and remuneration system

Climate strategy focuses on “Eco-friendly Operations”, “Sustainable Supply Chain”, and “Innovation with Green Technology”. It mainly includes commitments in using renewable energy, reduction of power consumption in the manufacturing process, carbon reduction actions in the supply chain, and product optimization through energy-saving and carbon reduction design. Senior managers (including the general manager and their direct reports) must set up key performance indicators (KPIs) that are directly related with a ratio of at least 10%. They will be effectively linked to personal performance and remuneration to encourage and strengthen goal execution.

Besides the management, we established “Operating Procedures for Energy-Saving and Carbon Reduction Reward” for the employees. The procedures include proposal bonus for greenhouse gas reduction and energy efficiency enhancement to encourage employees submitting proposals and make them aware of sustainability so that everyone could participate in the fulfillment and progress of climate strategy.

- Board of Directors takes on the role of supervision.
- Chair & Chief Strategy Officer and President are responsible for climate topics.
- Chief Sustainability Officer should report to the Sustainability Committee as well as report to the Board of Directors at least once a year.

Risk supervision

Board of Directors

Risk control

Corporate Sustainability Committee
4 directors/ the independent director is the convenor

Responsible for climate topics

Chairman & Chief Strategy Officer
President

Risk evaluation

Office for Sustainable Development
Chief Sustainability Officer

Response to risks

Engineering technology, manufacturing management	Supply chain management	Product planning	Finance	Line of business	Human resource	Legal affairs	Market promotion and planning
Low-carbon and low-power consumption technology, R&D and application of manufacturing processes	Collection of carbon emission data, management of supply chain carbon reduction	Stipulating products strategies, planning and structure with competitive edge to achieve market goals	Response to climate topics concerned by investors, evaluation of impacts of climate risks and opportunities to finance	Response to customers' requirements in investigating climate topics and carbon disclosure	Formulating energy-saving and carbon reduction measures	Evaluating the potential litigation risks caused by climate and coping measures	Releasing performance for climate issues to enhance corporate values

5_1_2 Strategy

Risk identification, evaluation, and management

The Office for Sustainable Development and each operating unit should collect climate topics at least once every year,based on internal or external issues and the reference to companies in the same trade and benchmark enterprises. The risks identified should cover transitional and physical risks, including existing legal regulations, emerging regulations, technology, market, business reputation, lawsuit, and acute and long-term disaster. We define the timeline into short term (1-3 years), medium term (3-5 years), and long term (more than 5 years). In addition, we consider all the existing and emerging legal regulations and requirements related to climate change, such as “Climate Change Response Act”, “Renewable Energy Development Act”, and “Autonomous Regulations of Regional Low-carbon City Development”. Based on the level of impacts and probability of occurrence, we conduct matrix analysis to identify risks and opportunities in the upstream value chain, the organization, and the downstream value chain. According to the factors of SSP Public Database and TCCIP future scenario estimations, as well as reports of international industry trends, we confirm the potential impacts on the Company’s finance caused by climate change risks and opportunities[Note].

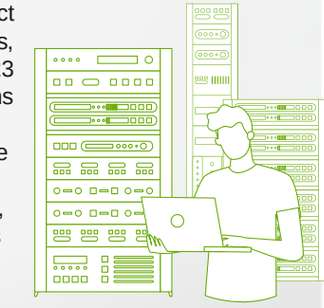
Chief Strategy Officer and President monitor the implementation of climate strategy and management plans through regular monthly meetings. Chief Sustainability Officer is responsible for reporting to the Corporate Sustainability and the Board of Directors.

Note: Please refer to “Wiwynn Corporation 2023 TCFD Climate-related Evaluation Report” for climate transitional and physical scenarios analysis in 2023.

Climate risks and opportunities

In terms of transition risks

Climate-related risks with significant impacts identified in 2023 that have high levels of impact and high probabilities of occurrence were the followings: technology transformation of products, investment to new technology, and the demands for low carbon emission products. Year 2023 was regarded as the first year of generative AI. In this year, technology and relevant applications changed rapidly, demands on computing capacity increased significantly, and technology of carbon reduction and cooling became the focuses of attention. At the same time, these were also one of the great challenges when facing climate issues. What came next are net zero emission and carbon pricing. While net zero emission gradually becomes global consensus, policies established by the governments of state also affect climate strategies in enterprises in order to connect with international policies at the dawn of the carbon pricing era.

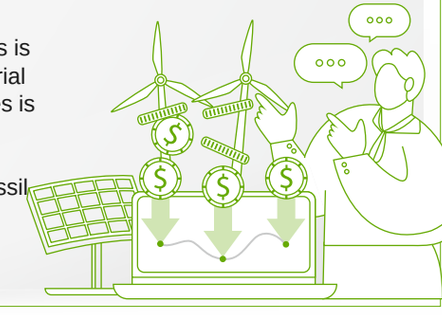


In terms of physical risks

The level of impact and the probability of occurrence presented by extreme rainfall and drought are higher. Along with the worsening of global warming, the forms and patterns of extreme climates, no matter the intensity or frequency, are more centralized in certain regions and the disasters and losses caused are greater as well. There are many uncertainties in the future of climate, and it will continue challenging operational resilience of enterprises.

As for climate-related opportunities

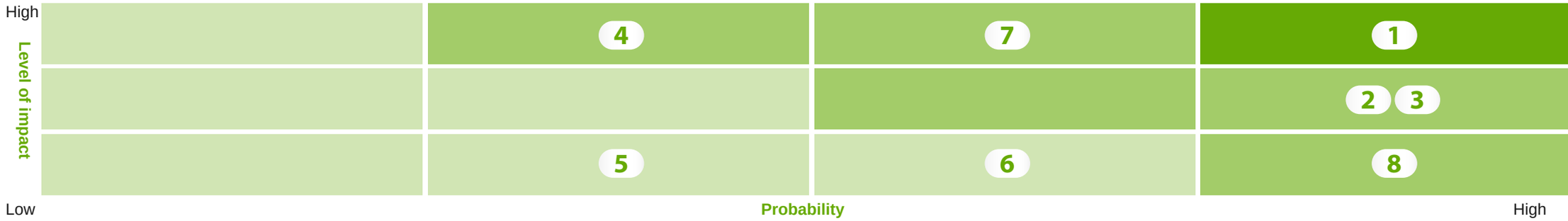
Along with the evolution of AI technology, the development of low-carbon products is a key opportunity when facing climate topics. It is then followed by recycled material application and development, and low-carbon energy. The lack of natural resources is one of the ten key risks in the next decade, from the 2024 Global Risks Report published by the World Economic Forum. Reducing the use of virgin materials, increasing applications of recycled materials, and lowering the dependency on fossil fuel are opportunities for enhancing operational resilience.



Matrix of climate risks

Item	Level of risk	Location	Time	Impact/ financial effect	Response/ measures
Transitional risks					
1 Net zero emission	High	Upstream The Company Downstream	Short term – medium term	Increased operating costs, increased R&D expenditure, and increased direct costs	Through the renewable energy planning by the Group and the introduction of the carbon management platform for carbon emission data collection, we work with our supply chain to implement carbon reduction. Carbon reduction management has been introduced into product development, manufacturing, transportation, utilization, and disposal. We are devoted to fulfilling the two major long-term goals of 100% renewable energy utilization by 2030 and net zero emission by 2040.
2 Carbon pricing	Medium	The Organization	Short term – medium term	Increased operating costs	We introduced the carbon management platform in our global sites to establish carbon management data. Through paying attention to the different carbon management measures, including “carbon tax”, “carbon fee” and “carbon border tax”, we could have a better control of the financial impacts caused by carbon pricing.
3 Legal regulations and standards for product efficiency	Medium-low	The Organization Downstream	Medium term – long terms	Increased direct costs	In response to the latest requirement of Lot 9[Note], Wiwynn started to use power supply units with titanium PSU efficiency (96%@50%load) from 2024. Note: Lot 9 is the regulations published by the European Union for material efficiency on server and network data storage products.
4 Uncertainty of legal regulations / lack of regulatory legitimacy	Medium-low	The Organization	Long term	Increased operating costs	Continued paying attention on the development of local regulations and policies at operational sites and adjusting responding measures timely.
5 Product technology transformation	High	The Organization	Short term	Increased R&D expenditure, increased development costs, increased capital expenditure, increased operating costs	Invested R&D resources in liquid cooling and immersion cooling technologies to respond to the issue of high energy consumption caused by the change of technology.
6 Demands for low-carbon emission products	High	Downstream	Short term	Reduced revenue	
7 New technology investment	High	The Organization	Short term	Increased operating costs	Through careful evaluation and approval procedures, we grasp promising technology investment opportunities and reduce risks effectively.
8 Water resource management	High	The Organization	Long term	Increased operating costs, increased capital expenditure	In the future, the new plant in Malaysia will use process water. To reduce and effectively utilize water resources, the Office for Sustainable Development and senior executives have discussed plans to divert water to secondary use or landscape irrigation through multi-stage purification processes. This plan is still ongoing.
Physical risks					
9 Extreme rainfall and drought	Medium	Upstream The Organization Downstream	Medium term – long term	Increased labor and management costs, impairment loss of assets, increased capital expenditure	In 2023, we passed ISO22301:2019 business continuity management system and established multiple business continuity plan (BCP). We conducted exercise regularly to reduce property loss or personnel injury caused by business interruption.
10 Change of average temperature	Medium-low	Upstream The Organization Downstream	Long term	Increased operating costs, increased capital expenditure	Different scenarios would be considered every year according to the status of climate change to evaluate risks and opportunities, confirming the impacts to the Company’s finance caused by risks and opportunities of climate change, and to establish responding measures timely.

Matrix of climate opportunities



Item	Level of risk	Location	Time	Impact/ financial effect	Response/ measures
1 Development of low-carbon products	High	The Organization	Short term	Increased customers, increased revenue	**Carbon reduction effect of product operation** The carbon reduction benefits of two products in sales have been calculated. Over the lifecycle of these products, the energy savings to our downstream customers amounted to 8,080,383 kWh, equivalent to a reduction of 3,992 tons CO_2e.
2 Recycled material application	Medium	The Organization	Short term	Enhancing corporate image, creating green supply chain, increasing revenue	**Carbon reduction benefits from product material selection, application, and end-of-life cycle** The use of recycled materials and plastic reduction designs can reduce 2,490 tons CO_2e. Additionally, recycling and reusing memory at the end of the product's life cycle can reduce 158 tons CO_2e. In 2023, the total carbon reduction benefit reached 2,648 tons CO_2e,compared to 489.5 tons CO_2e in 2022, representing an increase of approximately 4.4 times.
3 Development of recycled materials	Medium	Upstream	Short term		
4 Manufacturing process improvements	High	The Organization	Medium term –long term	Reduced direct costs, reduced operating costs	Short-term, medium-term, and long-term goals of Installing new production lines globally for low-power consumption PCBA and reducing power consumption during the idle time of rack testing.
5 Enhancement of energy efficiency	Low	The Organization	Medium term –long term	Reduced operating costs	Measures of energy saving and carbon reduction were estimated to save 353,789 kWh of electricity every year, and reduced around NT$1.06 million of the electricity bill, which is equivalent to the reduction of 167.90 tons of carbon dioxide emissions. We will keep improving our energy-saving measures and enhancing equipment efficiency to achieve a more effective energy usage.
6 Energy-saving building	Low	The Organization	Short term – medium term	Reduced direct costs, reduced operating costs	Our new plant in Malaysia is expected to obtain GBI green building mark in 2024. Its energy-saving effect could go as high as 30.37%. It saves around 6,361,464 kWh of energy every year and reduces nearly NT$20 million in electricity expense (when 1 kWh= NT$3).
7 Low-carbon energy	High	The Organization	Short term – medium term	Reducing risks of rising fossil fuel price in the future, lowering the possibility of being fined	Based on the local situations, , we planned the use of renewable energy for each global operating site. In 2023, the global use of renewable energy of Wiwynn achieved 57.07%.
8 Sustainability rating	Low	The Organization	Short term	Enhanced positive corporate image	Ranked in the top 10% of the 2024 S&P Global CSA score and were named an “Industry Mover”, obtained A- in the CDP climate change category.

5_1_3 Climate indicators and goals

The Company follows Carbon Reduction Pathway Plans established by SBTi to calculate and estimate relevant indicators for climate mitigation and adaptation. Year 2021 is used as the base year. Emissions of Scope 1+2 will achieve an absolute reduction of 2.5% every year. By 2031, Scope 1+2 will be reduced 25% and 12.3% for Scope 3. Besides, Wiwynn Corporation further commits on two major long-term goals:100% green energy utilization by 2030, and net zero emission by 2040.

Achievement rate of Scope 1+2 reduction goals in 2023

	Coverage rate	Goal achievement rate
Taiwan	34.10%	37.20%
Global	100%	91.45%

Greenhouse gas emission management

"Environmentally friendly operation" is one of the strategies for sustainable development established by Wiwynn. We are devoted to integrate awareness of sustainability with daily operation and have introduced IECQ QC 080000:2017 (Hazardous Substance Process Management System), ISO 14001:2015 (Environmental Management System), ISO 14064-1:2018(Greenhouse Gas Inventory Management System), and ISO 50001:2018 (Energy Management System). Besides, we referred to GHG protocol and followed ISO 14064-1:2018 to conduct the verification of the greenhouse gas inventory,as well as setting up organizational boundary by the right of business control. Our coverage rate of data collection achieved 100%.

Along with the booming development in the industry, Wiwynn continues expanding our operational boundaries over the recent years. In 2023, we had a new plant in Malaysia; therefore, the total emissions increased from that in the previous year. However, to connect to the international carbon reduction pathway and achieve the goals of carbon reduction step by step, the Company took the initiative to arrange green power procurement. Followed the completion of green power wheeling at Taipei Business HQ in 2022, we also introduced green power to Tainan Plant in 2023. Global operating sites enhanced the utilization rate of green power through installation of rooftop solar panels and purchasing consolidated renewable energy certificate.

In 2023, Scope 1+2 market base emissions reduced 4,106.0533 tons CO_2e compared to that in 2022 and achieved 20.17% reduction. The global utilization rate of renewable energy was 57.07%, increased by 29.34% compared to that in 2022.

Statistics of greenhouse gas emissions 2020-2023 (Scope 1+2)

Greenhouse gas emissions (tons CO_2e)

		2020	2021	2022	2023
Scope 1	Stationary combustion	0	187.4227	845.9931	796.7894
	Mobile combustion	16.8122	139.8305	183.1985	202.1823
	Manufacturing emissions	0	0	0	0
	Fugitive emissions	27.2657	33.8733	157.4392	2,273.5810
Subtotal		**44.0779**	**361.1265**	**1,186.6308**	**3,272.5527**
Scope 2	Location-based	5,913.0248	14,785.6430	25,961.5777	28,860.4916
	Market-based	0	0	19,170.5147	12,978.5396
Total (Scope 1+2)	Location-based	5,957.1027	15,146.7695	27,148.2085	32,133.0443
	Market-based	0	0	20,357.1455	16,251.0923
Emissions per unit revenue (tons CO_2e/ NTD 100 million)	Location-based	3.19	7.86	9.27	13.28
	Market-based	0	0	6.95	6.72

Note 1: GWP value follows AR6 report. In Taiwan, Scope 1 adopted greenhouse gas emission coefficient management table, Edition 6.0.4. All other areas adopted IPCC and heating values published by the local energy agencies.

Note 2: Carbon Emission Factors for Energy in Different Regions

Taiwan	0.494 kg CO_2e	Malaysia	0.55 kg CO_2e
U.S.A.	0.376 kg CO_2e	Mexico	0.438 kg CO_2e

Note 3: The subsidiary in Mexico, Wiwynn Mexico, S.A. de C.V. (WYMX) expanded its operational function in the second half of 2021 to production and manufacturing. The statistical data started in the second half of the year. It was the result of self-inventory without being verified by a third-party institution.

Note 4: In 2023, we included greenhouse gas emissions from all subsidiaries listed in the consolidated statements, including the new plant in Malaysia began operational in 2023.

Types of Scope 1 Greenhouse Gas Emission

Unit: tons CO_2e

	2020	2021	2022	2023
CO_2	16.1463	323.5978	976.6789 Note	948.2635
CH_4	0.1624	2.2605	41.0140	39.1965
N_2O	0.5035	1.3949	12.3222	11.8488
NF_3	0	0	0	0
HFC	27.2657	33.8733	156.6157	551.3128
PFC	0	0	0	0
SF_6	0	0	0	1,721.9311
Total	**44.0779**	**361.1265**	**1,186.6308**	**3,272.5527**

Note: Correction of numbers

Adjustment of emission boundaries

The subsidiary in Mexico (WYMX) was established on February 14, 2019. Originally, its production capacity was from outsourcing. In the second half of 2021, it was expanded to an operational site with production and manufacturing capacity. To ensure emission data is comparable, the data of emissions between 2020 and 2021 was adjusted using the method of economic allocation. From 2022, green power procurement helped significant reducing emissions per unit revenue.

Statistics of greenhouse gas emissions 2020-2023 (emission boundaries adjusted)

Greenhouse gas emissions (tons CO_2e)

		2020	2021	2022	2023
Scope 1		1,127.6788	1,115.9605	1,186.6308	3,272.5527
Scope 2	Location-based	17,464.5190	23,581.8583	25,961.5777	28,860.4916
	Market-based	17,464,5190	23,581.8583	19,170.5147	12,978.5396
Total (Scope 1+2)	Location-based	18,592.1978	24,697.8188	27,148.2085	32,133.0443
	Market-based	18,592.1978	24,697.8188	20,357.1455	16,251.0923
Emissions per unit revenue (tons CO_2e/ NTD 100 million)	Location-based	9.95	12.82	9.27	13.28
	Market-based	9.95	12.82	6.95	6.72

Renewable energy on record 2020-2023

Unit: kWh

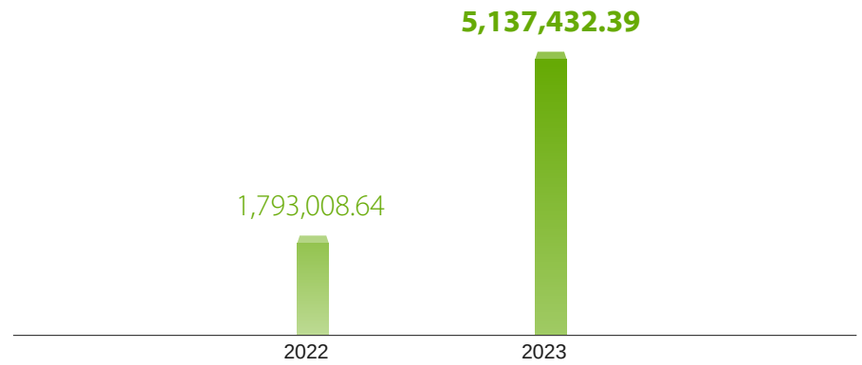
	2022	2023
Renewable energy certificate (including PPA and REC)	15,961,000	35,508,000

The main source of emissions in Scope 3 is products and services purchased and the use of sold products. Through hosting “Supplier Workshop”, Wiwynn announced the 3-year supply chain carbon reduction plan between 2023 and 2025 to suppliers. Moreover, we established the sustainable supply chain platform and launched two-way communication online with suppliers to engage suppliers in the goal of carbon reduction and fulfill carbon reduction pathway. In addition, we also continue collaborating with customers in developing environmentally friendly products to enhance the products’ energy efficiency.

Scope 3 reduction

Through the engagement with upstream and downstream on carbon reduction actions, Scope 3 emissions were reduced by 1,793,008.64 tons CO_2e and 5,141,139.88 tons CO_2e in 2022 and 2023 respectively. The achievement rate of Scope 3 reduction goals was 100% over the two years.

Unit: tons CO_2e



Statistics of greenhouse gas emissions over the years (Scope 3)

Unit: tons CO_2e

	2020	2021	2022	2023
Purchased goods and services	14.95	1,848,446.65	1,408,286.77	972,236.09
Capital goods	-	4,306.39	133,171.11	42,533.00
Fuel and energy related activities	1,266.25	1,306.64	1,656.48	4,927.27
Upstream transportation and distribution	-	393.96	1,084.20	15,171.43
Waste generated in operation	17.18	8.25	3.63	57.08
Business travel	30.84	13.36	144.34	743.78
Employees commuting	-	3,433.37	5,335.03	Note 2
Upstream leased assets	-	Note 3	Note 3	Note 3
Downstream transportation and distribution	-	13,115.94	5,735.47	44,104.09
Processing of sold products	-	1,526.51	1,769.36	Note 4
Use of sold products sold	-	2,310,467.87	4,381,640.92	5,342,771.10
End-of-life treatment of sold products	-	13,093.07	21,016.04	19,036.21
Downstream leased assets	-	Note 4	Note 4	Note 4
Franchises	-	Note 4	Note 4	Note 4
Investments	-	91.01	238.94	45.83
Total	**1,329.22**	**4,196,203.02**	Note 1 **5,960,082.29**	Note 2 **6,441,625.88**

Note 1: Some of the items were not listed for verification, or the scopes of verification were not completed from 2020 to 2022, including:“Purchased goods and services”, “Capital goods”, “Fuel and energy related activities”, “Upstream transportation and distributions”, “Employees commuting”, “Downstream transportation and distributions”, “Processing of sold products”, “Use of sold products”, “End-of-life treatment of sold products”, and “Investments”. In 2022, the total emission did not deduct removal.

Note 2: In 2023, “Employees commuting” was not included in the calculations. In 2023, the total emission did not deduct removal.

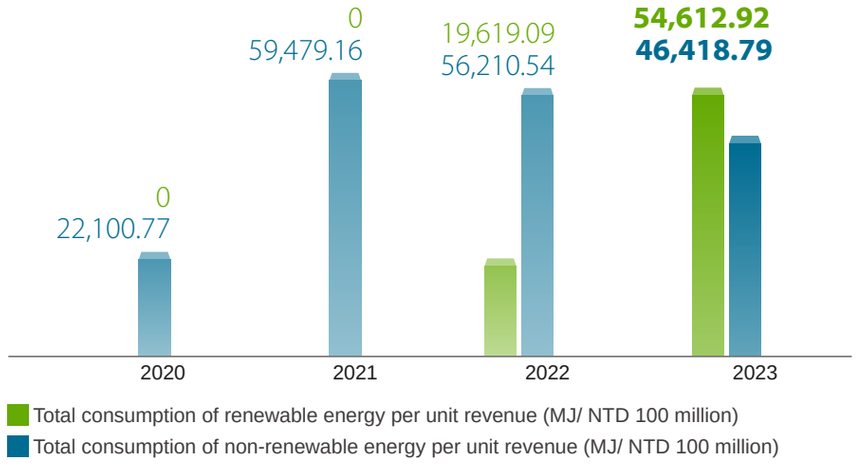
Note 3: It has already been included in Scope 1 and Scope 2.

Note 4: There were no relevant operating activities.

ENERGY MANAGEMENT

In 2023, the purchased renewable electricity was the main source of energy (accounting for 52.30%) followed by the purchased non-renewable electricity (accounting for 39.35%). The total renewable energy consumption was 132,109,200 MJ while the consumption of non-renewable energy was 112,287,512 MJ; the total consumption of non-renewable energy per unit revenue reduced 17.42% compared to that in 2022. Other than introducing green electricity and purchasing renewable energy certificates, we installed rooftop solar panels in the plant in Malaysia for the purpose of on-site generation and consumption. In the future, we will also adopt green building standards for new plants, introduce energy-saving designs, and reduce the use of non-renewable energy.

Energy management performance indicators



Note 1: Correction of numbers

Note 2: The units of gasoline, diesel, natural gas, and liquefied petroleum gas disclosure have been converted to “kWh”.

Note 3: Total non-renewable energy includes purchased non-renewable electricity and all fossil fuels.

Note 4: The subsidiary in Mexico (WYMX) has been included into the boundary of from the second half of 2021. In 2023, all subsidiaries listed in the consolidated statements were covered, including the new plant in Malaysia launched in 2023.

Statistics of energy consumption

			Unit	2020	2021	2022	2023
Electricity	On-site generation and consumption		kWh	0	0	0	1,189,000
			MJ	0	0	0	4,280,400
	Purchased renewable energy		kWh	0	0	15,961,000	35,508,000
			MJ	0	0	57,459,600	127,828,800
	Purchased non-renewable energy		kWh	11,475,618	29,701,197 Note 1	41,595,542	26,711,504
			MJ	41,312,225	106,924,309	149,743,951	96,161,416
Gasoline			kWh	65	60	70	97,425
			MJ	233	216	252	350,731
Diesel			kWh	0	13,677	17,096	12,700
			MJ	0	49,237	61,546	45,720
Natural gas			kWh	0	846,003	3,365,220	3,569,582
			MJ	0	3,045,612	12,114,791	12,850,495
Liquefied petroleum gas			kWh	0	323,229	751,850	799,764
			MJ	0	1,163,624	2,706,660	2,879,150
Total							
Total consumption of renewable energy			kWh	**0**	**0**	**15,961,000**	**36,697,000**
			MJ	**0**	**0**	**57,459,600**	**132,109,200**
Total consumption of non-renewable energy			kWh	**11,475,683**	**30,884,166** Note 1	**45,729,778**	**31,190,975**
			MJ	**41,312,458**	**111,182,998**	**164,627,200**	**112,287,512**

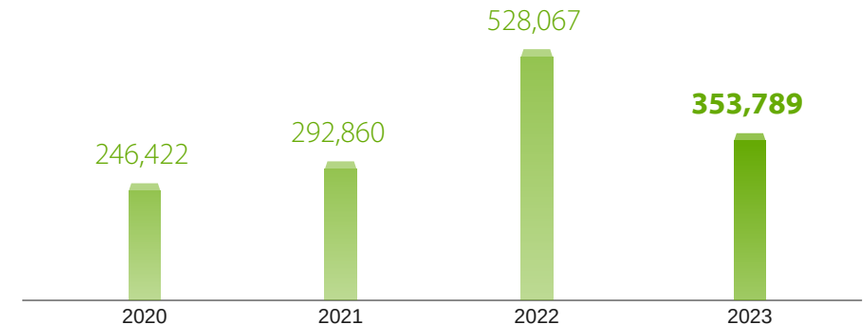
Measures of energy saving and carbon reduction

It was estimated that 353,789 kWh of electricity could be saved every year through the energy saving and carbon reduction measures implemented in 2023. It could also reduce around NT$1.06 million of electricity expense at the same time, which was equivalent to reducing CO_2e by 167.90 tons. Wiwynn will continue improving on energy-saving, and enhancing equipment efficiency to ensure the effective utilization of energy.

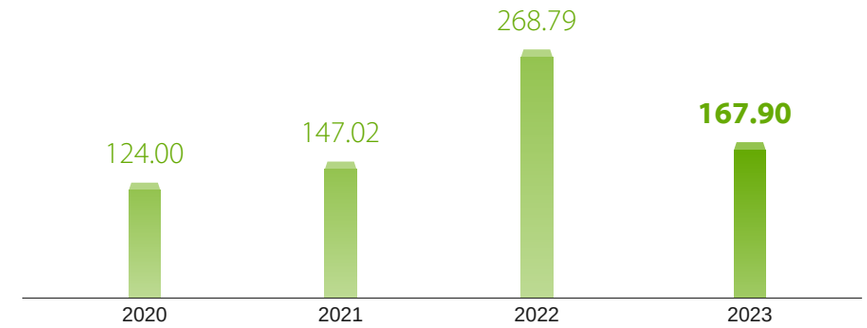
Energy-saving measures	Energy-saving estimation	kWh saved (kWh/year)	Greenhouse gas emissions reduced (tons CO_2e/ year)
Replaced box-type mainframe of high-energy consumption	• Replaced 2 units of box-type mainframe of high-energy consumption • Power consumed in one unit of box-type mainframe: 7.89 kW • Estimated energy saved in a year was 96.762 kWh.	96,762	47.80
Increase the temperature of chilled water by 1 degree Celsius	• Trial balance supervised by the Taiwan Green Productivity Foundation. • Estimated energy saved in a year was 37,987 kWh.	37,987	18.75
Managing laptop standby time	• Each laptop saves 7.488 kWh. • Estimated energy saved in a year was 12,227 kWh.	12,227	6.04
Adjusting MAU controlled humidity parameter in autumn and winter to reduce chilled water consumption for dehumidification	• Flow of MAU chilled water pipe: 158 CMH • Adjusted humidity parameter from 75% to 85% to save 5% of flow. • Actual energy saved in a year was 56,144 kWh.	56,144	27.74
RCU (Recycled air handling unit) When the average temperature <22°C, switch off the recycled air handling unit flexibly.	• Air handling unit: 1.9745 kW/ unit • Actual energy saved in a year was 28,029 kWh	28,029	13.85
LED lighting replacement	• Replacement of LED lighting • Estimated energy saved in a year was 122,640 kWh	122,640	53.72
Total		353,789	167.90

Energy-saving performance

Energy saved (kWh/year)



Reduction of greenhouse gas emissions (tons CO_2e/ year)



ENVIRONMENTAL MANAGEMENT

Committed to creating a win-win situation for both corporate operations and the environment, as well as continue strengthening sustainable actions to fulfill circular economy.

Policy and Commitment

Promised to comply with environmental safety and health regulations, fulfill waste recycling, and continue improving environmental safety and health performance to reduce environmental pollution.

Resource

Introduced ISO 14001: 2015 Environmental Management System and entrusted qualified third parties to deal with clearance and disposal.

Grievance Mechanism

- Employees could make grievances to the environmental safety department in the Company via channels such as face-to-face, telephone, or email.
- Stakeholders could make grievances through the phone and email address provided in the "Stakeholder Engagement" page on Wiwynn's official website.

Evaluation Mechanism

ISO 14001 third-party verification, annual performance review, regular audit and guidance on the clearance and disposal institutions.

5_3_1 Waste management

The Company uses innovative technology to provide solutions for various products and systems to hyperscale data centers and cloud infrastructure. The raw materials mainly include key components, electronic parts, mechanical parts. In order to reduce any harm to the environment during production and operation, as well as by the end of the product life cycle, Wiwynn focuses on product development and manufacturing process and follows the regulations specified in Green Design Guide and Waste Electrical and Electronic Equipment Directive ("WEEE" in short) to implement environmentally friendly designs that is low-pollution, easy to disassemble, and recyclable. In addition, through daily advocacy on waste reduction, we implement proper waste recycling to enhance the recycling and reutilization rate, and contribute to reduce impacts on the environment.

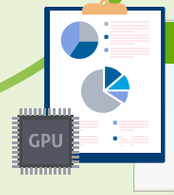
The main operating (production) plants in Wiwynn Corporation achieved ISO 14001 verification coverage rate of 100%. With the actual implementation process of P-D-C-A, Wiwynn Corporation has no environmental violation or penalty in five consecutive years.

Product design

- Hazardous substance management
- Halogen-free products control
- Used recycled materials on sheet metal for rack cases, plastic, and packing materials.

Value chain cooperation

- Enhanced the recovery rate of recycled materials and ensured resilience through design verification
- DRAM recycling and reutilization



Management of end-of-life products

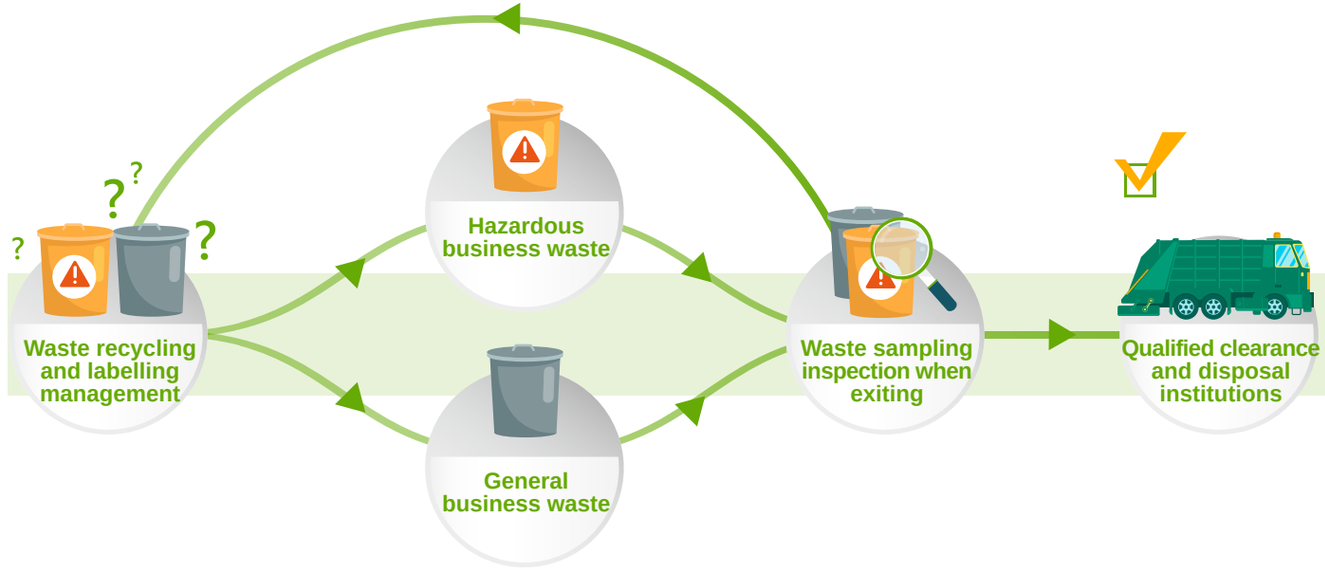
- Met 3R requirements (Reuse and Recycled rate=80%, Recovery rate=85%)
- DRAM recycling and reutilization

Waste disposal procedures

The Company identifies hazardous business waste based on impacts to the environment. We evaluate its level of impact in the value chain and adopt management methods of appropriate use and reduced use as well as use it in the working environment that meets legal requirements in order to reduce hazards to the environment and human body. In terms of waste, we follow the Waste Disposal Act and other relevant laws to implement declaration and disposal procedures.

To effectively manage the waste generated in the production and operation process, a qualified clearance and processing organization is assigned to carry out the waste treatment procedure and declare the relevant data in accordance with the Waste Disposal Act to ensure that the waste generated under the Company's operation meets the environmental, safe and hygienic disposal procedures.

Clearance, processing organizations, and processing personnel must have waste treatment licenses and qualified certificates of Class A technology personnel to handle the relevant matters according to the contract signed. If there is a violation of laws and regulations, the contract will be terminated immediately. In 2023, the clearance and processing institutions were audited according to relevant procedures and no defects were found.



Results of waste statistics

The waste generated per unit revenue in 2023 was 2.19; compared to that in 2022, it decreased by around 24.74%. To reduce waste, our subsidiary in Mexico reused wooden boxes and pallets used for product transportation. The average number of times of the reusing was 5 times. It was estimated that around 3,004,500 kg of waste was reduced in 2023, and its economic benefits was around NT$460 million.

Wiwynn will gradually increase channels for waste reutilization, strengthen the recycling circulation system, and effectively enhance resource recycling and reutilization to continuously improve environmental performance.

Unit: ton(s)

		2020	2021	2022	2023
Hazardous waste	a. Reutilization	2.94	1.20	0.82	1.50
	b. Recycling	0.00	0.00	0.00	0.00
	c. Other handling (recovery) operation	0.25	0.00	1.62	2.27
	d. Incineration (including energy recovery)	0.00	12.56	14.42	11.09
	e. Incineration (excluding energy recovery)	152.36	50.10	69.10	6.02
	f. Landfill	4.04	0.00	0.00	0.05
	g. Other handling (disposal) operation	0.00	0.00	0.00	57.52
Non-hazardous waste	h. Reutilization	192.13	1.83	2.62	3.20
	i. Recycling	27.61	169.62	7,876.12	4,244.41
	j. Other handling (recovery) operation	0.00	123.86	163.30	244.47
	k. Incineration (including energy recovery)	0.00	94.83	100.52	93.27
	l. Incineration (excluding energy recovery)	25.44	24.61	11.50	6.93
	m. Landfill	0.00	0.00	278.52	624.71
	n. Other handing (disposal) operation	0.00	0.90	1.70	1.32
	Total	**404.77**	**479.51**	**8,520.24**	**5,296.76**
Hazardous waste	o. Processed on-site	0.00	0.00	0.00	0.00
	p. Processed off-site	159.59	63.86	85.96	78.46
Non-hazardous waste	q. Processed on-site	0.00	0.00	0.00	0.00
	r. Processed off-site	245.18	415.65	8,434.28	5,218.30
	Total	**404.77**	**479.51**	**8,520.24**	**5,296.76**

Note: The statistical boundary from 2020 to 2021 was Taiwan. In 2022, the subsidiary in Mexico (WYMX) was included. In 2023, the subsidiary in Malaysia, Wiwynn Technology Service Malaysia SDN. BHD (WYMY), was included.

Waste management performance indicators

	2020	2021	2022	2023
Hazardous waste generated per unit revenue	(tons/ NT$ 100 million)			
	0.09	0.03	0.03	0.03
Non-hazardous waste generated per unit revenue	(tons/ NT$ 100 million)			
	0.13	0.22	2.88	2.16
Waste generated per unit revenue	(tons/ NT$ 100 million)			
	0.22	0.26	2.91	2.19
Waste recycling and reutilization rate Note 1				
	55.08%	61.84%	94.42%	84.88%

Note1: The calculation of waste recycling and reutilization rate is the sum of columns a, b, c, h, i, j in “Results of waste statistics” divided by the total volume of waste.

Note2: The statistical boundary from 2020 to 2021 was Taiwan. In 2022, the subsidiary in Mexico (WYMX) was included. In 2023, the subsidiary in Malaysia (WYMY) was included.

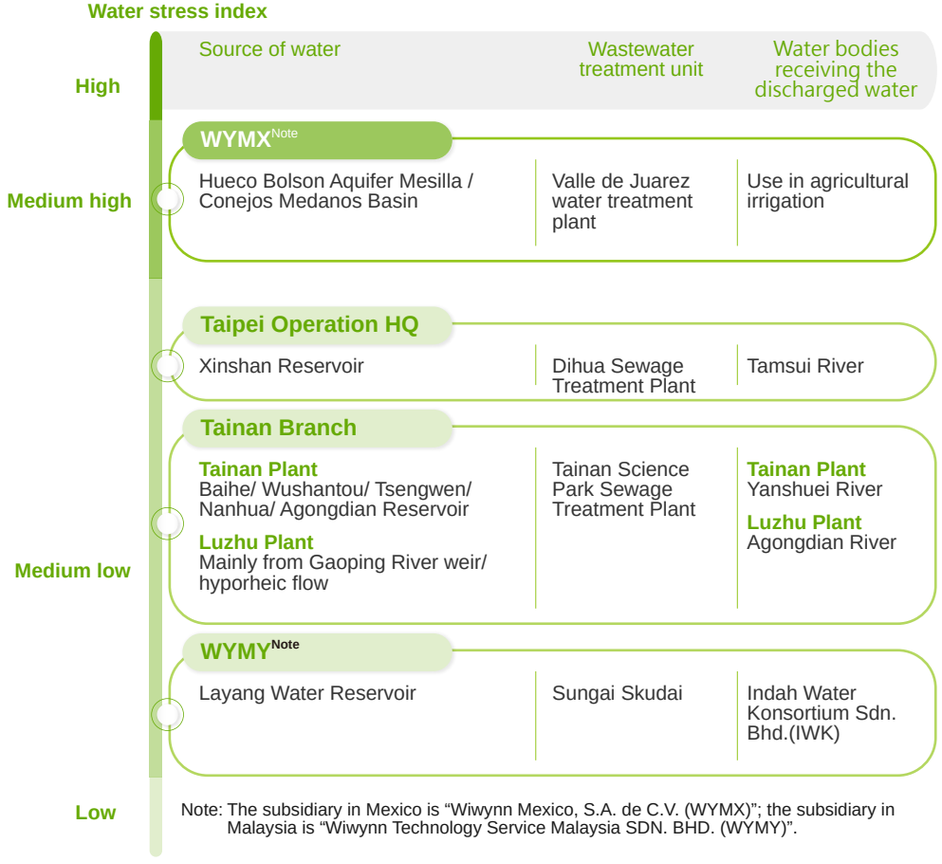
Benefit of recycling wooden boxes and pallets in the subsidiary in Mexico (WYMX)

	2023
Weight of generated waste reduced (kg)	**3,004,500**
Economic benefit (NT$)	**464,213,756**

5_3_2 Water resource

Wiwynn adopts the Aqueduct Water Risk Atlas, published by the World Resources Institute (WRI), to analyze the water stress index at our international sites and evaluate the level of risk associated with water resource usage. By measuring and monitoring water consumption at each operational site, we establish water resource management measures to continuously improve water use efficiency.

Water stress index in the main operation (production) plants



Note: The subsidiary in Mexico is “Wiwynn Mexico, S.A. de C.V. (WYMX)”; the subsidiary in Malaysia is “Wiwynn Technology Service Malaysia SDN. BHD. (WYMY)”.

Statistics of water consumption

Currently, the operation of Wiwynn is mainly domestic water consumption, and no water is used in the manufacturing process. The sources of water are from tap water, recycled water, and underground water while the wastewater generated is completely general domestic wastewater. In 2023, we recycled 14.92 million liters of water, and it accounted for 9% of the total water intake. Water was recycled through air conditioning condensed water, rainwater, and water used for hand-washing,then used for landscape watering.

Unit: million liters

		2020	2021	2022	2023
By source	A. Tap water	41.66	46.45 Note 1	61.12 Note 1	80.06
	B. Surface water (lake, river)	0.00	0.00	0.00	0.00
	C. Underground water	0.00	51.31	67.02	67.27
	D. Rainwater recycling	0.09	0.62	0.33	12.80
	E. Others	0.00	0.00	0.00	0.00
	F. Total water intake (A+B+C+D+E)	41.75	98.38	128.47	159.41
By destination	G. Total water discharged	41.75	98.38	128.47	95.35
	H. Water consumption (F-G) Note 3	0.00	0.00	0.00	64.06

Note 1: Revised numbers.
Note 2: The subsidiary in Mexico (WYMX) was included in the statistical boundary in the second half of 2021. In 2023, the subsidiary in Malaysia (WYMY) was included.
Note 3: From 2020 to 2022, the measurement of wastewater volume was limited, so the water consumption was recorded as zero. Water was mostly used by the cooling tower of the air conditioning.

Recycling of the used water

Unit: million liters

		2020	2021	2022	2023
Tap water	Air conditioning condensed water	0	0	0	1.92
	Others (handwashing)	0	0	0	0.92
Rainwater		0.09	0.62	0.33	12.08
Total		**0.09**	**0.62**	**0.33**	**14.92**
Water recovery rate (%)		**0.22%**	**0.63%**	**0.26%**	**9.36%**

Water management performance indicators

	2020	2021	2022	2023
Volume of water intake per unit revenue (million liters/ NTD 100 million)	0.02	0.05	0.04	0.07
Per capita water consumption (million liters/number of employees)	0.02	0.02	0.02	0.02

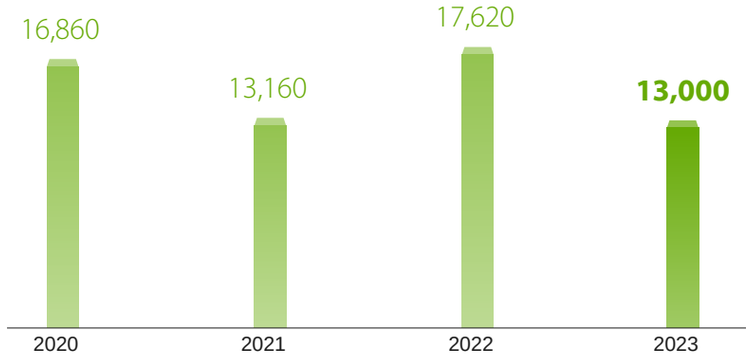
5_3_3 Air

The Company only uses isopropanol (IPA) during the manufacturing process for cleaning purposes. No other gas emissions were generated, such as ODS, NOx, Sox, POP, HAP, or PM. Presumed isopropanol (IPA) is 100% volatile, it is estimated the VOCs emission in 2023 was the one-year usage of isopropanol (IPA), which was 13 tons. The figure was lower than the limit of the regulations and laws.

In addition, according to the ozone depleting substances (ODS) of the Montreal Protocol on Substances that Deplete the Ozone Layer, we strictly requested the supply chain that the listed ODS shall not be contained in the materials delivered. Wiwynn also carries out the hazardous substances annual audit in manufacturing plant in Taiwan, including 8 types of cleaning solvents and chemicals. No ODS substance, like chlorofluorocarbons (HCFCs), halon, carbon tetrachloride (CCl4), 1,1,1-trichloroethane, Hydrobromofluorocarbons (HBFC), and methyl bromide. The Company will continue declaring and monitoring according to the Air Pollution Control Act to meet legal requirements and environmental protection regulations.

Volatile organic gas emission

Unit: kg



The use and management of isopropanol

Use	Management
Wiping during the manufacturing process	Execute operating environment testing in the area that isopropanol was used every half a year.
And waste generated after using isopropanol	Waste was handled according to the Waste Disposal Act and relevant regulations.

Environmental management performance indicators, targets, and completion rate

Achieved | Failed

	2023 goals	2023 completion rate
Energy	• Taking 2022 as the base year[Note] • ≦Total non-renewable energy consumption per unit revenue	Reduced by 17.42% compared to that in 2022
Waste	• Taking 2022 as the base year [Note] • ≦ Volume of waste generated per unit revenue	Reduced by 0.72 compared to that in 2022
	• Waste recycling and reutilization rate > 80%	84.88%
Water	• Water consumption per unit revenue <0.04	0.07 Improvement measures: Currently, we are working on the plan of recycling the water used in the manufacturing process in the new plant in Malaysia to use water efficiently.
Air	• VOCs≦20 tons/ year	13 tons/ year

Note: Our operational boundaries continued to expand. In 2021, we included the subsidiary in Mexico (WYMX) in the statistics. In 2023, the subsidiary in Malaysia (WYMY) was included. Therefore, the base year was reset to 2022.

06

DRIVEN PEOPLE WITH SHARED BELIEFS

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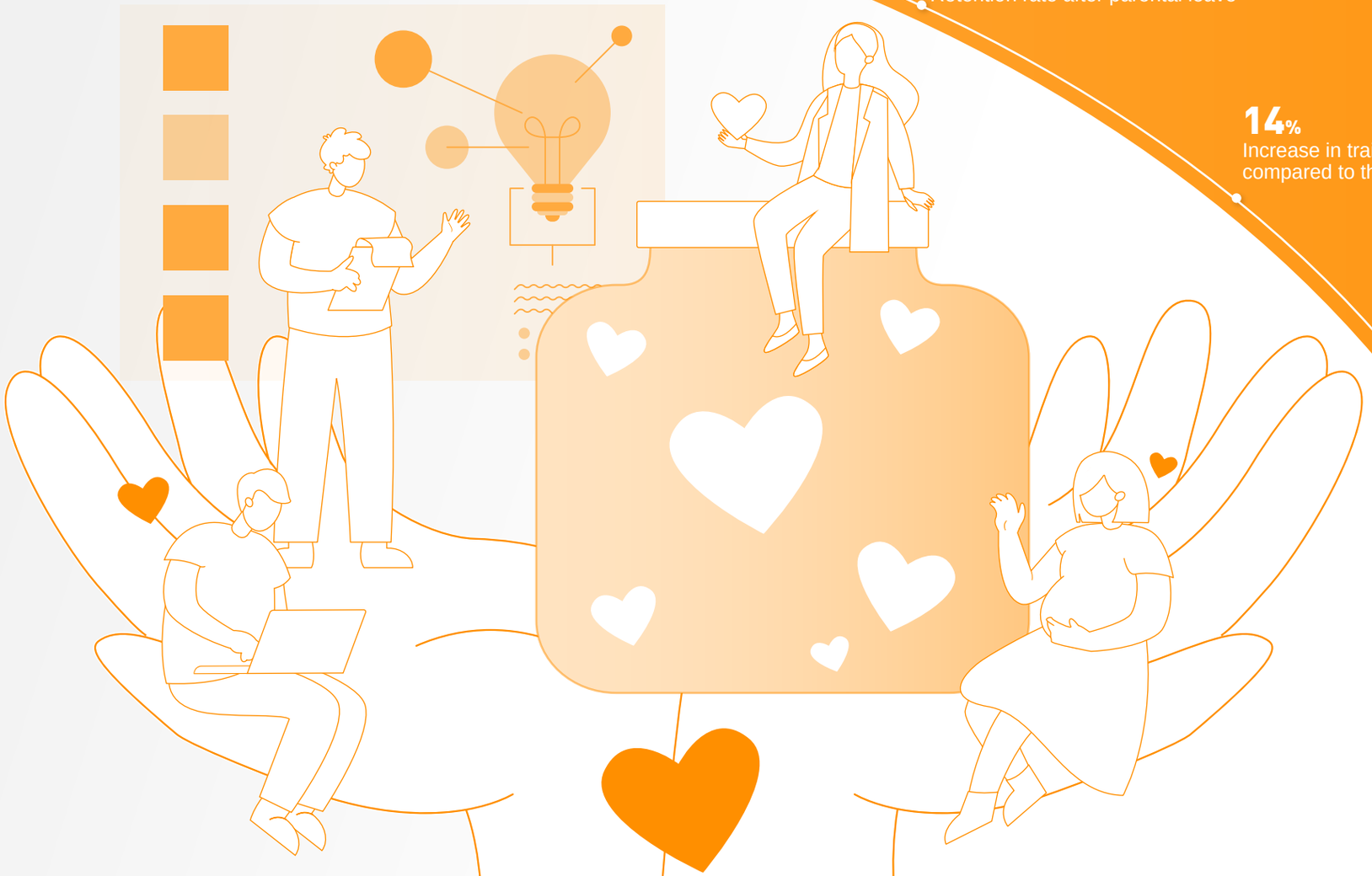
- Health and safety 114
- Social welfare 122

PERFORMANCE

31.38%
Ratio of female STEM employees

88.89%
Retention rate after parental leave

14%
Increase in training expenditure per employee compared to the previous year



Scored higher than the Technology sector norm
Engagement survey score for "Mission Vision, Diversity Integration, and Team Collaboration".

TALENT ATTRACTION AND RETENTION

Attracting outstanding talents with competitive salary and welfare as well as diverse equality policies. We treat employees as the most important partners, care for their physical and mental health and create a workplace culture that is healthy and happy.

Policy

Happy Wiwynn, a diverse and inclusive friendly workplace.

Commitment

Complying with labor regulations and formulating personnel management rules in accordance with relevant laws and regulations, as well as meeting legal regulations for working conditions from employment, appointment, and welfare to retirement.

Resource

The Human Resources Department in the Company contains the functions of recruitment, training, compensation, and employee relations; dedicated personnel are assigned for the promotion of policies.

Grievance Mechanism

The Company provides the employee grievance hotline and email address on the internal portal and has a grievance handling method available to clearly define the processing procedures, and the incentives or punishments. Stakeholders could make grievances through the phone and email address provided on "Stakeholders Engagement" page on Wiwynn's official website.

Evaluation Mechanism

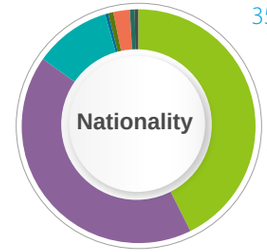
Compensation Committee, New Employee Symposium, Employees Relations Promotion Committee, Employee Welfare Committee, and implementation of regular internal audits.

6_1_1 Diversity

Wiwynn respects every employee, guarantees gender equality in work rights, performs diversified employment, abides by the "Labor Standards Act", "Act of Gender Equality in Employment", and "Employment Service Act" as well as prohibits employment discrimination to ensure candidates in different gender, age, or disabilities could enjoy the same and fair employment opportunities.

The total number of employees in Wiwynn was 7,257 in 2023; among them, 5,132 were direct employees while 2,125 were indirect employees (including managerial officers). The average age of the employees was 34.1 years old, and the average years of service were 2.63 years. The ratio of male to female employees was 6:4. The ratio of female employees taking the managerial post was above 35.06%,and the number is increasing every year. It shows Wiwynn's inclusiveness for a diverse workplace, as well as to provide all employees fair opportunities for promotion and healthy careers development.

Analysis of global employees

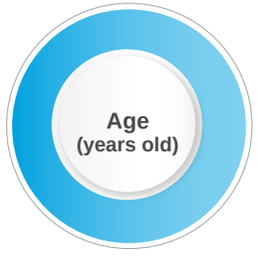


	Male	Female
42.61% Taiwan	55.30% 1,710 Persons	44.70% 1,382 persons
42.26% Mexico	64.72% 1,985 persons	35.28% 1,082 persons
10.78% The Philippines	45.78% 358 persons	54.22% 424 persons
0.45% United States	63.64% 21 persons	36.36% 12 persons
0.70% Vietnam	0% 0人	100% 51 persons
0.10% China	28.57% 2 persons	71.43% 5 persons
0.04% India	100% 3 persons	0% 0 persons
2.37% Malaysia	55.23% 95 persons	44.77% 77 persons
0.00% Bangladesh	0% 0 persons	0% 0 persons
0.00% Venezuela	0% 0 persons	0% 0 persons
0.68% Nepal	100% 49 persons	0% 0 persons
0.01% Others (explanation: Indonesia)	0% 0 persons	100% 1 persons

Analysis of global employees

70.72% Direct personnel	56.41% 2,895 persons	43.59% 2,237 persons
16.55% Indirect personnel	60.62% 728 persons	39.38% 473 persons
12.73% Managerial officers	64.94% 600 persons	35.06% 324 persons

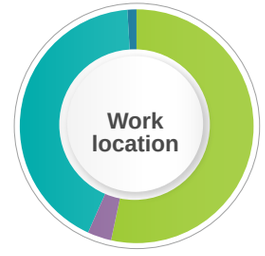
1.02% Senior managers-Male	84.09% 74 persons	15.91% 14 persons	0.19% Senior managers-Female
1.86% Mid-level managers-Male	72.58% 135 persons	27.42% 51 persons	0.70% Mid-level managers-Female
5.39% Junior-managers-Male	60.15% 391 persons	39.85% 259 persons	3.57% Junior-managers-Female



37.21% Less than 30	57.52% 1,553 persons	42.48% 1,147 persons
56.84% 30-50 (excluded)	57.65% 2,378 persons	42.35% 1,747 persons
5.95% Above 50	67.59% 292 persons	32.41% 140 persons

89.09% Contract employees	60.08% 3,884 persons	39.92% 2,581 persons
10.91% Permanent employees	42.80% 339 persons	57.20% 453 persons

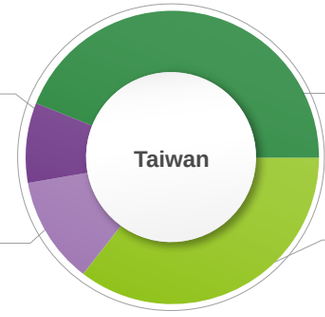
99.96% Full time	58.19% 4,221 persons	41.81% 3,033 persons
0.04% Part time	66.67% 2 persons	33.33% 1persons
0.00% Non-guaranteed work hours	0.00% 0 persons	0.00% 0 persons



53.33% Taiwan	52.71% 2,040 persons	47.29% 1,830 persons
3.29% Malaysia	66.11% 158 persons	33.89% 81 persons
42.44% Mexico	64.42% 1,984 persons	35.58% 1,096 persons
0.94% United States	60.29% 41persons	39.71% 27 persons

Male Female

Analysis based on the nature of the contract

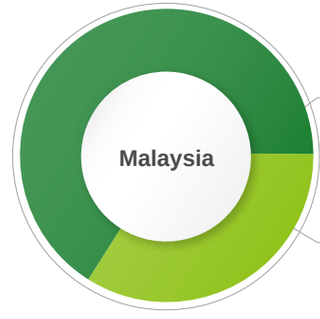


8.76% Permanent employees - Male
Number of people 339

11.71% Permanent employees - Female
Number of people 453

43.95% Contract employees - Male
Number of people 1,701

35.58% Contract employees - Female
Number of people 1,377



0.00% Permanent employees - Male
Number of people 0

0.00% Permanent employees - Female
Number of people 0

66.11% Contract employees - Male
Number of people 158

33.89% Contract employees - Female
Number of people 81

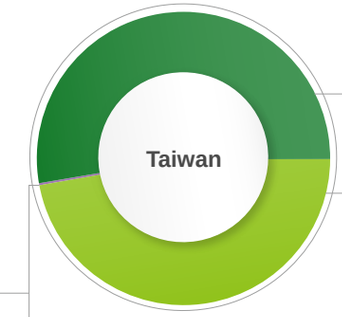
0.00% Permanent employees - Male
Number of people 0

0.00% Permanent employees -Female
Number of people 0

64.33% Contract employees - Male
Number of people 2,025

35.67% Contract employees -Female
Number of people 1,123

Analysis based on work hours



0.00% Non-guaranteed work hours- Female
Number of people 0

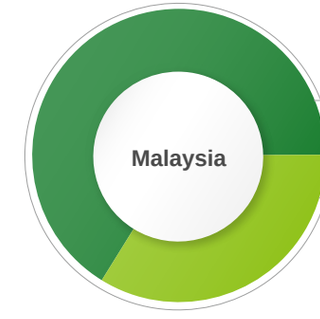
0.00% Non-guaranteed work hours- Male
Number of people 0

0.03% Part time- Female
Number of people 1

52.66% Full time- Male
Number of people 2,038

47.26% Full time- Female
Number of people 1,829

0.05% Part time- Male
Number of people 2



0.00% Non-guaranteed work hours - Female
Number of people

0.00% Non-guaranteed work hours - Male
Number of people 0

0.00% Part time- Female
Number of people 0

66.11% Full time- Male
Number of people 158

33.89% Full time- Female
Number of people 81

0.00% Part time- Male
Number of people 0

0.00% Non-guaranteed work hours - Female
Number of people 0

0.00% Non-guaranteed work hours - Male
Number of people 0

0.00% Part time- Female
Number of people 0

64.33% Full time- Male
Number of people 2,025

35.67% Full time- Female
Number of people 1,123

0.00% Part time- Male
Number of people 0

Note: There was no employee of non-guaranteed work hours.

Employment status of female managers

	2020	2021	2022	2023
Ratio of female managers (%)	27.94%	32.09%	32.78%	35.06%
Ratio of female senior managers (%)	21.57%	21.15%	19.12%	15.91%
Ratio of female mid-level managers (%)	12.50%	15.87%	21.64%	27.42%
Ratio of female junior managers (%)	35.14%	36.20%	36.39%	39.85%
Ratio of female managers at revenue-related departments (%)	65.22%	74.20%	72.22%	47.83%
Ratio of female STEM personnel (%)	26.28%	25.52%	26.40%	31.38%

Note 1: The definition for senior managers is “managers of two career levels below CEO”, mid-level managers are “IDL with a career level above 12, and junior managers are “career levels of 10 and 11, and factory foreman/ all-rounder”.

Note 2: Revenue-related departments include Sales, PM, and Marcom.

Note 3: STEM includes R&D, quality analysis and verification, manufacturing, product development, and finance departments.

Wiwynn Corporation is committed to create a diverse and inclusive workplace, respects the uniqueness and difference of each employee, and hopes to bring multiple perspectives to the organization to strive for continuous growth. Currently, Taiwan, Malaysia and Mexico are Wiwynn’s three major operating sites. The composition of employees comes from 10 different countries, and the top three countries are Taiwan, Mexico, and the Philippines, accounting for more than 95% of the total employees.

Nationality distribution of global employees

	Ratio to total employees(%)				Ratio of taking managerial post (%)			
	2020	2021	2022	2023	2020	2021	2022	2023
Mexico			54.36%	42.26%			29.95%	21.21%
Taiwan	94.20%	94.80%	41.24%	42.61%	100.00%	100.00%	63.60%	71.86%
Philippines	5.50%	4.70%	2.63%	10.78%			2.05%	1.95%
United States			0.87%	0.45%			3.71%	2.06%
Vietnam			0.74%	0.70%				0.00%
China	0.20%	0.20%	0.07%	0.10%			0.39%	0.76%
India		0.10%	0.04%	0.04%				0.00%
Malaysia	0.10%	0.20%	0.04%	2.37%			0.20%	2.06%
Venezuela			0.01%	0.00%			0.10%	0.00%
Bangladesh				0.00%				0.00%
Nepal				0.68%				0.11%
Others (explanation: Indonesia)				0.01%				0.00%

Note: Ratio of taking managerial post (%)=the number of managerial officers in the nationality/ the total number of employees with the same nationality.

Wiwynn Corporation treats all employees fairly and equally without being affected by gender, religion, race, nationality, age, or ethnicity. In 2023, we actively participated in seminars of recruitment policy for people with disabilities and job-matching fairs held by the government. Besides, we collaborated with private occupational unions related to the disabilities to ensure more disabled talents attending job matching. Compared to 2022, the number of disabled talents recruited increased by 38%(from 18 people to 29 people). However, we expanded the number of production lines and employed a great number of domestic and overseas direct personnel for production. It caused the ratio of the recruited disabled talent accounted for less than 1% of the entire workforce. In the future, we will continue cooperating with the government and private groups to continuously provide working opportunities to disadvantaged groups. Moreover, we provide a friendly workplace for people with disabilities, such as accessible toilets, wheelchair ramps in the office area, and lifts, to ensure that they may work in a safe and worries-free environment.

Employment of aboriginal or disabled employees in Taiwan

	2020		2021		2021		2023	
	Number of recruits	Ratio to the total workforce (%)	Number of recruits	Ratio to the total workforce (%)	Number of recruits	Ratio to the total workforce (%)	Number of recruits	Ratio to the total workforce (%)
Disabled Employees	11	0.64%	11	0.57%	18	0.60%	29	0.40%
Aboriginal employees	15	0.87%	15	0.78%	15	0.50%	15	0.21%

Employees at each operating site are mainly local residents and the ratio was above 87%. It shows the Wiwynn's market position in the locations of its operation. We also include local employees in the management team to not only strengthen human capital but also enhance local economic benefits.

Ratio of local employees

	Type of employees	Local (persons)	Non-local (persons)	Percentage of local employees (%)
Taiwan	Management	643	5	99.23%
	Indirect labor(IDL)	876	9	98.98%
	Direct labor (DL)	1,548	789	66.24%
Malaysia	Management	17	13	56.67%
	Indirect labor(IDL)	69	1	98.57%
	Direct labor (DL)	82	57	58.99%
United States& Mexico	Management	215	31	87.40%
	Indirect labor(IDL)	233	13	94.72%
	Direct labor (DL)	2,652	4	99.85%
Total		**6,335**	**922**	**87.30%**

Note: Local resident refer to those who have the nationality of the country.

6_1_2 Talent attraction

Actively invest in recruiting excellent and potential talents, and to attract and retain suitable talents to create a wonderful future together.

Diversified recruitment channels/ recruiting diverse professional talents

Excellent talent is a must for Wiwynn to offer high-quality goods and services, as well as maintain the corporate innovative energy. With global and diverse channels, we actively recruit like-minded talents to continuously inject energy into Wiwynn Corporation, including campus recruitment, employment matchmaking conference held by Institute for Information Industry, global recruitment website, and employees' recommendation, to attract diversified and excellent talents.

Global talent recruitment channels

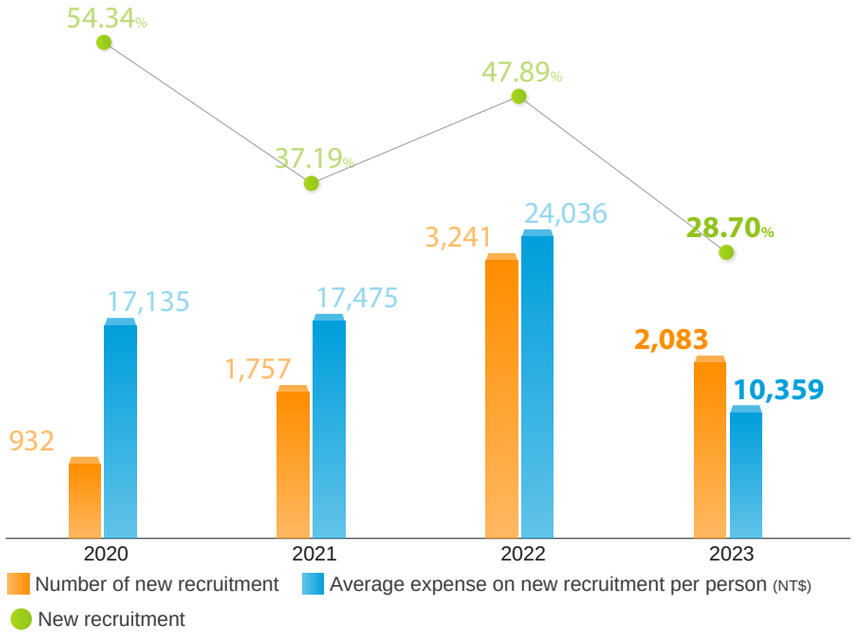
Source of recruitment	Description	Effect
Recruitment website	104 Job Center, JobStreet, Indeed, Myfuturejob, Linkedin, Empleos Maquila	Job openings were visited **919,340** times.
Campus recruitment	Campus recruitment expo and workshops	**10** sessions/ **867** applicants
Internal	Employee recommendation	**175** applicants
Others	Employment matchmaking workshops for overseas students in Taiwan, recruitment activities held by the Company	**5** sessions **725** applicants

Human resource quality

To recruit the best, candidates have to undergo strict selection and screening,passing English criteria and professional tests, as well as the evaluation through face-to-face interview. In 2022, Wiwynn Corporation introduced a well-known global testing system which adopt AI technology to assist managers during the process of interview, in order to grasp the behavioral characteristics and potential capabilities of the job seekers more precisely, and create the capability of human resource analysis for workplace digital transformation.

Statistics of new employees

Wiwynn Corporation started to expand the scale of business in 2019. Apart from the establishment of Tainan Branch, the subsidiary in Mexico also expanded the business function in the second half of 2021 and became a subsidiary that also deals with production and manufacturing. In 2023, our new plant in Malaysia, Wiwynn Technology Service Malaysia SDN. BHD. (WYMY in short) was formally launched. However, under the impact of the macroeconomic environment, the number of new employee recruitment slowed down in 2023. The total new recruitment rate was 28.70%, and they were mainly based in the plants in Taiwan and Mexico. Over 50% of the new employees are under 30 years old, and it will most likely bring in new innovative capabilities to Wiwynn.



Note 1: New recruitment (%)= The number of new employees of the year/ the total number of employees by the end of the year.

Note 2: The overseas average recruitment expense per person in 2023 was calculated with the exchange rate on December 31 of the year.

Analysis of new recruitment

	Number of people	Ratio of the number of employees in the category to the total number of employees (%) Note 1	Ratio to the total number of employees in the category (%) Note 2
Gender			
Male	1,337	3166%	64.19%
Female	746	24.59%	35.81%
Age (years old)			
Below 30	1,107	41.00%	53.14%
30-50	877	21.26%	42.10%
Above 50	99	22.92%	4.72%
Type			
Direct personnel	1,768	34.45%	84.88%
Indirect personnel	246	20.48%	11.81%
Managerial personnel	69	7.47%	3.31%
Managerial role			
Senior managers	3	3.41%	4.35%
Mid-level managers	11	5.91%	15.94%
Junior managers	55	8.46%	79.71%

	Number of people	Ratio of the number of employees in the category to the total number of employees (%) Note 1	Ratio to the total number of employees in the category (%) Note 2
Nationality			
Taiwan	722		34.66%
Mexico	1,336		64.14%
United States	8		0.38%
Malaysia	11		0.53%
Philippines	3		0.14%
China	1		0.05%
Nepal	1		0.05%
Indonesia	1		0.05%
Location			
Taiwan	725	18.73%	34.81%
Malaysia	12	5.02%	0.58%
Mexico	1,334	43.31%	64.04%
United States	12	17.65%	0.58%

Note 1: The definition of the total number of employees in the category is the number of global employees in the category in that year.

Note 2: The definition of the number of the employees in the category is the number of total global new employees in the category in that year.

Taiwan Headquarters New Employee Satisfaction Survey in 2023

Response rate was **97.30%**

the score of **4.4** out of 5 points

91% of the new employees believed supervisors treated everyone in the team fairly and provided equal respect.

90% of the new employees felt the open and trusted working environment provided by Wiwynn.

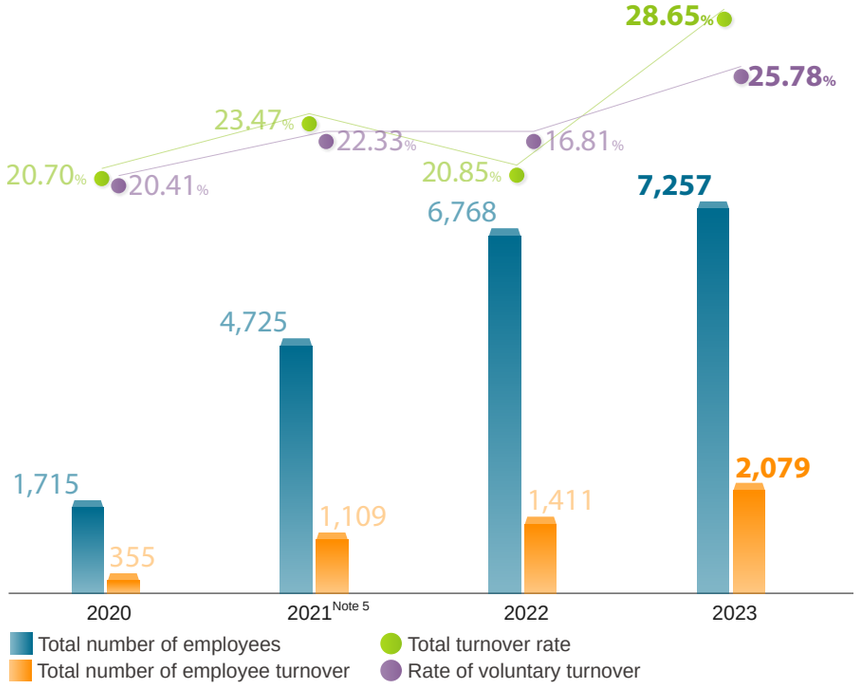
91% of the new employees felt being accepted and assisted by team members.

89% of the new employees felt their work was very important according to the tasks and goals established by the Company/ the department and had the sense of achievement after completing the work.

Statistics of employee turnover

The main reason of the increased global turnover rate in 2023 was the impact of changing global prosperity. It required careful control in costs and production capacity to respond to the shifting trend. Therefore, it directly affected the employee turnover rate, especially the direct employees in Mexico, and caused the increase of the total turnover rate.

The turnover rate in Taiwan in 2023 dropped to 8.32%, reflecting the progress made in promoting competencies and providing diverse development opportunities. We will keep investigating reasons of resignation through leaving-the-job interviews to push improvement and development to attract and retain more talented individuals.



Note 1: Temp workers were excluded from the statistics of the number of employee turnover.

Note 2: Annual turnover rate= total number of turnover of the year/ the number of employees at work by December 31 of the same year.

Note 3: Voluntary turnover includes retired personnel.

Note 4: Voluntary turnover rate= the number of voluntary turnover of the year/ the number of employees at work by December 31 of the same year.

Note 5: The original number of employee turnover disclosed in the report of 2021 was 1,055 persons, excluding employees with short contracts or who were laid off. After re-definition, the number of employee turnover includes those who were in short contract and laid off. There were 54 persons added, and the total number of turnovers was 1,109 persons. The higher turnover rate was because the number of part-time employees in the summer vacation was higher than that over the past years, and it is a short-term contract of two months.

Analysis of departed employees

	Number of people	Ratio of the number of employees in the category to the total number of employees (%)Note 8	Ratio to the total number of employees in the category (%)Note 2
Gender			
Male	1,243	29.43%	59.79%
Female	836	27.55%	40.21%
Age (years old)			
Below 30	1,191	44.11%	57.29%
30-50	788	19.10%	37.90%
Above 50	100	23.15%	4.81%
Job position			
Direct personnel	1,779	34.66%	85.57%
Indirect personnel	150	12.49%	7.22%
Managerial personnel	150	16.23%	7.22%
Managerial role			
Senior managers	6	6.82%	4.00%
Mid-level managers	16	8.60%	10.67%
Junior managers	128	19.69%	85.33%

	Number of people	Ratio of the number of employees in the category to the total number of employees (%)Note 8	Ratio to the total number of employees in the category (%)Note 2
Nationality			
Taiwan	313		15.06%
Mexico	1,726		83.02%
Philippines	14		0.67%
United States	12		0.58%
Malaysia	11		0.53%
Vietnam	2		0.10%
Venezuela	1		0.05%
Location			
Taiwan	322	8.32%	15.49%
Malaysia	11	4.60%	0.53%
Mexico	1,728	56.10%	83.12%
United States	18	26.47%	0.87%

Note 1: The definition of the total number of employees in the category is the number of global employees in the category in that year.

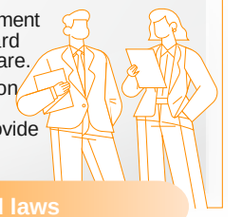
Note 2: The definition of the number of the employees in the category is the number of total global new employees in the category in that year.

Competitive and fair compensation system

Wiwynn Corporation provides competitive overall salary and compensation and established a performance reward system. The salary of employees is determined based on their academic background, work experience, job duties, performance, and market conditions, and will not be treated differently due to gender, race, religion, or political stance. We conduct regular reviews of the Company's internal salary management system and external salary standard survey every year, and have performance-based reward measures. If there is any profit, a fixed rate will be allocated as employee compensation to encourage employees growth and share profits with Wiwynn.

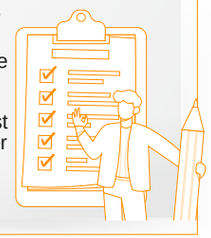
Establishing a fair salary management process

- Regularly examine the internal salary management system and conduct external salary standard surveys to offer competitive salary and welfare.
- Implement performance evaluation based on employee's professional knowledge, skills, responsibilities, and work performance to provide reasonable salary rewards.



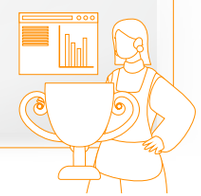
Compliance with labor rights related laws

- Employees of all genders are applicable to the same salary system without any difference.
- To ensure the proper care and protection on the dispatched workers, the Company specified in the dispatchment contract that the salary and labor conditions for the dispatched workers must meet the legal regulations and must not be lower than the basic wages.



Cash incentives via performance reward system

- Annual salary adjustments and promotions are made based on market status to encourage the performance of our employees.
- If there is any profit in the fiscal year, at least 5% will be appropriated as employee compensation to ensure employees growth and share profits with the enterprise.



Salary at different regions

	Taiwan	Malaysia	Mexico	United States
Direct employees	1 / 1.10	1 / 1.00	1 / 1.008	1 / 1.72
Indirect employees	1 / 1.19	1 / 1.40	1 / 1.008	1 / 1.72

Local minimal salary Standard salary for grass-root employees

Note: There is no difference of basic wages between male employees and female employees. It is calculated by standard salary for grass-root personnel/ legal basic salary.

	Taiwan	Malaysia	Mexico	United States
Supervisors with job titles of managers or above	1 / 0.86	1 / 0.61	1 / 0.81	1 / 0.54
Direct employees	1 / 0.95	1 / 0.88	1 / 0.94	1 / 0.96
Indirect employees	1 / 0.95	1 / 1.00	1 / 0.96	1 / 1.16

Male Female

Note: The R&D personnel accounted for the majority of supervisors at the level of managers and indirect employees. Male employees have more industrial experience and seniority than that of female employees; therefore, their salary ratio is higher.

Information of global salary

Global

Senior managers	
Fixed salary	1 / 1.07
Annual salary	1 / 2.50
Managerial roles	
Fixed salary	1 / 0.85
Annual salary	1 / 0.86
Non-managerial roles	
Fixed salary	1 / 0.97
Annual salary	1 / 0.94

Male Female

Employee care

To promote fertility and cultivate young children for the country, we formulated the "Incentives for Employee Birth Giving". Each newborn baby will receive a subsidy of NT$ 60,000. Besides, we encourage male employees to take pregnancy checkup leave and paternity leave to support their partners during pregnancy and childbirth, and seek balance between work and family life. In addition, the “Friendly Charging Station for Expectant Mothers” is available on the employee portal website, offering resources such as the breast feeding room, pregnancy and parenting guides, and health manager consultations so that employees can find a balance between career development and family caregiving responsibilities.

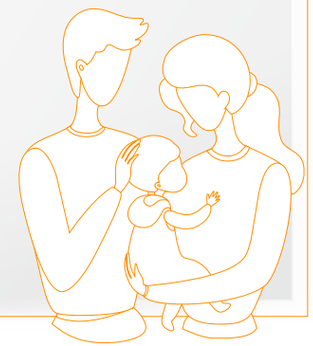
Birth-giving incentive

In 2023, a total of 129 employees applied for such incentive, with an accumulated amount of NT$ 1,751,000 issued.

Note:It includes birth-giving allowance and birth-giving subsidy. The said birth-giving subsidy of NT$60,000 will be issued in 12 installments, which is 12 months

Breastfeeding room

We offer a caring and comfortable breastfeeding environment that contains equipment like water boiler, sterilizer, refrigerator, etc.



Application for unpaid parental leave

In 2023, a total of 35 employees in Taiwan applied for unpaid parental leave. The reinstatement rate of this type of leave was 63.89%, with a retention rate of 88.89% among those who returned to work. The main reason for the non-reinstated employees was the need to continue caring for the family. For the reinstated employees, the Company also arranges reinstatement-related matters in advance, including departmental training, to assist them quickly reconnect to the role and return to the workplace smoothly.

In Mexico, we offer 12-week maternity leave. In 2023, there were 57 female employees applied. In Malaysia, we offer 98-day maternity leave. There were 3 female employees applied in 2023.

Taiwan	Male		Female		Total
	Number of people	Ratio (%)	Number of people	Ratio (%)	
Number of qualified employees in 2023	121	69%	54	31%	175
Number of employees applied in 2023 (A)	10	29%	25	71%	35
Number of employees to be reinstated in 2023 (B)	7	19%	29	81%	36
Number of people actually reinstated in 2023 (C)	4	17%	19	83%	23
Reinstatement rate (C/B)	**57.14%**		**65.52%**		**63.89%**
Number of employees actually reinstated in 2022 (D)	6	33%	12	67%	18
Number of employees reinstated for a consecutive year in 2022 (E)	6	38%	10	63%	16
Retention rate (E/D)	**100%**		**83.33%**		**88.89%**

Note: The number of employees who were qualified for application in 2023 refers to the number of employees applied within 3 years.

Generous and sound welfare system

Wiwynn has developed a welfare system superior to the regulations, including vitality holidays, various subsidies and incentive measures, as well as diversified club activities to booster employee cohesiveness and achieve a life of balance among work, health and soul!

"Work Smart, Play Hard" –Work efficiently, live with enjoyment, and have a fun life.

Various welfare measure in significant operation locations

Subsidy and incentives

Flexible working hours and vitality leave

To enhance job satisfaction and the quality of life for our employees, we offer a flexible working hours system. Employees can adjust their attendance according to the regulations established. In addition, Wiwynn Corporation started to promote blended working from 2023. Employees can work from home one or two days every week to accommodate family care needs. We also provide seven-daypaid vitality leave, which exceeds legal regulations. It is to help employees relax their bodies and minds, reduce work-related stress, and adjust the balance between work and life,, to enhance overall work efficiency.

Reduction of work hours

In consideration of employees' family care and the Company's talents retention, the application of reducing work hours can be submitted by the employee or the supervisor. Relevant salary payment plan should be established according to the actual situations and needs.

We provide free commute shuttle bus for employees and create a happy enterprise.

The subsidiary in Malaysia (WYMY) provides annual leave that is better than the regulations by law. Based on the seniority and job grade, employees are offered additional 2 to 6 days of special leaves.

Lunch subsidy in plants in Tainan, Mexico, and Malaysia. In 2023, the amount of subsidy was over NT$80 million.

Other benefits and allowances

In 2023, various benefits were provided toall employees, including marriage, funeral, hospitalization, travelling, birthday, bonus or and gift boxes on traditional festivals, assignment allowances, and movie tickets. The accumulated allowances were over NT$57 million.

Childcare

- A dedicated zone was established on the intranet offering resources related to pregnancy/ childcare. We assign a health management officer to follow up on the physical and mental situations of the mother-to-be on regular bases. We collaborated with an external day care center to offer discount of day care and after-school cram school for children between 0 and 6 years old.
- We issued incentive to employees of NT$60,000 for each newborn, and Employee Welfare Committee provides childbirth benefits of NT$2,000 for each birth.
- Eight weeks of paid leave for primary caregivers and five days for non-primary caregivers.
- In our plant in Mexico, we offer a childcare area for parents to use the area to take care of children between the work shifts of both parents.

Clubs and group activities

Year-end party, spring party

Family Day

A variety of social club activities

We encourage employees to establish and participate in different types of clubs. Currently, we have 25 clubs in Taiwan, such as Cycling Club, Badminton Club, Mountain-Climbing Club, Softball Club, Coffee Study Club, Film Appreciation Club, and LOHAS Club. Through shared interests, it links the interaction and exchange among colleagues and provide them more fun and entertainment at their free time after work as well as create the sense of felicity in life.

Sports competition

Either the Group or opearting sites host diverse sports competition every year, such as badminton, volleyball, softball, and table tennis. Through the exchange of competition, employees enhance their sports capabilities and skills. Wiwynn employees also obtained excellent performance in many competitions hosted by the Group.

Activities held by the operating sites

Event of “Exercise at Southern Taiwan Science Park”co-hosted with Southern Taiwan Science Park Bureau led Wiwynn employees participated in brisk walking with a thousand people to charge up their energy after work!

Talent contest

Clubs and group activities

Activities held by the operating sites

On Kings' Day in Mexico, we held the traditional activity, Kings' bread, for employees to share a lovely time together.

On Candelarias Day in Mexico, we offered employees traditional cuisine in Mexico for them to enjoy delicious meal and experience traditional culture and holiday atmosphere in Mexico.

Our plant in Mexico held a group wedding for employees and invited a pastor and provided decoration and cakes for employees to share their important moments in life.

Spring Race: A running event featuring delicious food, games, and entertainment to celebrate the start of spring.

On Children's Day, we provided food and lucky-draw prizes to children for all families to participate so that to enhance connection and communication between employees' families and the enterprise.

Activity of toy donation to fulfill secondary toy exchanage and reutilization.

Clubs and group activities

Activities held by the operating sites

On Mother's Day and Father's Day, we held special activities for employees, including dining, gifts, and music performance for them to feel the warmth and care from the Company.

Group insurance and retirement system

Insurance system

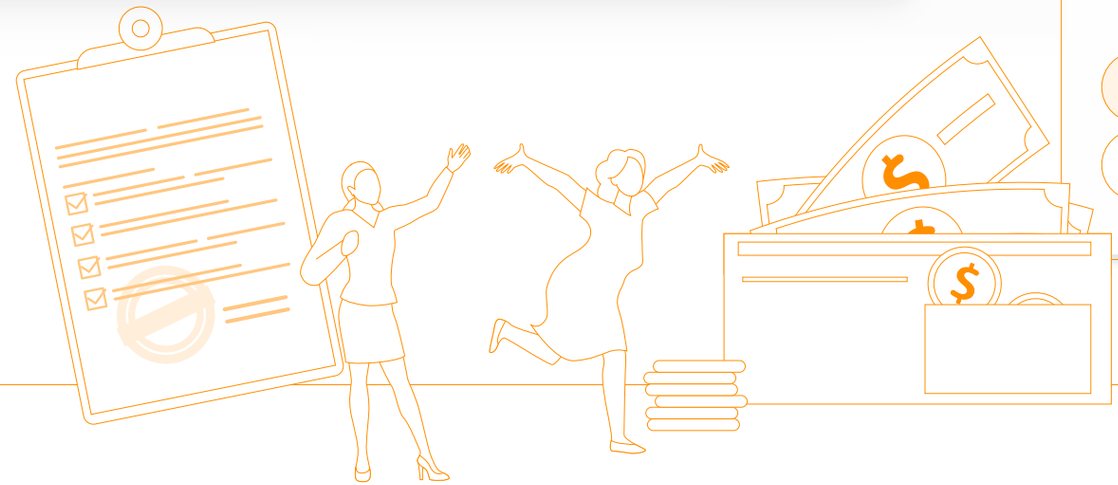
Employees in Taiwan are entitled to social insurance (labor insurance, national health insurance, and new labor pension fund) according to law. We provide additional group insurance coverage for employees(including life insurance, accident insurance, and hospitalization medical care insurance); All expenses are covered by the Company to enhance medical security for our employees. For expatriates, we offer higher group insurance coverage to ensure their peace of mind when working overseas. In addition, the Company extends the scope of group insurance to employee's family by offering better premium, ensuring their families have excellent and comprehensive medical security plans. Overseas employees will receive social insurance benefits according to local regulations.

To enhance life support to employees after retirement, our global sites all follow local legal retirement regulations to appropriate pension funds to employees.

Based on "Labor Standards Act" and "Labor Pension Act", we established Employee Retirement plan for employees in Taiwan. Any employee who meets legal retirement conditions can submit an application for retirement. Pension reserves was appropriated to a dedicated account in the Trust Department of the Bank of Taiwan every month for old pension funds , as per regulation. Additionally, 6% is appropriated monthly to the employee's personal new pension account as new pension funds. The pension in other overseas locations will be established according to the local regulations for appropriation allocation.

Pension plan	Ratio of the appropriated amount to the salary	Dedicated account for appropriation	Employee ratio(%)
New pension fund	Employer: 6% Employee: self-appropriation at 0-6%	Personal custodian pension account	98.9%
Old pension fund	Employer: 2% Employee: 0%	Company custodian pension account	1.1%

Note: Cumulative allocation as of end of 2023 can be referred to the 2023 Wiwynn Financial Reports.



TALENT CULTIVATION

Wiwynn develops human capital under the concept of “knowing people’s talents and assigning them the right work at the right place to ensure talent cultivation and retention”. Employees grow and develop together with the organization to achieve the maximal corporate effectiveness.

Policy

Enhancing human resource quality, strengthening core functions, and increasing work performance.

Commitment

Regardless of gender, race, class, nationality, sexual orientation, age, and marital status, each employee has equal opportunities for studying and development.

Resource

Introduced seven training systems and electronic learning platform.

Grievance Mechanism

The Company provides employee grievance channels on the internal portal website. Employees can use the dedicated hotline or email to submit the grievance to the top manager of the Human Resources Department in the Company.

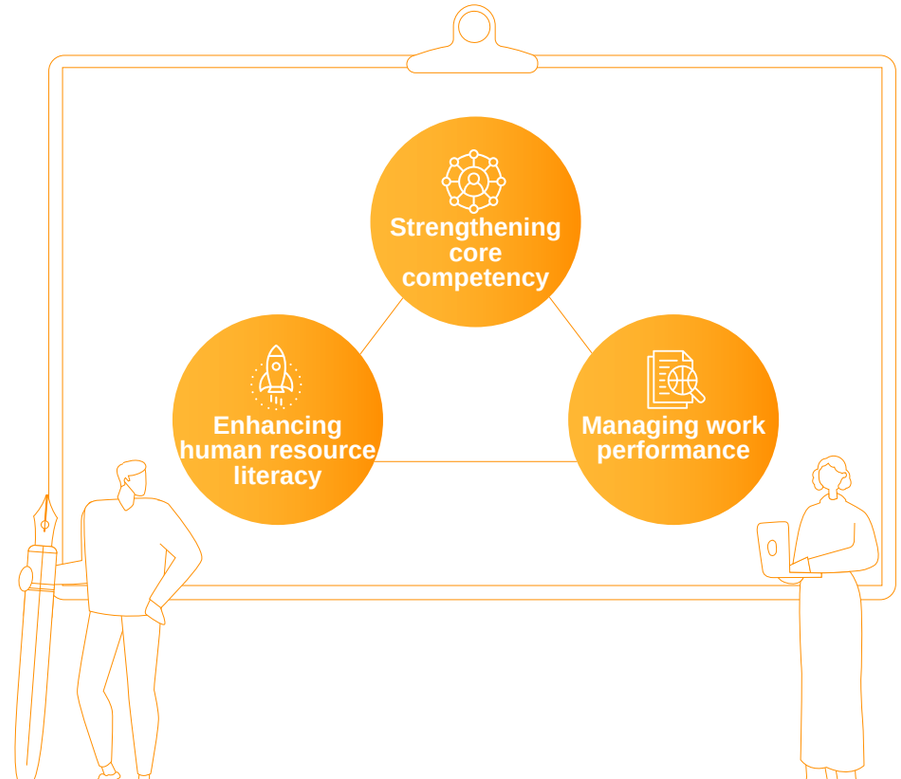
Evaluation Mechanism

Performance appraisal, reward system, and promotion meetings.

Wiwynn’s human capital development strategy is “enhancing human resource quality, strengthening core functions, and increasing work performance”. It links with organizational goals and development, implements comprehensive performance, reserves human capital energy, and strengthens organizational efficiency and operation to achieve corporate sustainable management and development.

Wiwynn employees enjoy learning, sharing, innovation, teamwork, and common good!!

Wiwynn Corporation Human Capital Development Strategy

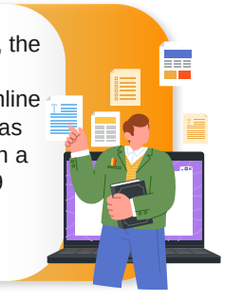


Enhancing human resource literacy

Make good use of digital resources to enrich e-learning platform

Wiwynn Corporation actively engages in talent cultivation and aims to provide employees with training resources through diverse channels to enhance their work efficiency. We leverage digital resources to enrich the e-learning platform. Since the online training system launched in 2020, we made significant efforts to expand our e-learning courses, ensuring continuous learning regardless of time, location, or the epidemic. We integrated global learning resources and introduced the training system to the subsidiary in Mexico in the second half of 2021.

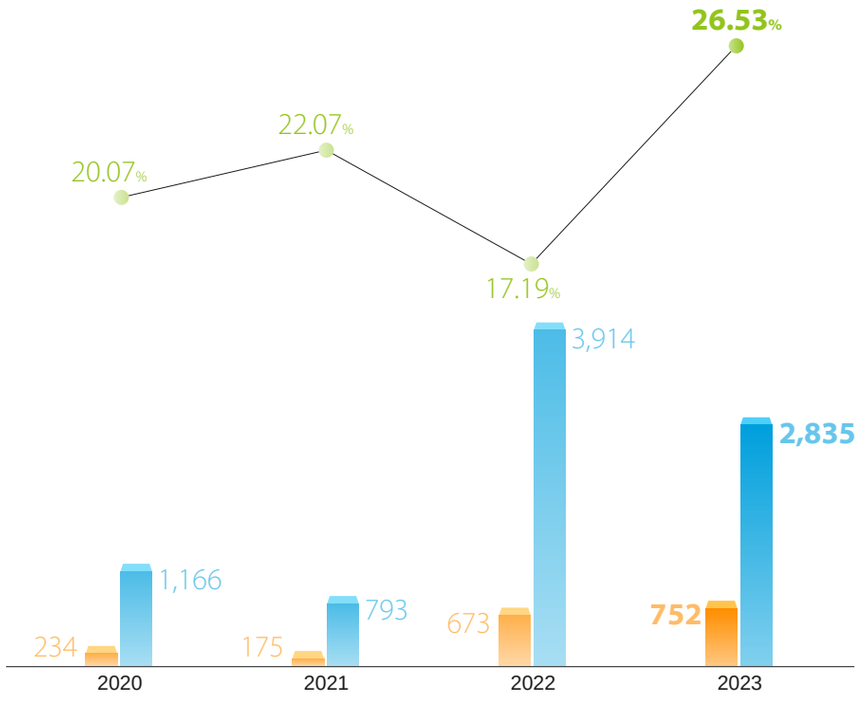
From 2021 to 2023, the number of the total participant of our online learning courses was 17,111 persons with a total of 214,738.59 learning hours.



Job rotation for interdisciplinary development

We encourage and respect employees' efforts to learn job skills and communication skills from various perspectives,while also supporting their personal career development aligned with organization goals. There were 752 global applications for internal transfers in 2023, including 88 employees for cross-department transfers. Wiwynn actively provides on-the-job training to enable employees to leverage their strengths fully. We arrange job rotations based on individual preferences to promote the internal flow of talents.

Status of internal vacancy fill-up



Note: In 2022, the subsidiary in Mexico (WYMX) was included in the data of internal vacancy fill-up while the subsidiary in Malaysia (WYMY) was included in 2023.

Analysis of internal vacancy fill-up

	2022	2023
Category		
Total vacancy fill-up rate	17.19%	26.53%
Gender		
Male	401	522
Female	272	230
Age (years old)		
Less than 30	322	277
30-50	332	427
Above 50	19	48
Position		
Non-managerial role	416	421
Junior managers	177	242
Mid-level managers	62	76
Senior managers	18	13

Cultivating international talents

Wiwynn is dedicated to the development of international talents. To enhance employees' skills and create learning and developing opportunities, we provide abundant resources for English learning. We also set goals for English proficiency tests based on different job descriptions and positions to increase their international literacy and develop them into global elites.

To enhance employees' foreign language competency, 28 sessions of language courses were offered from 2021 to 2023, including Cross-Cultural Communication India, New TOEIC Online Crash Course, and Business English E-mail Writing Skills Development.

A total of 760 employees participated in these trainings, accumulating 8,595.33 training hours.

We launched Wiwynn English Corner on the employee portal to introduce short news articles and analyze practical phrases.

From 2020 to the end of 2022, a total of 257 pieces of information had been posted on Wiwynn English Corner to assist employees in enhancing their English skills.

Two regular English tests are held every year, allowing employees to assess their learning outcomes.

In 2023,443 employees participated in the English test. Of these, 1,285 employees passed the Wiwynn English standard, and the passing rate was 83.57%. This is equivalent to 325 employees scoring 800 or more in TOEIC.

Inheritance of knowledge and experience

To ensure Wiwynn's core values, professional knowledge, experience, and skills preserved, communicated, and developed within the Company, various training courses were conducted. The internal training courses organized by each department were delivered by supervisors or managers to internally pass on valuable knowledge and experience. In 2023, there were 12 internal trainers who conducted a total of 107 training courses.

Strengthening core competency

Seven training systems for core competency training

Wiwynn attaches great importance to diversified training for talents of various functions. Through our seven training systems, we provide trainings in professional competencies and core managerial capabilities in Taiwan. Employees may enhance professional and management capabilities through on-the-job training as well as internal and external resources.

New employee training system

We provide comprehensive new employee training to fully introduce the Company's vision, systems, and regulations. Other than the Company introduction and guided tour of the environment on the enrolment date, new employees are required to complete specific online courses within one month. These courses cover the code of ethical conducts, hazardous material training, corporate sustainability and social responsibility, legal knowledge,occupational safety, and information security. Besides, we also provide counseling mechanism to help new employees quickly blend into the Wiwynn family. By the end of 2023, the completion rate of the new employee training courses was 99.12% [Note].

Note: Some new employees left the company before completing the training or some employees who completed the training on the date of cross-year.

Internal trainer training system

Internal trainers passed on their knowledge and experience to colleagues to encourage their engagement and learning motivation. As of the end of 2023, we have trained several internal trainers, and the courses delivered were related to languages and general education.

Professional training system

Professional Competency Development Training Map is used as the basis for designing training and planning at departments.

Professional training courses were designed and established by each business department for the educational training, such as PCB Design & Routing Guideline, DFMEA Introduction, and ChatGPT Introduction. Some of them were reproduced to online courses and placed on the training platform.

Management system training courses

To fulfill the quality policy and deliver zero-defect and competitive green products and services to customers on time,quality management training courses were introduced.

Management training system

In alignment with the Company's strategic goals and the direction of talent development, we instruct employees and supervisors how on applying competencies in policies of daily management and talent management according to Wiwynn's core competencies. This is achieved through competency-related courses and the senior manager consensus camps, aimed at enhancing management thinking styles, knowledge, and skills.

Language training system

In response to the demand for international talents, we offered multiple English training resources. For example, we held sessions such as Relative Clauses and Cross-Cultural Communication in India to enhance English abilities,covering basic grammar and discussion topics related to diverse culture.

General education training system

To enhance employees' working efficiency and abilities in communication and, the courses we planned for 2023 included strategic presentation skills, mind mapping, key expression techniques starting with the end in mind, and 20 high-efficiency logic thinking skills.

We continue to promote MOT Critical Moment Course, a shared culture highly valued and recognized by the Company. Managers serve as the training instructors to impart the know-how of using the four steps: exploration, proposal, action, and confirmation, to create values for customers, the Company, and to enhance overall business performance. This course is a compulsory general education course for all Wiwynn employees.

Work performance management

Through setting up annual goals (KPI), using agile goal management (OKR), daily management, and performance assessment, Wiwynn conducts its performance management. In addition, we link performance assessment with the compensation system to enhance employees' work performance and support their career development. Moreover, to strengthen managers' goal management capabilities, all managerial officers in Taiwan were requested to attend performance management courses in 2023. The content included goal setting, daily management, performance assessment, and fostering development to ensure effective performance management and achieve maximum organizational effectiveness.

In 2023, all employees underwent performance assessment, achieving a coverage rate of 100%.

Item	Frequency	Content
Setting annual goals (KPI)	Once a year	At the beginning of the year, Wiwynn sets annual operational and strategic goals. These goals are communicated through a top-down approach, cascading from each functional and business division to departments and individuals. Each employee formally sets personal annual KPI saccording to the departmental goals, considering work duty and core competencies, followed by two-way communication with supervisors. This process ensures employees clearly understand the Company's and the department's goals, the objectives of their work, and their role within the organization.
Agile goal management (OKR)	Every month	For the sustainable development of the Company, we adopted OKR management tools in 2023 and asked each team to establish moonshot goals. Through regular check-in meetings, each team members understand the progress and move forwards together. After the completion of the goal schedule, we conduct rating and discussion to urge teams move towards the shared greater ideas together.
Daily management	Irregularly	Managers ensure employees' work progress and status through formal (weekly meetings, monthly meetings, progress reports) and informal (interaction with employees and observation) approaches, . When employees encounter difficulties or challenges at work, they can discuss with managers to ensure alignment with shared goals.
Performance assessment	Every six months	Performance assessment is conducted twice a year, or every six months. The results of the performance assessments are used for various aspects of human resource management, including salary adjustment, bonus allocation, job grade promotions, and training and development. The assessment results are also linked to remuneration and development to enhance both personal and organizational performance. Employees whose results are at the bottom will be placed on a two-month performance improvement plan (PIP) supervised by supervisors with weekly check-ins at a designated time to enhance their work performance. **Indirect personnel** After self-evaluation conducted by employees, managers complete initial assessment according to the goal achievement rate, work duty, core competencies, and interviews with employees. These will then be compared with other employees in the department to finalize the performance assessment. **Direct personnel** Managers in the plant conduct performance assessments based on production goals, and evaluating employees' work quality, efficiency, and attendance.

Training hours and expenses

Wiwynn Corporation emphasizes talent cultivation and provides employees abundant learning opportunities. Meanwhile, in response to overseas business expansion, we actively promote global online learning resources as well as introduce courses on core competencies and professional skills to enhance employees' management literacy and advance their professional abilities,to strengthen personal and organizational effectiveness and competitiveness.

In 2023, the average training hours for indirect personnel were **40.32** hours and the average training hours for global employees were **23.90** hours. The average training expense for each employee was NT$**1,270.13**.

		2020			2021			2022			2023		
		Number of people	Total hours	Average hours per person	Number of people	Total hours	Average hours per person	Number of people	Total hours	Average hours per person	Number of people	Total hours	Average hours per person
Mid-level and senior managers	M	74	2,439.14	32.96	85	3625.27	42.65	189	7,075.64	37.44	209	6,596.98	31.56
	F	23	889.25	38.66	24	1,024.13	42.67	50	2,984.93	59.70	65	2,196.57	33.79
Indirect personnel	M	633	18,374.94	29.03	728	27,230.78	37.40	1,375	63,035.48	45.84	1,282	52,073.23	40.62
	F	321	10,423.70	32.47	409	15,414.53	37.69	769	31,266.70	40.66	762	30,338.06	39.81
Direct personnel	M	362	2,874.92	7.94	373	7,868.24	21.09	2.541	62,115.65	24.45	2,941	52,203.72	17.75
	F	399	3,279.39	8.22	411	7,632.64	18.57	2,083	57,761.57	27.73	2,272	38,802.74	17.08

Note: To align with the table below for the calculation of the border of training expense, only the information of participants and training hours in Taiwan in 2021 were disclosed.

Unit: NT$

	2020		2021		2022		2023	
	Expense	Average expense per person	Expense	Average expense per person	Expense	Average expense per person	Expense	Average expense per person
Male	8,054,424	8,094	2,045,293	1,858	4,464,430	1,140	5,363,772	1,270
Female	4,960,804	6,890	1,286,166	1,568	3,100,786	1,087	3,853,584	1,270

Note 1: From 2022, the subsidiary in Mexico (WYMX) was included. In 2023, the data from the subsidiary in Malaysia (WYMY) was included.

Note 2: Used the exchange rate on December 31 of the year.

Analysis of global training

		Female			Male		
		Number of people	Training hours	Average hours	Number of people	Training hours	Average hours
Taiwan	Taipei Headquarters	430	13,385.88	31.13	670	20,216.53	30.17
	Tainan Branch	1,400	33,228.35	23.73	1,370	42,339.86	30.91
Malaysia		81	5,435.49	67.10	158	9,622.64	60.90
United States& Mexico		1,123	17,091.08	15.22	2,025	32,097.92	15.85
Total		**3,034**	**69,140.80**	**22.79**	**4,223**	**104,276.95**	**24.69**

		Direct employees			Indirect employees		
		Number of people	Training hours	Average hours	Number of people	Training hours	Average hours
Taiwan	Taipei Headquarters	4	84.13	21.03	1,096	33,518.28	30.58
	Tainan Branch	2,333	44,923.61	19.26	437	30,644.60	70.12
Malaysia		141	10,506.72	74.52	98	4,551.41	46.44
United States& Mexico		2,735	35,492.00	12.98	413	13,697.00	33.16
Total		**5,213**	**91,006.46**	**17.46**	**2,044**	**82,411.29**	**40.32**

Unit: NT$

		Female			Male		
		Number of people	Training expense	Average cost	Number of people	Training expense	Average cost
Taiwan	Taipei Headquarters	430	1,494,844	3,476	670	2,329,175	3,476
	Tainan Branch	1,400	1,432,248	1,023	1,370	1,401,557	1,023
Malaysia		81	325,964	4,024	158	635,832	4,024
United States& Mexico		1,123	569,967	508	2,025	1,027,769	508
Total		**3,034**	**3,823,024**	**1,260**	**4,223**	**5,394,332**	**1,277**

		Mid-level and senior			Non-managerial role		
		Number of people	Training hours	Average hours	Number of people	Training hours	Average hours
Taiwan	Taipei Headquarters	182	6,023.39	33.10	918	27,579.02	30.04
	Tainan Branch	23	1,423.24	61.88	2,747	74,144.97	26.99
Malaysia		13	201.42	15.49	226	14,856.71	65.74
United States& Mexico		56	1,145.50	20.46	3,092	48,043.50	15.54
Total		**274**	**8,793.55**	**130.92**	**6,983**	**164,624.20**	**23.57**

Note: Used the exchange rate on December 31 of the year.

Return on investment of human capital

	2020	2021	2022	2023
Revenue (A)	186,927,647	192,625,942	292,876,040	241,900,989
Operating expense (B)	4,059,275	4,234,105	6,144,997	6,786,731
Personnel expense (C)	2,260,237	2,999,238	4,963,478	5,850,509
Human capital ROI (A-(B-C)/ C	80.91	62.81	57.77	41.19

Shared topic: Creating team-spirit together and exercising the impact of the management team

As technology and market dynamic evolve, enterprises require increasingly flexible and creative teams to tackle diverse challenges and competitions. At the same time, amid the growing trend of global and cross-cultural exchanges, effective teamwork fosters communication and understanding across regions and among employees with diverse cultural backgrounds,facilitating breakthroughs in organizational barriers and limitations.. Therefore, fostering team-spirit remains a core value implemented by Wiwynn.

To ensure teams can consistently demonstrate team-spirit and maintain competitive advantages in the fast-changing industrial environment,and to mitigate team alienation exacerbated by the pandemic,in 2023 Wiwynn's plant in Mexico specifically designed a Team Building course for its management team. The training accumulated 280 hours, with 80 managers participated.

The content covered both theoretical knowledge and practical applications, including 5 stages of team development by Bruce Tuckman, the key 5Cs for promoting teamwork by Tom Peters, and the activity of "human knot". This helped the trainees understand how to form effective teams and the importance of teamwork. Moreover, as managers within the Company, they should set themselves an example and help supervisors deeply understand the core value of teamwork,integrating this content into daily management and tasks to enhance teamwork efficiency.

Training performance in 2023

Kirkpatrick Model was used to examine and present training results

Item	Description	Object/ number of trainees	Result
Competency experience camp	After establishing Wiwynn's core competency in 2022, we guide employees to understand it through experiential learning and instructor guidance. This helps them effectively implement it in their daily work and team interactions. Besides, it helps them understanding the value and benefits of competency development for individuals, teams, and the organization,and also facilitates the establishment of a shared language within Wiwynn.	96 people in total were trained.	It received a satisfaction score of 4.6 out of 5.0points in the post-course satisfaction survey with open-ended questions, we received abundant feedback from participants. Many expressed the course helped them to better understand the importance of core competency. They actively integrated their course experience into their work and appreciated how core competencies contributed to the success of their work and team projects.
Information Classification Management Practice QA x Trade Secrets Act ABC	We use real-life cases to illustrate the importance of information classification management, helping employees become more familiar with its concepts and practical applications. This approach emphasizes the importance of protecting the Company's information and assets, thereby enhancing awareness of business secret.	1,059 people in total were trained.	The average score on the pre-test before the course started with 63.25 points. A post-course test to evaluate the training effect achieved a score of 102 points, which is the full score. Through these tests, we ensure employees are equipped with the practical knowledge of information classification management and a basic concept of business secrets.
Power BI desktop	Given the continuous changes in the industrial environment, the Human Resource Department must effectively organize and interpret vast amount of data to identify opportunities and risks in human resource management within the organization,and to formulate appropriate human resource management strategies. Therefore, the course of Power BI Desktop is specifically designed for the Human Resource Department. Through this course, trainees will learn how to efficiently organize large data sets and utilize the visualization tools of Power BI to generate dynamic and insightful reports,in order to enhance data analysis capabilities and communication effectiveness.	29 people in total were trained.	• Course satisfaction achieved 4.6 out of 5.0 points. • Installed HR Dashboard: Applying what we learned in the course, we collected relevant data of global human resource to Establish an HR Dashboard. This dashboard provides managers with crucial information to ensure timely and effective control of personnel situations within the organization. As a result, the internal vacancy fill-up rate increased from 17.19% in 2022 to 26.53% in 2023. • Enhancement of data analysis ability: Through learning Power BI Desktop, our competency in data analysis has been enhanced, This includes skills in data model design, information visualization, and data selection, enabling us to find out potential trends and models flexible and thorough data exploration. • Enhancement of communication and expression effects: Power BI provides rich visualized functions. Through the adoption of clear and interactive data dashboards, it enhances the effectiveness of data interpretation and presentation.
Senior team consensus camp	The senior team consensus camp aims to encourage full communication within the organization, establish relationships of mutual trust, and enhance team collaboration and leadership. It also aims to gather and strengthen consensus on organizational strategies,foster innovative thinking,and establish shared long-term goals. The systematic training and practice of the camp not only establishes trust among managers and communities,effectively solving problems and stimulating teamwork spirit, but also enhances leadership awareness and management skills. This in turn increases team effectiveness and overall performance of the organization.	27 managers in Taiwan Operation HQ.	In 2023, the employee turnover rate in Taiwan Headquarters reduced from 20.37% in 2022 to 8.32%., showing team cohesion and collaboration.
Model training	The course aims to instruct on using deep learning training models for computers to automatically "learn" and acquire data identification abilities. After completing the course, trainees apply these skills to identify the moiré patterns in pictures to distinguish real photos from possible remade ones. They also use these skills to classify and predict characteristics appearing in the picture, enhancing operational accuracy and efficiency while reducing the time and labor required for manual review.	The internship project in the Information and Technology Department; there were 12 mentors and interns in total.	Automatic identification of the moiré pattern in photos through the model was applied in the operation of asset inventory. This reduced manual review time by 60%, and saved approximately 720 hours of work for financial personnel.

HUMAN RIGHTS MANAGEMENT

Based on people orientated approach, Wiwynn promotes respect, equality, and inclusiveness to build a friendly workplace and environment.

Policy

Formulating human rights policy, promoting employee relationship management, and fulfilling labor rights protection.

Commitment

Ensuring labors' human rights, respecting labor rights, adhering to the "Wiwynn RBA Code of Conducts Commitment" are central to our commitment to social responsibility. We also support and encourage the affiliated first-tier suppliers to uphold these same guidelines.

Resource

Establishing "Wiwynn RBA Management Committee", providing trainings, offering a diverse communication platforms and channels, implementing EAP employee assistance solution.

Grievance Mechanism

- Dedicated hotline and email address are available on the internal portal of the Company.
- Stakeholders can make grievances through the phone and email address provided on the "Stakeholder Engagement" page on Wiwynn's official website.

Evaluation Mechanism

Human Rights Due Diligence, RBA Self-Assessment Questionnaire (SAQ), External Validated Assessment Program (VAP), Employee Relation Promotional Committee.

Wiwynn complies with labor and human rights regulations specified in the "Labor Standards Act", "RBA Responsible Business Alliance Code of Conducts",and the International Bill of Human Rights,and has formulated numerous management procedures and regulations accordingly. We are committed to guaranteeing labor human rights. If the employment relation must be terminated due to significant operational changes, we ensure advance notice in accordance to law to protect labor rights and interests. We continue to extend our influence on suppliers,urging them to comply with the same RBA Code of Conduct. We also adhere to the RBA recruitment policy of "no-fee", covering all expenses related to recruitment to protect the interests and rights of foreign labors. From 2020 to 2023, there were no work stoppage due by strike or labor-management disputes.

Human rights policy

Wiwynn has established a human rights policy aligned with international standards, including the United Nations Guiding Principles on Business and Human Rights, International Labor Office's Tripartite Declaration of Principles and Declaration on Fundamental Principles and Rights at Work, OECD Guidelines for Multinational Enterprises, Universal Declaration of Human Rights published by the United Nations, United Nations "Global Compact", and Responsible Business Alliance Code of Conduct. The policy applies to all Wiwynn stakeholders, including employees, customers, suppliers, partners, and joint ventures, to clearly demonstrateWiwynn's commitment to human rights.

Wiwynn Corporation promotes Responsible Business Alliance (RBA) audit verification across all global sites sequentially to ensure consistent framework and standards for managing topics related to human rights. The status of RBA VAP verification and SAQ implementation in our global plants is as below. Relevant information is disclosed transparently in RBA-online platform.

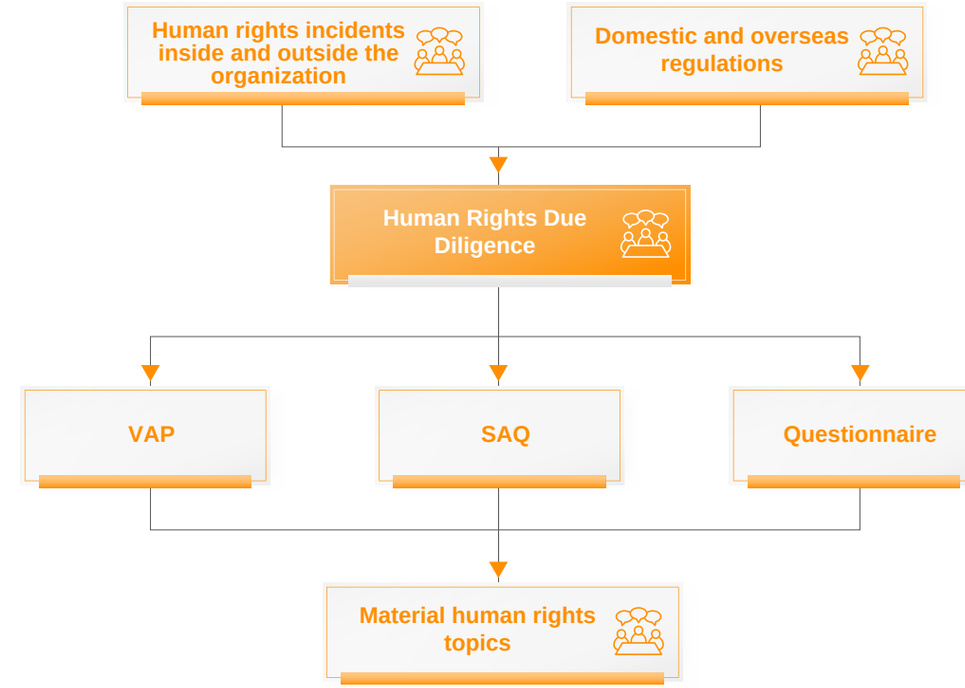
	Taiwan		Malaysia	United States& Mexico
	Taipei Headquarters	Tainan Branch	WYMY	WYMX
VAP	-	Passed	Passed	VAP verification to be completed in 2024
SAQ	99.3	93	93.8	89.2

Note 1: ≥ 85 is viewed as low risks.

Note 2: The subsidiary in Mexico, Wiwynn Mexico, S.A. de C.V. (WYMX); the subsidiary in Malaysia, Wiwynn Technology Service Malaysia SDN. BHD (WYMY).

Process of human rights risk analysis

Wiwynn Corporation identifies human rights incidents both within and outside the organization,and monitors changes in relevant domestic and international laws to establish a checklist. Each operating site conducts human rights due diligence through RBA SAQ and VAP audit procedures, along with questionnaire surveys, to identify critical human rights issues. Improvement policies and measures are then developed based on the level of severity of each issue and its impact on different operating sites. These policies aim to manage risks, provide remedies when necessary, and track the improvement effectiveness over time.



According to the results of human rights risk survey conducted at each operating site, four items were listed as risks:“working hours”, “living wage”, “religion and belief”, and “improper language”. Following risk evaluation, appropriate measures for mitigating and remedying these risks were formulated.

Description	Operating site	Objects impacted	Risk evaluation	Corresponding material human rights topics
Working hours **Satisfaction of working hours**	Taiwan/ Tainan Branch	・Foreign labors ・Direct employees ・Male employees ・Female employees	・Working hours exceeding the standards of local regulations will be exposed to the risk of penalty and damage the Company’s reputation as well as affect the achievement rate of recruitment. ・Employee turnover rate will affect the Company’s operation. ・It affects employees’ physical and mental health and reduces productivity.	・No forced labor. ・Physical and mental health as well as balance between work and life
Living wage **Living wage barely covers living costs.**	Taiwan/ Tainan Branch (including Luzhu Plant)	・Foreign labors ・Direct employees ・Male employees ・Female employees	・Failure in recognizing the wage and welfare system affected the management in each department and the effect of motivation, and further increases employees’ turnover rate.	・Fair and reasonable remuneration and working conditions.
Improper language **Improper expression of opinions leaves bad impression to others**	Taiwan/ Tainan Branch (including Luzhu Plant)	・Male employees ・Female employees	・Mistreatment at the workplace by supervisors or colleagues through ranking or advantageous position and caused mental or physical pain.	・Prevention of unlawful workplace conducts.
Religion and belief **Lack of policies and relevant mechanism**	Overseas areas/ the subsidiary in Malaysia (WYMY)	・Male employees ・Female employees	・The lack of clear policies and relevant mechanism on employees' religion and belief makes employees feel not being understood or accepted. It might even trigger conflicts and lead to an unharmonious working environment.	・Freedom of religion ・Physical and mental health, and balance between work and life

Risk mitigation and remedy measures

Description	Risk mitigation	Remedy measures
No forced labor It is forbidden to impose illegal or inhumane disciplinary measures and forced labor practices.	• Promulgation of “Management Procedure for Anti-Discipline, Forced Labor and Prison Labor” • Established a human rights policy and reinforced its promotion. • Specified clear procedures for handling violations, consultation persons, and whistleblowingin the “Code of Conduct”. • Stipulated in the work regulations that overtime requires prior employee consent, and followed by provision of overtime pay or compensatory time off.	• Established a working-hour monitoring system to generate weekly reports and automatically alert departments with high risks. HR takes initiative to coordinate investigations and develop relevant improvement measures.
Physical and mental health & balance between work and life Assisting employees to maintain physical and mental health and work-life balance.	• Hosted diverse events (e.g. Team Day, Family Day) and club activities. • Introducing the Employee Assistance Program (EAP), providing 24-hour employee assistance where all consultations are protected under the privacy policy (Employee Assistance Hotline 0800-025-008 and service@ffceap.com.tw). In 2023, 64 individuals used the counselling and assistance system to seek advice and support on topics including career and work, emotional adjustment, family and marriage, relationships, legal matters, and taxes.	• Hosted prevention of overwork related illness and health promotion events, r one-on-one consultation conducted by certified psychologist. 6 individuals participated the events. • Arranged for a doctor to provide on-site medical advice, including personal health consultation aimed at improving working conditions and promoting both physical and mental health among employees.. The service covers health management, consultation on abnormalities in the health examination report, post-injury care,return-to-work supervision, evaluation of preventive healthcare, diagnosis and prevention of chronic diseases, and physical and mental health issues consultation. In 2023, a total of 712 individuals sought consultation.
Fair and reasonable remuneration and work conditions Providing a fair and equitable remuneration system; no discriminatory practices based on employee's conditions during the recruitment and employment processes, including training, salary determination, promotion, dismissal, or retirement.	• Established “Management Procedures for Anti-Discrimination” for recruitment and employment procedures according to legal regulations. • The same salary system is applied onto male and female employees without any gender differences. • Based on competency, opportunities of equal learning development are provided to all employees. • Implementing performance assessment and two-way communication to ensure such evaluation is clear and fair. • Established grievance channels for supervision and management.	• Raise the basic monthly wage based on government regulations. • Adjusting wage every year according to actual operations; in 2023, the global wage increased by 18.42% compared to that in 2022.
Prevention of unlawful workplace conducts Preventing employees from unlawful workplace conducts	• Activated prevention plans for unlawful conducts during duties involving collecting cases through survey at each department and reported to human resources. • Once any abnormalities were identified, the unlawful conducts prevention measures will be activated. This includes involving human resources unit and occupational health and safety personnel to assess the employee’s work situation,confirm the details of the unlawful conducts, and oversee the victim’s mental health. Recommendations may include health guidance, work adjustments, replacement options, or other evaluations to safeguard physical and mental well-being. Through careful planning and implementation, our aim is to mitigate incidents of unlawful conduct.	• For all employees (including foreign labors) and dispatched workers at the Tainan Branch, we hosted “Respectful Workplace Learning Corner” to deepen the employees' awareness of a supportive workplace environment. The training consisted of two sessions, with a total of 4,530 participants trained.
Freedom of religion Respecting employees’ religions and beliefs is essential to establishing a working environment that is inclusive and respectful of diverse cultures.	• Established “Management Procedures for Freedom of Association and Religious Demands”.	• Other than establishing relevant management procedures, we set up a prayer room to provide employees time and space for religious practices.

Supply Chain Human Rights Management

In 2023, we also required all suppliers,including those providing materials, administrative services, employment agencies, daily procurement, and logistics and transportation, to complete a self-assessment questionnaire (SAQ)covering five dimensions: hazardous substances, human rights, safety and health, environment, and ethics and management system. based on their response and risk evaluations, we identified suppliers with higher risks, including two administrative services suppliers, one employment agency, four daily procurement, and one logistics and transportation supplier[Note]. Eight suppliers underwent onsite audits, with six of them required to submit improvement reports. The identified deficiencies mainly pertained to ethics, safety and health, and human rights. Details regarding the risks and improvement measures related to human rights are shown in the table below. As of the first quarter of 2024, all the improvements have been completed.

Note: Please refer to the chapter of sustainable supply chain in the Report for the information related to material suppliers.

For a workplaces employing 30 people or more, it is mandatory to establish and publicly announce “Methods of Prevention, Complaint, and Punishment of Sexual Harassment”.	
Improvement measures/ state of implementation	**Relevant policies have been formulated,promoted, and communicated to employees through meetings, internal documents, announcements, and emails.**
No labor-management meeting was held, nor any declarations conducted.	
Improvement measures/ state of implementation	**Improvements have been made according to the identified deficiencies, and a labor-management meeting was held. In the future, such meetings will be held regularly in accordance with regulations.**
Employment contract and Appointment Affidavit did not meet the regulations of the Labor Standards Act.	
Improvement measures/ state of implementation	**Employment Contract and Appointment Affidavit have been updated.**

Topic sharing : Wiwynn Women in Tech
Intellectual Diversity X Growth Stories X Self-Realization

On March 8, 2024, Wiwynn established Wiwynn Women in Tech, an exchange platform dedicated to women within Wiwynn. Promoted by the committee,it provides internal communities, seminars, workshops, and networking conferences where female employees may share their experiences, support each other, learn and build professional networks. This platform aims to help female colleagues achieving personal and professional development, leverage their talents, and excel within Wiwynn.

Topic sharing : Respectful Workplace Learning Corner

To continuously foster a respectful, equal, and friendly workplace, Wiwynn launched the “Respectful Workplace Learning Corner”program at its Tainan Branch in the second half of 2023. This initiative provides employees with learning courses aimed to enhancing awareness of sexual harassment, gender equality, and creating a respectful workplace. Through these courses, employees are ensured to understand the Company’s policies and regulations.

In 2023, the program was delivered in two sessions. 4,530 employees participated in the courses to create a workplace that is more welcoming, mutual-respect, and caring.

DEI Topic sharing: Diversity, Equity, Inclusion (DEI)

Along with Wiwynn's expansion in operations, the composition of the employees is becoming increasingly diverse. To encourage understanding and respect among employees from different nationalities and cultural backgrounds, Wiwynn has implemented many policies and activities to actively promote cross-cultural exchange and creating an inclusive and diverse working environment.

Encouraging employees to participate in cross-cultural exchange activities.

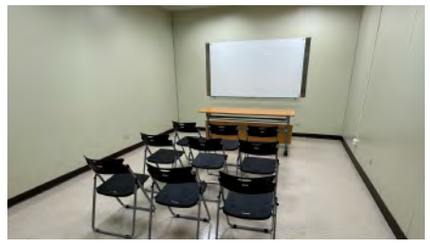
We hosted experiential activities, like writing spring couplets for Lunar New Year and making fragrant sachets for the Dragon Boat Festival to introduce the origin and customs of traditional festivals to our foreign colleagues. Through these activities, creativities and ideas from diverse cultural backgrounds were presented and shared, allowing our foreign colleagues to gain insights into traditional Chinese culture.

The Altar contest is a traditional activity in Mexico,typically held during the Day of the Dead festival. On this holiday, the Company designated a special venue for colleagues to decorate an "Altar of the Dead"in honor of the deceased relatives and friends,showing their respect and love for them. This activity also demonstrates the rich culture and traditions of Mexico.

In our plant in Malaysia, we organized an activity to celebrate the "Dashain Festival", one of the most important traditional holidays in Nepal. As part of this celebration,we also provided delicious food to emphasis the diverse cultures in Wiwynn.

Respecting different cultures and beliefs

Wiwynn respects different cultures and religions, and specifically established prayer rooms for our employees to follow the practices of their religions, and to collect their minds. It also shows Wiwynn's respect and concern towards our employees.



Note: Taiwan Southern Science Park Dormitory Prayer Room

In addition, we hold an information delivery meeting for foreign employees every quarter in Taiwan to explain the Company policies, accommodation regulations, and facilitate cultural exchanges. During these meetings, we also gather feedback from employees to inform policy adjustments and improvement. Wiwynn is dedicated to creating an open and inclusive workplace so that employees can share their cultures, fostering mutual understanding and cooperation among other employees.

Training and advocacy

To help employees understand their own rights and interests, as well as the Company's policies and practices on topics related to labor, human rights, health and safety, environment, and ethics, training courses have been introduced, including several RBA-related courses since 2020. All employees have completed these trainings, and these have now been made mandatory for new recruits as well. The implementation of global l trainings related to human rights in 2023 are as follows:

	Number of participants	Hours
RBA-related courses	5,187	3,398.56
Respect in the workplace	4,299	3,959.25

Diverse communications channels

Wiwynn attaches great importance to the opinions and rights of employees, establishing diversified communication platforms and channels, fostering consensus among employees and promotes harmonious relations between employees and the Company.

Communication channel	Frequency
Weekly meeting of management team	Every week
One-on-One Meeting (Senior supervisors and heads of departments)	Every month
Kick-off /Mid Year Meeting	Twice every year
Employees Relations Promotion Committee	At least 3-4 times every year
Employee Welfare Committee	At least 3-4 times every year/ every three months
New Employee Forum	At least 3-4 times every year
Announcement via electronic messages (internal portal EIP/ "Newsroom" on the official website	Irregularly
Educational training	Irregularly

Employees can obtain the information of contact person, telephone number, and email address of all channels through internal portal and TV wall.

Integrity policy hotline
Violations against ethical conducts and integrity policies

Ethic@wiwynn.com	8301-7522 8301-7858

Employee grievance hotline
Material management deficiencies, discriminations, forced labor, and hazards on occupational safety.

employee@wiwynn.com wytn_empr@wiwynn.com wymx_employees_feedback@Wiwynn.com	8301-7522 8311-3829 8311-3820 146-4400 Ext. 4467/4680

Health management hotline
Health-related

8301-7205	8311-3829

Sexual harassment prevention hotline
Sexual harassment issues

8301-7522	8301-7858

Employee Assistance Program hotline (EAP)
It is a 24-hours employee assistance program entrusted to a third-party institution to provide the services. All consultations are protected by privacy rights and confidentiality policies to offer employees assistance related to work,physical, or mental health issues.

service@ffceap.com.tw	0800-025-008

Handling principles

In 2023, there were 86 cases of employee opinions and complaints. Among them, five were related to workplace discrimination and fairness , and one case involved workplace bullying. After gathering information from the complainants, clarifying issues, and seeking peaceful and reasonable solutions, all cases were closed effectively. In addition, there were five cases of sexual harassment in the workplace. These were investigated and resolved within two months of submission. Measures were implemented to prevent recurrence. For severe cases, , dismissal was administered to ensure all employees a safe workplace.

Isolation

Depending on the evaluation of the case, measures such as isolating the complainant from the respondent maybe implemented to avoid secondary victimization.

Punishment

Once a case is confirmed, punishment will be administered based on severity and in accordance with the company regulations. In critical cases, dismissal may be necessary.

Follow-up

If the case requires supervision or medical care, the Company will provide necessary assistance and support to facilitate a smooth return to the workplace.

Counselling

Follow-up on cases will ensure the effectiveness of punishment, supervision, and prevention measures to prevent retaliation. Discussions based on case outcomes will inform adjustments to the work environment and systems as needed.

Global engagement survey

With a focus on employees and their feedback, Wiwynn gathers insights through various approaches to continually increase employee satisfaction and engagement continuously. In 2023, we conducted an employee engagement survey across four dimensions and 12 categories. A total of 2,038 employees participated, achieving an overall response rate of 81%. The result indicated that we scored higher than the high-tech industry norm in three areas: purposeand vision, inclusion and diversity, and teamwork. Currently, we are conducting an in-depth analysis of the results to set up OKR and monthly improvement solutions. Our goal is to align with the benchmarks set by Willis Towers Watson for high-performance enterprises and to consistently match high-tech industry standards in the dimensions of “diversity and inclusion” and “sustainable engagement” by 2025. We are devoted to becoming an enterprise that is recognized by employees and provides them a sense of belonging.

	2022	2023
Content of investigation	**Eight dimensions** were assessed: • Employee rights and interests • Company policy and systems • Employee care/ assistance • Learning and development • Workplace satisfaction • Work content • Salary and working hours • Workplace atmosphere/ happiness index	**Four dimensions and 12 categories:** Purpose: Understanding goals; Inclusion and diversity; Vision inspiration Work: Organizational efficiency; Participation and engagement; Agile transformation Reward: Reasonable remuneration; Capability enhancement; Potential realization People: Supervisor support; Teamwork; Trust & leadership
Scale of the questionnaire	**Taipei Headquarters**: Highly satisfied, satisfied, Neutral, dissatisfied, highly dissatisfied **Other operating sites**: Positive, general, negative, no response	Agree, close to agree, no opinion, disagree, strongly disagree
Object	**Taipei Headquarters**: New employees **Other operating sites**: Randomly check on at least 20% of the employees	Global IDL
Number of employees investigated	**1,925 people**	2,038 people (responded by 1,648 people; response rate: 81%)
Employee coverage	**28%**	28%

HEALTH AND SAFETY

Constructing a safe and healthy workplace and implementing comprehensive health management, including the launch of employee personal health promotion and occupational disease prevention. Through rigorous management, we reduce health risks at the workplace and protect employees' physical and mental health.

6.4.1 Employee care

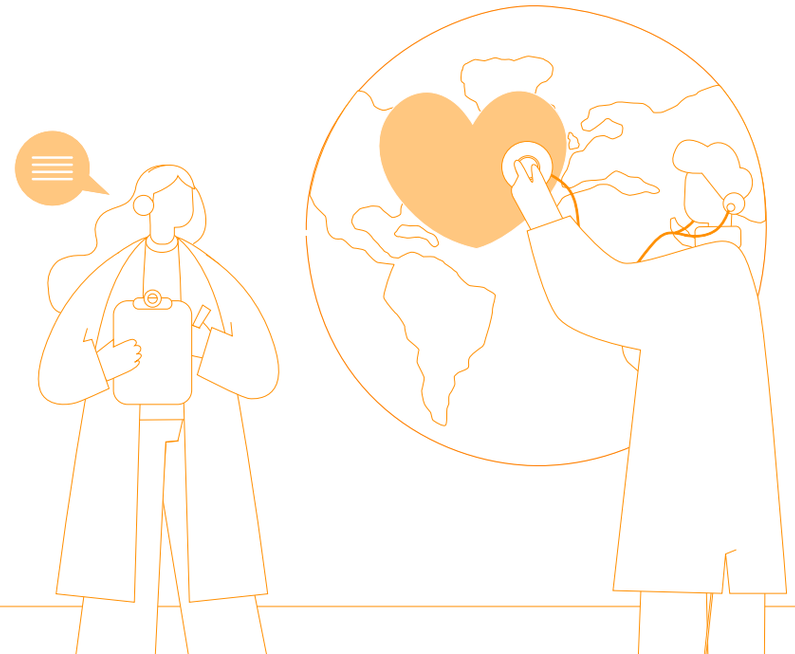
Wiwynn Corporation provides health examination in the frequency higher than legal regulations in Taiwan. Except general health examination, we offer special health examination at our main operating sites all over the world, such as working environment involving noise operation or exposure in ionizing radiation operation. There were 1,294 employees received special health examination. Through health examination, Wiwynn implements the 4 major programs of labor protection at the same time to avoid occupational incident and protecting employees' safety and health.

	Object	Number of people	Ratio to the whole region or to high-hazard work group
General health examination	Employees in Taiwan	2,786	100%
Special health examination	Employees in our global operating sites who work in the condition of exposure to noise, ionizing radiation or chemicals.	1,294	100%

Note: Those who meet the qualification of receiving examination by labor insurance.

4 major labor health protection programs

We execute the 4 major programs of labor health protection along with the general health examination. The state of implementation is as follows:



Prevention Programs for Musculoskeletal Diseases Induced by Repetitive Operations

- Implemented the questionnaire survey of the four major labor health protection programs to screen out high-risk cases based on the survey results of the musculoskeletal pain scale (pain index ≧3 points).

Effect achieved in 2023: 100%

In the combination with the professional resources from doctors, occupational nurses, occupational therapists, and OSH personnel, we carried out on-site operation observation according to manual material handling checklist (KIM Form) followed by personnel care interviews and provision of health education guidance to prevent occupational diseases.

According to the results of the musculoskeletal pain scale, 101 employees were suggested to be put in the list of follow-up. Our health management officer provided health education and care as well as arrange 41 employees with higher risks to receive health instruction from a specialist in occupational medicine and to prevent occupational diseases. The completion rate of high-risk group face-to-face consultation, health education, and confirmation was 100%.

- Hosted human factor classes in person and invited a physiotherapist to lecture course related to “The hidden hazard in the office. Potential hazard of soreness caused by bad posture”.

Effect achieved in 2023: 4.2 stars

Course satisfaction survey achieved 4.2 stars (full mark: 5 stars).

Prevention Programs for Diseases Induced by Abnormal Workload

- Fatigue scale survey was used along with the results of employee annual health examination to find out the risk of cardiovascular disease within ten years. According to the risk level and the interview recommendation table, cases of medium risk were located.

Effect achieved in 2023: 113 people

There were 113 employees identified as cases of medium and high risks. Heath Management Officer offered them health education sheet, held health promotion activities, and arrange doctor interview as well as followed up the cases and provided care.

Effect achieved in 2023: Information of health education

- Stress-relieving health education sheet, “10 practices for healing and relieving stress”, offered risk groups the information of health education.
- Healthcare education sheet, “health management for people with abnormal blood pressure” offered risk groups information of health education. We encouraged employees to join Health 365 Healthcare Platform to measure their blood pressure at home and record it. In addition, they were encouraged to participate in on-site doctor consultation service for medical instruction and clinic referral according to the situation.

Effect achieved in 2023: Activities of health promotion

We hosted an activity of health promotion for preventing diseases caused by abnormal workload for a psychologist to provide one-on-one consultation. There were 6 people participated in the activity.

Effect achieved in 2023: Doctor consultation

Employees obtained health education instruction and suggestions through consultation with the doctor. The employees were continuously followed to care their progress. There were 29 people participated in the activity.

Operation Program for Prevention of Unlawful Infringements During Performance of Duties

- Collecting cases through questionnaire surveys done at each department and human resources notifications. If there is any abnormality, we will immediately launch unlawful infringement prevention work plans and work with human resources units and the occupational care unit to understand the employee's work status and confirm the details of unlawful infringements. We provide victims mental health consultation, put forward relevant health guidance, work adjustments or replacements and other physical and mental health evaluation and recommendations. Through appropriate configuration and planning, we expect to reduce unlawful infringements.

Effect achieved in 2023: 100%

- The records, investigation, and inspection at check points in the physical environment of the operating sites that were implemented prevention of unlawful infringements at the workplace showed good evaluation results. There was no improvement measure required.
- We conducted hazard identification and risk evaluation for hazard assessment and prevention of unlawful infringement at the workplace in 28 departments in total. All the potential risks were given hazard control and provided control measures to reduce the occurrence of unlawful infringement.
- 4,530 people from the Tainan facility participated two sessions of "Friendly Workplace Academy", which targeted every full-time and contract employee of all nationalities.

Maternity Health Management

- The maternity health protection project was initiated after receipt of notification to check the risk level in terms of the working environment and work content, care for the health condition, provide health education instruction, and arrange consultation and interview with the doctor.

Effect achieved in 2023: 53 people

- There were 53 employees in total listed as the object of maternity health protection. They were provided preventive health instruction, including maternity health hazard evaluation, environmental control, and hazards by the doctor. 7 of them were suggested by the doctor to adjust working slot or workplace. We achieved 100% consultation rate and improvement rate.
- In 2023, we added a new maternity health protective measure, “pink ID badge”, for pregnant employees. We strengthen the identification of pregnancy badge to create a friendly workplace. Besides, we set up priority parking spaces for motorcycles/ cars for those who are in need or with health concern in the plant.

Propaganda and activities for health promotion

The Company established "Healthcare" zone on the portal website for health promotion. In 2023, we held 33 sessions of health promotion, including information of health education related to enterovirus, viral gastroenteritis, chronic cough and long covid, stress relieving, and preventive healthcare as well as hosted various activities for health promotion.

Name of the activity	Number of people participated	Activity effect
Women's Day- candlestick decoration DIY relieved stress and lighted up the beauty of women!	50	• Achieved course satisfaction in **4.96 stars** (Full mark: 5 stars)
A thousand steps of healthy walk, 6669 every day	706	• Total number of steps accumulated was **267,227,756 steps.** • It consumed around **10,689,108 kcal** in accumulation • Carbon emissions was **reduced 37,946 kg equivalent of carbon dioxide.** Note: The base of calculation is from Health Promotion Administration. For a distance of 6 km (around 10,000 steps), it reduces 1.42 kg carbon emissions per single journey.
Men & Women's Health Workshop, All about Breast Health Men & Women's Health Workshop	30	Achieved course satisfaction in **4.4 stars** (Full mark: 5 stars)
Stress resistance in the workshop: effective communication to find out self-protection boundary	50	Achieved course satisfaction in **4.61 stars** (Full mark: 5 stars)
Dragon Boat Festival- rattan-hoop fragrant sachets hanging ornament DIY	50	Achieved course satisfaction in **4.5 stars** (Full mark: 5 stars)
Healing and soothing Zentangle to practice talking to ourselves (hand-painted Zentangle coasters)	50	Achieved course satisfaction in **4.85 stars** (Full mark: 5 stars)
A bag of blood to donate your helping hand!	341	The number of bag of blood donated was **439 bags**.
Weight-losing competition: Wiwynn employees, let's exercise with the instructor!	236	• The number of kilograms lost was **636.5 kg**. • Achieved the activity satisfaction in **4.76 point**. • The ratio of abnormal BMI among all employees reduced **1.2%**.
Aromatherapy x Stress Relieving-formulating essence oil that suits you the best to avoid overworking your body	50	Achieved course satisfaction in **4.87 stars** (Full mark: 5 stars)
Superhero training courses (CPR+AED)	50	Achieved course satisfaction in **4.97 stars** (Full mark: 5 stars)
Christmas- DIY advent wreath with preserved flowers in winter	50	Achieved course satisfaction in **4.82 stars** (Full mark: 5 stars)
Can you find answers for the secret of longevity on Santa Claus? (health Q&A pop-up activity)	360	Employees participated in health Q&A to find out information related to the potential symptoms of cancer, free cancer screening, and healthy diet. Through the activity, they learned health information without any stress. It enhanced employees' health-related knowledge.
Occupational hearing hazards and experience of safety protective equipment	55	Achieved **90**% satisfaction
Health Seminar of Cardiovascular x Liver Function Protection_ bursting into laughter but not your liver	53	Achieved **96**% satisfaction
Health Seminar of Cardiovascular x Liver Function Protection_smart diet that helps burning off the calories and protecting liver functions	41	Achieved **92**% satisfaction
Health Seminar of Cardiovascular x Liver Function Protection (one-on-one consultation)	25	Provided total health management services, assisted employees preventing diseases, improved their health situation, and enhanced life quality.
First-aid course and seminar (CPR+AED)	44	1. The manpower allocation of 50:1 in Tainan Plant, which is better than legal requirements. 2. Fulfilled the concept of first aid and continuous education 3. Familiar with the procedures of CPR & AED 4. Achieved 97.3% satisfaction
Healthy metabolism protects your nutrition	33	Online course for Tainan Plant and Luzhu plant; achieved **96.3**% course satisfaction.
Soothing your shoulders and neck to balance your physical and mental status- Chair Yoga	56	A 4-week course of one session every week; achieved **99.3**% course satisfaction.
Friendly communication skills at the workplace	29	Employees scored 100 points at the post-test; achieved **96**% course satisfaction.
Health expert challenge competition	28	Coordinated with metabolic syndrome preventive activities for a duration of 3 months. 1. Group weight loss achieved 36.3 kg. 2. More than 13 employees lost 3 kg or above (48%). 3. Achievement rate of more than 12 days every month was 96%. 4. Achievement rate of top standards in 20 days every month was 75%.
Quitting smoking- We Win.	5	Success rate of **80**%.

Preventive measures for infectious diseases

After COVID-19, the Company keeps following the epidemic prevention policy published by the government. To respond to the epidemic of dengue fever, we strengthen the health education promotion on dengue fever prevention at the same time. Besides, we provide epidemic disease protection information irregularly as well as encourage employees to take flu shot to enhance their immunity and reduce risks of being infected. We work hard to create a healthy working environment that takes care of employee's health in all aspects. Moreover, we implement comprehensive health measures to strengthen employees' awareness in health and provide them a safe and healthy workplace.

6.4.2 Occupational safety and health

Carrying the beliefs of work safety assurance, safety culture promotion, healthy workplace construction, and shared good with corporate partners to devote to perfecting every management procedure in order to reduce the incidence of occupational injuries and to protect the safety and health of Wiwynn's partners.

Policy

Complying with regulations for continuous improvement and reduction of occupational disasters.

Commitment

We commit in complying with ESH regulations and other requirements by stakeholders while fulfilling communications and engagement of workers to continue improving safety and health performance as well as reducing the occurrence of occupational hazards.

Resource

Introducing ISO 45001: 2018 Occupational Safety and Health Management Systems, assigning accountable personnel for ESH and health management promotions, and promoting digitization of ESH management operation contents.

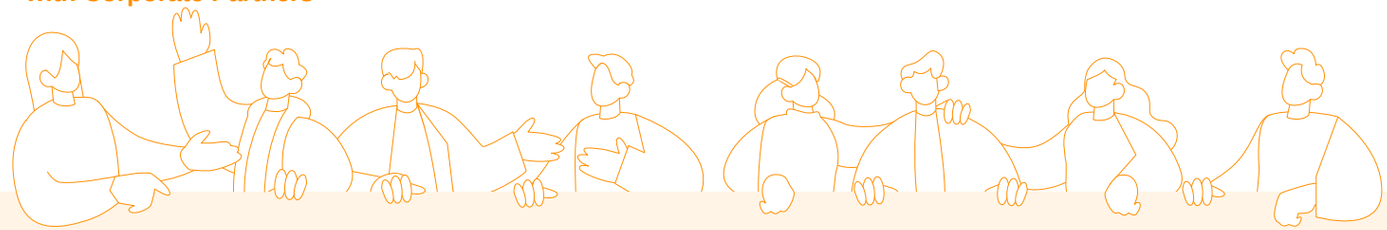
Grievance Mechanism

Established Health Management Hotline, Labor/Management Meeting and Occupational Safety and Health Committee.

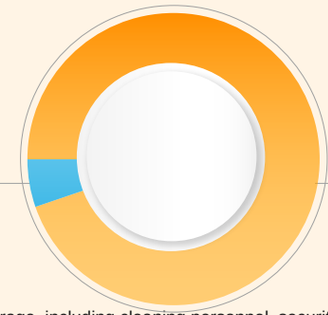
Evaluation Mechanism

Management Systems Promotion Committee, ISO 45001 third-party verification, irregular customer audits.

Work Safety Assurance/ Safety Culture Promotion/ Healthy Workplace Construction/ Shared Good with Corporate Partners



Workers performing activities under the control of the Company:



3.22 %
number of non-employees[note]
241

96.78 %
Number of employees
7,257

Note: Number of people entering the plant every month in average, including cleaning personnel, security guards, and contractors.

Occupational safety and health management framework

Wiwynn Corporation has an Occupational Safety and Health Committee, which is chaired by CEO. At least one meeting shall be held every quarter. The duty includes establishing workers' health and safety management plans, promoting strategies and goals, and implementing the realization of plans and improvement measures. To effectively implement the communication with workers and their engagement, the attendance rate of labor representative in the Occupational Safety and Health Committee is more than 33%. Members include occupational safety and health management personnel, health management officer, and labor representatives to ensure workers understand their rights and interests in whether there is any hazard in the working environment. Besides, our Company values the health of our workers. If there is any situation that might cause injury or disease and involved with the demand of leaving the work, it can be reflected to other colleagues or the manager. Our Company protects workers away from punishment caused by it according to law.

Regulatory compliance and educational training

To maintain the validity of ESH management systems, a total of 295 occupational safety related certificates were possessed by our employees in Taiwan in 2023. It is better than the legal requirements. We continue maintaining the validity of the professional certificates through retraining and dispatched training as well as strictly forbade any personnel carrying out relevant operation before completing the training, e.g. ionizing radiation operations, to maintain employee safety in the workplace.

To enhance employees' concepts of occupational safety and health, we host diverse occupational safety and health and first-aid training course and encourage employees to participate. In 2023, the number of participants was 6,428 persons, and the training hours were 12,278.06 hours.

	Object	Number of people trained	Training hours
Occupational safety and health educational training (general)	New employees	1,579	4,243.7
Occupational safety and health educational training (hazardous)	New employees	1,279	3,837
Occupational safety and health on-the-job educational training	All employees (those who are not on board in the current year)	2,820	3,055.36
Road safety training	Personnel in the incident, contact person in the department	46	92
Emergency response personnel training and exercise	ERT personnel	258	258
Radiation equipment operation special training	Operating personnel	78	234
Hearing protection educational training	Operating personnel	163	163
Waste educational training	On-site personnel	102	102
Chemicals management educational training	Officers of the department	9	9
Health promotion training course	Free sign-in by employees	29	29
First-aid personnel (refresher training)	First-aid personnel	32	96
Class A occupational safety and health affair supervisors (initial training)	Production supervisors	1	42
Class A occupational safety and health affair supervisors (refresher training)	Production supervisors	1	6
Supervisors of operations involving organic solvents (initial training)	On-site supervisors	1	18
Supervisors of operations involving organic solvents (refresher training)	On-site supervisors	1	6
Forklift operating personnel	Operating personnel	29	87

Implementation of ISO45001

To prevent occupational disasters and ensure the safety and health of workers, Wiwynn has established standardized safety and health management procedures and implemented ISO45001: 2018 management systems and passed third-party verification. The evidence-collection rate in the main production plants was 100%.

Through PDCA management process and the requirements of internal and external stakeholders, we continue improving occupational safety and health to effectively reduce risks.

Laws and regulations identification

An audit registration form has been established through the laws and regulations identification to continue confirming the internal operation procedure complies with the statutory specifications and providing necessary safety and health equipment and measures to reduce the probability of occurrence of occupational hazards.

Hazards identification

In 2023, hazard identification was carried out to 1,670 operations based on routine and non-routine operations as well as internal and external events. Risk evaluation was implemented from the aspects of influence on personnel injury and illness as well as the integrity and validity of protective facilities. Among them, 2 operation was with unacceptable risk. After immediate discussion and implementation of responding measure, it was reduced to an acceptable risk.

Risk and opportunity evaluation

We evaluate the risks and opportunities that might have potential impacts on OSH management systems, determine the level of risk through the evaluation procedure. Based on the risk matrix, we list cases with high risks for improvement and establish corresponding goals and measures. We manage the status of goal achievement through regular discussion.

Internal audits

In 2023, there were 3 minor defects and 9 items of improvement opportunities. They are expected to be completed the improvement by the end of 2024.

State of risk and opportunity evaluation in 2023 and its implementation

Risk assessment to determine the level of risk

Identified **177** items of opportunities and risks in total.

Setting the goals and measures based on the risk matrix

All the high-risk cases were listed for improvement as well as established goals and indicators for management.
9 items of management goals and 168 items of management indicators were established.

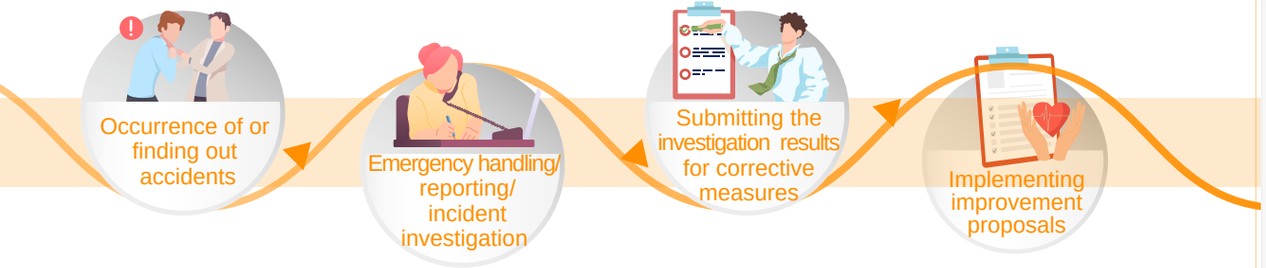
Regular reviewing goal achievement status

Setting goal achievement schedule.
Up to the end of Q1, 2024, the goal completion rate in Taiwan was **87.5**%. It is expected the completion rate in overseas areas in the first half of 2024 will achieve **60**%.

Note 1: The subsidiary in Mexico (WYMX) has obtained ISO 45001 certification (validity until February 8, 2026).

Note 2: The subsidiary in Mexico (WYMX) followed different evaluation procedures for ISO 45001. Therefore, above statistics for hazard identification, risk/ opportunity evaluation, and goal/index were excluded the data from WYMX.

Occupational injury and illness investigation and corrective procedures



To reduce losses caused by occupational disasters and to prevent the recurrence of similar incidents, we formulated the incident handling and investigation management procedures to implement correction procedures and implement improvement proposals based on the investigation results of the incidents. In 2023, there were 14 cases of occupational incidents in Taiwan, 1 case in Malaysia, and 18 cases in America and Mexico. The total injury index FSI was 0.09 and 0.34 respectively. The majority of injuries was related to contacting high-temperature equipment, pinch injury, fall, contusion, and strain. An immediate medical care was given at the moment when accidents happened. Through interviews with relevant personnel, we investigated incidents and established corrective measures. We will continue promote and enhance employees' awareness via meetings and training. In addition, for effective reduction of occupational disasters, we enhanced relevant management measures, such as (1) cases of occupational injuries and incidents were included in the materials for new employee training to increase safety awareness among employees, (2) promotion of safety slogans like stop looking at your mobile phone or playing on the stairs, (3) checking the hazardous points on machine and adopting preventive improvements; we have added 8 sets of light curtain and 6 sets of gauge plates for engineering improvement, and (4) strengthening environment, safety, and health inspection to find out risks in an early stage and improvement them to fulfill our commitment in workplace safety. There was no event of occupational diseases and no deaths of workers caused by occupational disasters in 2023.

Occupational injury statistics and analysis

	Taiwan[Note 2]				Overseas[Note 3]		
	2020	2021	2022	2023	2021	2022	2023
Number of injuries (cases)	3	5	7	14	16	21	19
Number of people injured (persons)	3	5	7	14	16	21	19
Days of loss (days)[Note 4]	7	4	26	27	198	547	363
Total working hours (hours)	3,329,995	3,701,954	5,005,997	6,463,398	2,706,396	8,505,270	7,423,433
FR (Disabling Frequency Rate)	0.9	1.35	1.39	2.16	5.91	2.46	2.55
SR (Disabling Injuries Severity Rate)	2	1	5	4	73	64	48
FSI (Total Injury Index)	0.04	0.03	0.08	0.09	0.65	0.39	0.34
Near-miss rate[Note 5]	0	0	0	0	0	0	0
Number of death (person)	0	0	0	0	0	0	0

Note 1: The number for the subsidiary in Mexico (WYMX) was revised in 2022.

Note 2: Tainan Branch was included in the statistical data in Taiwan from 2019.

Note 3: The subsidiary in Mexico (WYMX) was included in the overseas areas from 2021; in 2023, the subsidiary in Malaysia (WYMY) was included.

Note 4: The statistics in Mexico followed the results approved by Instituto Mexicano del Seguro Social (IMSS in short). IMSS provides maximum days of leave caused by injury at work for every individual case in 56 days. Any employee who is granted leave for more than 56 days will be regarded as disabling injury.

Note 5: The definition of near-miss incident is "potential to cause injury or property loss but not yet cause actual injury or property loss."

Employee occupational injury statistics

	Taiwan[Note 2]				Overseas[Note 3]		
	2020	2021	2022	2023	2021	2022	2023
Number of people	1,755	2,041	2,820	3,882	2,804	3,706	3,327
Total working hours	3,329,995	3,701,954	5,005,997	6,463,398	2,706,396	8,505,270	7,423,433
Main types of occupational injury	・Work injury ・Cuts	・Crush injury ・Fall	・Strain ・Fall	・Contacting high-temperature equipment ・Pinch injury ・Fall	・Contusion	・Contusion	・Contusion ・Strain
Occupational injury rate	0.18	0.27	0.28	0.43	1.18	0.49	0.51
Occupational disease rate	0	0	0	0	0	0	0
Loss-day ratio	0.42	0.22	1,04	0.83	14.63	12.86	9.78
Total number of death caused by job duty	0	0	0	0	0	0	0

Note 1: The number for the subsidiary in Mexico (WYMX) was revised in 2022.

Note 2: Tainan Branch was included in the statistical data in Taiwan from 2019.

Note 3: The subsidiary in Mexico (WYMX) was included in the overseas areas from 2021; in 2023, the subsidiary in Malaysia (WYMY) was included.

Note 4: Occupational injury rate (IR)= (number of occupational injury/ total working hours) *200,000.

Note 5: Occupational disease rate (the number of occupational disease/ total working hours) *200,000.

Note 6: Loss-day ratio (LDR)= (number of day of occupational injury loss/ total working hours)*200,000.

Note 7: The statistics shown in the table were full-time employees.

Employee absence rate

The absence rate in Wiwynn Corporation over the past four years was 2.09%, 1.86%, 1.35%, and 2.02% respectively; all within a reasonable and stable range. Wiwynn Corporation values employees' health and welfare and works hard to create a good working environment. Other than annual leave, Wiwynn also provides additional 7-day vitality leave to help employees achieve balance between work and life, strengthen employees' sense of identity, and further enhance working efficiency and productivity.

	2020	2021	2022	2023
Absence rate	2.09%	1.86%	1.35%	2.02%

Note: Total hours of sick leave, personal leave, and occupational injury leave applied by employees/ total working hours.

Occupational injury statistics for non-employee personnel

	Taiwan[Note 1]				Overseas[Note 2]			
	2020	2021	2022	2023	2020	2021	2022	2023
Number of people	9	9	9	50	0	0	0	16
Number of total working hours	28,144	28,336	28,672	106,872	0	0	0	12,516
Number of occupational disease cases	0	0.	0	0	0	0	0	0
Total number of death caused by job duty	0	0	0	0	0	0	0	0

Note 1: Tainan Branch was included in the statistical data in Taiwan from 2019.

Note 2: The subsidiary in Mexico (WYMX) was included in the overseas areas from 2021; in 2023, the subsidiary in Malaysia (WYMY) was included.

Note 3: The investigation scope of the number of people was up to December 31st of the year. The stationed personnel include security guards, cleaners, catering services, and others.

Contractor management

Before contracting operators enter the factory for work, they are required to join the contractor labor safety and health agreement organization managed by the Company and conduct coordination meetings. Safety and Health Office will carry out hazard notification and the educational training on the code of safety to the contractor to enhance their safety protection awareness. Besides, irregular audits will be conducted. If there is any violation, it will be required to improve within a specific time. All the relevant improvements have been reviewed and completed in 2023.

	Taiwan[Note 1]				Overseas[Note 2]	
	2020	2021	2022	2023	2022	2023
Number of contractors trained (persons)	360	346	601	1,546	666	657
Number of violations (cases)	6	2	9	7	0	0
Number of violations rectified (cases)	6	2	9	7	0	0

Note 1: Tainan Branch was included in the statistical data in Taiwan from 2019.

Note 2: The subsidiary in Mexico (WYMX) was included in the overseas areas from 2021; in 2023, the subsidiary in Malaysia (WYMY) was included.

Creating a safe workplace; results of promotional activities

To create a safe workplace, supervisors in the Company all support businesses of safety and health enhancement promoted by the environment, safety, and health management unit. Moreover, we encourage all employees to participate together. In 2023, we received various honors. It shows Wiwynn's determination in actively promoting safety at the workplace and implement corporate social responsibility.

- Wiwynn Corporation Tainan Branch received Excellent Healthy Workplace Certification-Health Care Award
- Wiwynn Corporation Tainan Branch Luzhu Plant received Healthy Workplace Certification-Health Initiation Medal
- Occupational Safety and Health Excellent Personnel Performance Award by Ministry of Labor in 2023, Ren-Hao Kuo
- Excellent Personnel of Promoting Workplace Safety and Health awarded by Southern Science Park Area in 2023, Ren-Hao Kuo
- Excellent Personnel of Protecting Environment awarded by Southern Science Park Area in 2023, Yi-Hsin Lin
- Healthy Workplace and Excellent Promoter in 2023- Heath Care Award, Pei-Yu Wu

Shared topic: Optimized proposal for safety protective equipments

In 2023, we started optimized proposal for office equipment and safety protective tools. One was optimization of protective tools for personal hearing. Originally, we provided disposable earplugs to employees in need at work but found some of them failed to wear them in the tightness required. Therefore, they were unable to achieve effective protection. Moreover, 1g of waste would be generated for each pair of earplugs when throwing them away. As a result, we enhanced the tools for hearing protection. NRR value of noise-proof earmuffs is 31dB and can effectively reduce the dose of noise that employees expose to at work. It also achieves the goal of environmental waste reduction. Another proposal was the optimization of office chairs. Since majority of employees sit on their chairs most of the time at work and sitting for a long time usually causes injury to muscle and bone, we launched a proposal to replace office chairs with ergonomic chairs in order to offer employees a cozier office space and reduce human factor engineering hazards. It is expected to complete in 2024.

Shared topic: Emergency response exercise at each plant

Emergency Response Team (ERT) formed in each unit carried out exercise for fire and chemicals leakage that might happen in the plant.

Fire response exercise in Tainan Plant

Reporting Group

Emergency Rescue Group

Safety Protection Group

Escape Guidance Group

First-aid Group

Chemical leakage exercise in Tainan Plant

Emergency Rescue Group/ Putting on PPE

Emergency Rescue Group/decontamination

Evacuation Guidance

Safety Protection Group

Using body-rinsing and eye-washing equipment

Evacuation exercise in the plant in Malaysia

Fire exercise in the plant in Mexico

SOCIAL WELFARE

Wiwynn Corporation actively engaged in public welfare activities with a focus on humanistic concerns and environmental conservation. We aim to allocate the resources most judiciously through Wiwynn's core operations and in response to stakeholders' demands, while continuing to contribute to society and expand our positive impact. Through four key strategies, we define our role as a corporate citizen by engaging with stakeholders such as schools, vulnerable groups, and local communities, to establish partnership built on mutual trust. We allocate resources to actively promote overall social development and create social value. Meanwhile, we are committed to promoting sustainable development and initiatives within our core business areas. Through engagement and dialogue, we enhance the Company's impact in sustainable innovation.

6_5_1 Social engagement

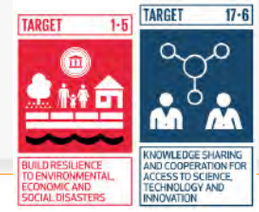
Dimensions of social engagement

Actively cultivate young students by providing internship opportunities, engaging them with real workplace situations at early stage, reducing their adaptation time and enhancing competitiveness.

Talent cultivation

Humanistic concerns

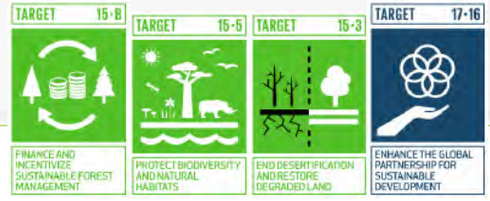
Charitable procurement creates employment opportunities.



The expenditure of social and environmental common goods in 2023

NT$28,117,809

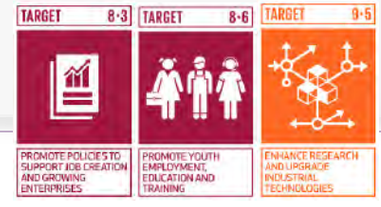
- Enhance public awareness through environmental education.
- Planting trees along the coastline to protect sandbank and consolidate coastal ecology.



Nature protection and environmental education

Technology innovation

Enhance the practical application development of academic research to accelerate technological and methodological innovation.



2.99% Talent cultivation

0.78% Humanistic concerns

2.85% Technology innovation

93.38% Nature protection and environmental education

Item	Internship program	Charitable procurement	Industry-academia cooperation	Ocean Hugs' coastline afforestation
Effect	• Talent incubation • Acquisition of new skills	• Assist the vulnerable groups to stand firm independently	• Enhance knowledge, skills, and resources sharing • Accelerate technological innovations	• Enhance natural solutions to the environment • Restore habitats and biodiversity • Common good with the communities

Result

In 2023, Wiwynn Corporation entered the fifth year of its internship program. We began with participation from two departments and now extended to involve 10 departments. Guided by professional mentors, we strive to create a learning-rich environment. At Wiwynn, interns not only participate firsthand in the Company's internal projects to grasp the various facets of business operations, but also obtain new occupational skills through practical exercises. In 2023, under mentorship, the interns were trained to use AI deep learning models for computers to autonomously "learn" and interpret data characteristics. The training was applied to asset inventory operations, significantly enhancing the precision and efficiency while reducing time and labor required for manual review.

Wiwynn is dedicated to promoting the internship program to cultivate talents and support young individuals transition into the workplace, thereby enhancing social stability and development.

In 2023, Wiwynn selected the "Seedling Workshop" and "Love Soap Workshop" for our charitable procurement initiatives. Through these efforts, we support vulnerable groups in sustaining employment and blending into the society. By enhancing their self-care abilities, we empower them to stand independently. At the same time, we also help them realizing their dreams and contribute to making a better society. With Wiwynn's influence, we aim to give back to the society, create positive energy, and propel progress towards a better future.

In the arena of industrial practice, Wiwynn engages in industry-academia cooperation with domestic and overseas universities. Through these collaborations, we facilitate the exchange of knowledge, technology, and resources. We provide students with employment opportunities and connect then to real-world practices, cultivate innovative talents, increase the practical application and development of academic research, and speed up innovation of technologies and skills, and aligns with Wiwynn's vision of sustainability: Unleash the Power of Digitalization, Ignite the Innovation of Sustainability

Environmental education

To address the United Nation's Sustainable Development Goals (SDGs), we hosted a seminar "Eating Fish Smartly to Save the Ocean" on World Oceans Day, June 8, 2023. This event aims to educate employees on fish-based diets, bridging the gap between them and ocean conservation. The seminar covered topics such as understanding seasonal seafood, smart selection and consumption of fish, and promoting a friendly dining culture among employees.

Nature protection

From 2021, Wiwynn kicked off "Ocean Hugs" and devoted to coastal afforestation.

Led by the Chair, directors, employees, and suppliers, we collectively planted 24,800 saplings in Yilan, Taijian National Park, Wuling at Shei-Pa National Park, and Hengchun in Pingtung, Taiwan. In addition, our new plant in Malaysia has also engaged in environmental initiatives with the industrial park. We are investing NT$18 million for a tree-planting project of 22,000 saplings, which includes planting trees in Sabah, aiming to create a green industrial park and contribute to the communities.

Wiwynn demonstrates its commitment to environmental ecology through actions. Moving forward, we will continue to leverage our corporate influence to promote the concept of sustainability to a broader audience.

Shared topic: Team Day

Each year, Wiwynn hosts Team Day to foster camaraderie and strengthen team dynamics among all employees. In 2023, Team Day was combined with “Ocean Hugs”, focusing on connecting people with each other, with the Company, and with the land through four dimensions: “introduction of community culture”, “team building for breakthroughs”, “beach cleanup”, and “enjoying local seasonal foods”. This event transformed Team Day into gathering that promotes international cohesion and links everyone within the Company towards fulfilling sustainability goals.

This year, Team Day centered around the theme of “Becoming Fishermen”. The station rotation team activity was both engaging and competitive, involved interpreting local stories. This event helped employees gain a deeper understanding of Nanliao’s culture and contributed to the promotion of sustainable cities and communities. In addition, through collaborative efforts, employees participated in a beach cleanup and successfully collected 71 bags of garbage, exemplifies Wiwynn’s commitment to fostering positive relationships with the local community and promoting common goods.

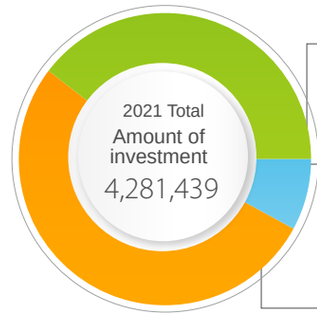
Shared topic: Make an impact by working together towards common good

In June, 2023, Wiwynn invited our suppliers to join in a tree planting event. Together we planted 3,000 saplings in Taijian National Park. The event not only allowed our suppliers to appreciate the beautiful landscape of Taijian National Park, but also helped them understand the ecological challenges it faces. During the event, we collaborated to complete the task of planting trees and fostered a shared determination and consensus towards environmental friendliness. This initiative strengthens our commitment to achieving sustainable development goals and sets the stage for future cooperation focused on environmental sustainability.

Wiwynn Corporation adheres to the standards set by the London Benchmark Group (LBG) and categorizes social engagement into " types of activities" and " approaches to engagement". We evaluate the benefits and impacts generated by these engagements to ensure effective resource allocation. Besides, we review the returns on investments to integrate financial and non-financial information comprehensively. At the same time, we strive to meet the expectations of multiple stakeholders and create shared value. In 2023, we invested approximately NT$30 million in social engagement activities. Over the past two years, our primary focus has been on community investments and cash donations. Key areas of investment include "nature protection and environmental education" and "talent cultivation". Aligned with Wiwynn's vision and priorities, we remain committed to advancing social engagement initiatives and making meaningful impact on society.

Type of activity

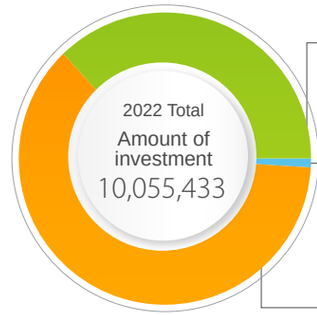
Unite: NT$



39.44%
Business activities
Amount of investment: 1,688,391

7.94%
Charitable activities
Amount of investment: 340,000

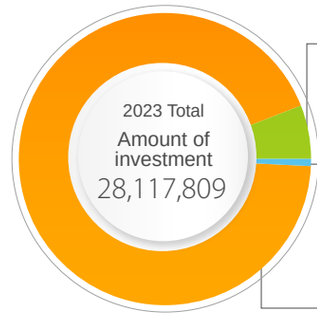
52.62%
Community investment
Amount of investment: 2,253,048



36.67%
Business activities
Amount of investment: 3,687,255

0.99%
Charitable activities
Amount of investment: 100,000

62.34%
Community investment
Amount of investment: 26,268,178



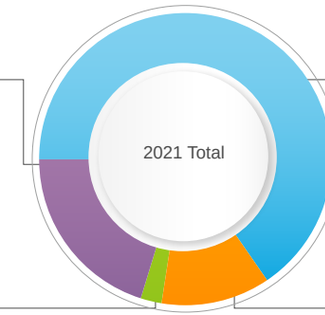
5.83%
Business activities
Amount of investment: 1,640,000

0.78%
Charitable activities
Amount of investment: 220,000

93.39%
Community investment
Amount of investment: 26,257,809

Type of engagement

Unite: NT$

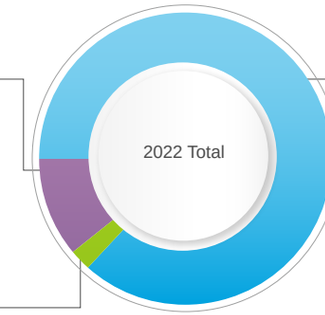


20.27%
Management cost
Amount of investment: 867,850

65.36%
Donation in cash
Amount of investment: 2,798,491

2.31%
Volunteer
Amount of investment: 98,788

12.06%
Donation in supplies
Amount of investment: 516,310

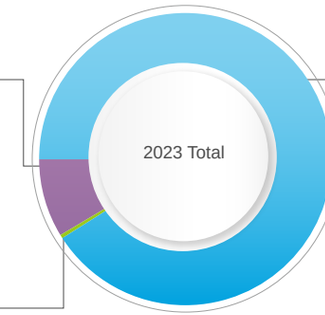


10.74%
Management cost
Amount of investment: 1,080,000

86.95%
Donation in cash
Amount of investment: 8,743,605

2.31%
Volunteering
Amount of investment: 231,828

0.00%
Donation in supplies
Amount of investment: 0



8.55%
Management cost
Amount of investment: 2,403,029

91.06%
Donation in cash
Amount of investment: 25,604,252

0.39%
Volunteer
Amount of investment: 110,528

0.00%
Donation in supplies
Amount of investment: 0

6_5_2 Biodiversity and forest conservation

Biodiversity and forest conservation

2021

Initiated “Ocean Hugs”

Afforestation along the coast in Wujie, Yilan

2022

Taijian National Park

Protecting Qigu Lagoon by coastal afforestation

Enhanced ecological habitat functions in wetlands and coastal areas, improving biodiversity restoration capabilities.

2023

Wuling Area in Shei-Pa National Park

Habitat restoration for the Formosan landlocked salmon

Restored forest environments, mitigated mudslide, effectively conserved water sources, and stabilized water temperatures to provide a stable habitat and food source for the Formosan landlocked salmon.

2024

Penghu

Fishery protection forest in Hangwan, Penghu, and coral restorationof the Satoumi initiative

From “planting trees” on land to initiatives under the sea, we adopt an integrated approach that combines land and sea ecosystems. enhancing terrestrial ecology and enriching marine resources, we aim to realize the vision of satoyama-satoumi, promoting harmonious interaction between human activities and coastal environments.

Source of picture: Fisheries Research Institute, MOA

Since 2021, Wiwynn has been actively promoting coastal plantation plans. In 2022, we selected Taijian National Park, near our operating site in Tainan, as the second stop of our coastal afforestation efforts. Taijian National Park contains abundant cultural and ecological resources, including Qigu Lagoon, a remnants of ancient floating land deposited in the inland sea of old Taijian. Surrounded by offshore sandbanks, this area provides a stable environment for a diverse range of rare and precious species, including over 200 species of migratory birds like the black-faced spoonbill, and 200 species of fish, shrimp, and shellfish. Three of these species are listed as critically endangered according to the International Union for Conservation of Nature (IUCN), and four are listed as endangered species. However, the impacts of global climate change and the ageing of costal forest on sandbanks, there is a significant sandbank narrowing and coastline shrinkage in the inland sea of Taijian. In response, Wiwynn partnered with Tse-Xin Organic Agriculture Foundation and professional associates to afforest the Wanziliao Sandbank in Taijian National Park. We aim to create coastal forests, enhance ecological habitat functions along the coast and wetlands, restore biodiversity, improve environmental resilience to climate change, strengthen natural carbon sequestration, and preserve cultural heritage. These efforts are all intended to promote the sustainable development of region’s ecology.

In 2023, Wiwynn undertook restoration and afforestation plans at Wuling Farm, located in the homeland of the landlocked salmon in Taiwan. The primary habitat of these salmon is high-mountain rivers with water temperature below 17°C. In the past, because of the overdevelopment of mountain forest and the impacts of natural disasters, the salmon’s habitat suffered severe damage and destruction. This degradation posed significant threats to their survival, , leading to a drastic reduction in their population. To restore the ecology of the habitat, we planted trees near their main habitats. This endeavor aimed to restore forest environment, mitigate mudslides, conserve water source, and stabilize water temperatures. These efforts are intended to provide the landlocked salmon with a stable living environment and a sustainable source of food.

In 2024, Wiwynn will collaborate with the Penghu City Government and Tse-Xin Organic Agriculture Foundation, expanding our efforts from land-based tree planting to underwater initiatives. Our goals is to create a holistic ocean ecological circle and realize the vision of satoyama-satoumi. Wiwynn further extended its coastal afforestation program to include ocean conservation, partnering with local communities to plant 10,000 saplings across 2.5 hectares of green land. Besides, we engaged the local diving industry to support the coral restoration program, successfully restoring 8,000 corals and increasing coral area of 120 square meters.

Healthy forests play a crucial role in purifying water quality, filtering muddy water on land surface into clear water discharged into the sea. Other than maintaining the stability of ocean water condition, the strong northeast monsoon unique to Penghu in the winter carries natural leaves and fruits from land forests into the water near Hengwan. The winter currents and daily tide changes bring organic substances flow into the sea, becoming food sources of small shrimps, crabs, and fish in Hengwan. The enriched resources of fish and shrimp attract larger marine species seeking food, and further enhancing biodiversity in the ocean. Subsequently, Wiwynn will keep monitoring coral health through marine citizen scientists over the long run. By integrating land and ocean initiatives, Wiwynn not only cultivates terrestrial ecology, but also enriches marine , protecting communities dependent on the sea.

Through sandbank afforestation and restoration programs, Wiwynn planted 24,800 saplings in Taiwan by the end of 2023. Additionally, our plan of creating green industrial area overseas also resulted in the planting of 46,800 saplings. Wiwynn has demonstrated strong emphasis and determination towards biodiversity and forest conservation. Looking ahead, we will continue to leverage Wiwynn's influence by collaborating with partners to start green actions. We will actively seek input from internal and external stakeholders to collectively support the maintenance of biodiversity and forest conservation efforts.

6_5_3 Initiative organization

External initiative engagement

Wiwynn complies with the code of conduct published by the Responsible Business Alliance (RBA). We are committed to providing employees with a safe and secure working environment, protecting and respecting their rights, and improves environmental protection efforts. We strictly follow the code of ethics that prioritizes the well-being and rights of all employees and supply chain personnel.

In addition, to align with the international carbon reduction pathway, we submitted our carbon reduction targets to the Science Based Targets initiative (SBTi) and have received approval. We are committed to collaborating with our suppliers to achieve these targets and demonstrate our dedication to global carbon reduction through tangible actions.

Wiwynn Corporation actively engages with international institutions and organizations to influence the industry and stay abreast of developments in technology and industry trends. Besides, we also participate in relevant industrial and public associations to maintain productive interactions and exchanges with fellow industry members.

	Organizations	Status
Technology	Open Networking Foundation	Member
	Open Compute Project	Member
	O-RAN (Open Radio Access Network)	Member
	Cloud Computing & IoT Association in Taiwan	Member
	Taipei Computer Association	Member
	The Allied Association for Science Park Industries	Member
	PCI-SIG	Member
	VCCI Council	Member
Others	Taiwan Association of Information and Communication Standards	Member
	Taiwan Climate Partnership	Member
	Taiwan Association for Trade Secrets Protection	Member

07

APPENDIX

- About the Report 129
- GRI Standards Cross-reference Table 130
- SASB Criteria Cross-reference Table 134
- TCFD Index Cross-reference Table 138
- Sustainability disclosure criteria of the Financial Supervisory Commission 141
- Independent Third-party Assurance Opinion Statement 142

ABOUT THE REPORT

Wiwynn Corporation (hereinafter referred to as “Wiwynn” or “the Company”) has released non-financial information reports since 2020. In June 2024, Wiwynn releases its 2023 Sustainability Report (hereinafter referred to as “the Report”) to present the Company’s environmental(E), social(S) and governance(G) performances between January 1 and December 31, 2023, allowing all stakeholders caring for Wiwynn to understand the efforts we made on various issues through this reports. In addition, we continue to showcase commitment and determination on the fulfillment of sustainable development to all stakeholders.

Wiwynn’s Sustainability Reports over the past years in Chinese and English can be downloaded from “Sustainability” page on our official website. The previous edition was issued in June 2023.

Scope and boundary of the report

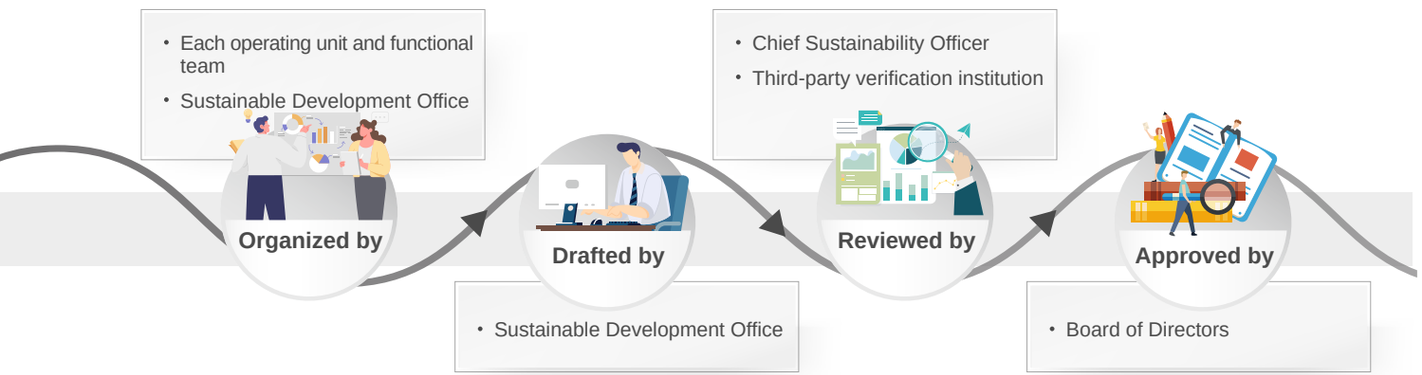
The scope disclosed in the Report is based on our main global operating sites and manufacturing plants[Note] incorporated in Wiwynn’s consolidated statements. Reasons and results for the materiality, boundary, or any restated information in the Report will be specified in each chapter separately.

Note: Please refer to the chapter “About Wiwynn” for the information of subsidiaries included in the consolidated statements (main manufacturing plants are Tainan Branch, Wiwynn Technology Service Malaysia SDN. BHD (hereinafter referred to as WYMY), and Wiwynn Mexico, S.A. de C.V. (hereinafter referred to as WYMX).

Report preparation principles

The Report follows GRI Standards 2021,published by Global Reporting Initiative, and refers to the industrial criteria announced by Sustainability Accounting Standards Board (SASB) and the United Nations' Sustainable Development Goals (SDGs) by as the principles for reporting.

The organization and drafting of the Report were done by each operating unit, functional teams, and the Office for Sustainable Development. It was reviewed by the Chief Sustainability Officer and audited by a third-party institution (BSI), as well as submitted to the Board of Director on May 7, 2024.



Report verification and validation

- The Report has undergone verification of BSI Taiwan in accordance with the second application type of the AA1000 AS v3 standards (the first application type of AA1000 AS v3 standards is applicable to the compliance of SASB sustainability disclosure). The Statement of Opinions on Verification by Independent Third-Parties is included in the appendices of the Report.
- Financial data disclosed is excerpted from the consolidated financial statements publicly announced after audited and attested by KPMG Taiwan.
- ISO 9001: 2015(Quality Management Systems), QC 080000: 2017 (Hazardous Substance Process Management Systems), ISO 14001: 2015(Environmental Management Systems), ISO 45001: 2018(Occupational Safety and Health Management Systems), ISO 14064-1: 2018 (Green House Gases Inventory), ISO 50001: 2018 (Energy Management Systems), ISO 27001:2013(Information Safety Management System), and ISO 22301:2019 (Business Continuity Management System) introduced by the Company have all passed verifications by third-party verification institutions.

Opinions and feedback

Responsible unit
Sustainable Development Office

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E-mail
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ESG official website

FB

GRI STANDARDS CROSS-REFERENCE TABLE

Statement of Use
Wiwynn Corporation reports the content between January 1 and December 31, 2023, based on the GRI Standards.

Edition of GRI 1
GRI 1: Foundation 2021

Applicable GRI Industry Practice
Not applicable

Disclosure number and title		Corresponding chapter		Page	Omit/ reference number of the disclosed item in GRI Industry Practice
GRI 2: General Disclosure 2021					
2-1	Organizational details	0_3	About Wiwynn Corporation	p05	
2-2	Entities included in the organization's sustainability report	0_3	About Wiwynn Corporation	p05	
2-3	Reporting period, frequency and contact point	7_1	About the Report	p129	
2-4	Restatements of information	7_1	About the Report	p129	
2-5	External assurance/ verification	7_6	Statement of Opinions on Verification by Independent Third-Parties	p142	
2-6	Organizational activities, value chain and other business relationship	0_3 3_1 4_1_1	About Wiwynn Corporation Sustainable supply chain management Customer relations management	p05 p44 p63	
2-7	Employees	6_1_1	Diversity	p84	
2-8	Workers who are not employees	6_4_2	Occupational safety and health	p117	
2-9	Governance structure and composition	2_1_2	Operations of the Board of Director	p26	
2-10	Nomination and selection of the highest governance body	2_1_2	Operations of the Board of Director	p27	
2-11	Chair of the highest governance body	2_1_4	Independence and diversity of directors	p27	
2-12	Role of the highest governance body in overseeing the management of impacts	1_1_1	Sustainability framework	p10	
2-13	Delegation of responsibility for impact management	1_1_1	Sustainability framework	p10	
2-14	Role of the highest governance body in sustainability reportings	1_1_1	Sustainability framework	p10	
2-15	Conflict of interest	2_1_4 2_1_9	Independence and diversity of directors Business ethics	p27 p30	

Disclosure number and title		Corresponding chapter		Page	Omit/ reference number of the disclosed item in GRI Industry Practice
GRI 2: General Disclosure 2021					
2-16	Communication of ciritical concerns	1_1_1 1_2_2	Sustainability framework Process of determining materiality topics	p11 p13	
2-17	Collective knowledge of the highest governance body	2_1_5	State of training and continuing education of directors	p28	
2-18	Evaluation of the performance of the highest governance body	2_1_6	Results of performance evaluation	p28	
2-19	Remuneration policies	2_1_8	Remuneration policy	p29	
2-20	Process to determine remuneration	2_1_3	Functional committees	p26	
2-21	Annual total compensation ratio	Total annual compensation rate: 39.85 Total annual compensation change rate: 3.55		-	
2-22	Statement on sustainable development strategy	0_1	Message from the Chair	p02	
2-23	Policy commitments	2_1_9 3_1	Business ethics Sustainable supply chain management	p30 p46	
2-24	Embedding policy commitments	2_1_9 3_1	Business ethics Sustainable supply chain management	p30 p46	
2-25	Processes to remediate negative impacts	1_2	Materiality analysis and engagement	p11	
2-26	Mechanisms for seeking advice and raising concerns	2_1_9	Business ethics	p30	
2-27	Compliance with laws and regulations	2_2_4 0_4	Regulatory compliance Business performance	p33 p07	
2-28	Membership associations	6_5_2	Initiative organization	p127	
2-29	Approach to stakeholder engagement	1_2_1	Stakeholder engagement	p11	
2-30	Collective bargaining agreements	No Collective Bargaining Agreements Singed		-	Please refer to the explanation in the left.

Note: GRI 403 follows the 2018 edition, the rest are all following the 2016 edition.

Disclosure number and title	Corresponding chapter	Page	Omit/ reference number of the disclosed item in GRI Industry Practice
Material topics			
GRI 3: Material Topics 2021			
3-1 Process to determine material topics	1_2 Materiality analysis and engagement	p13	
3-2 List of material topics	1_2 Materiality analysis and engagement	p14	
Material topics_ Vision and sustainable strategy			
GRI 3: Material Topics 2021			
3-3 Management of material topics	1_2 Materiality analysis and engagement	p18	
Specific topic			
	1_1 Vision and strategy	p09	
Material topics_ ethical management			
GRI 3: Material Topics 2021			
3-3 Management of material topics	1_2 Materiality analysis and engagement	p18	
GRI 205: Anti-Corruption			
205-1 Operations assessed for risks related to corruption	2_1_9 Business ethics	p30	
205-2 Communication and training about anti-corruption policies and procedures	2_1_9 Business ethics	p30	
205-3 Confirmed incidents of corruption and action taken	2_1_9 Business ethics	p30	
GRI 206: Anti-Competitive Behavior			
206-1 Legal action for anti-competitive behavior, anti-trust,and monopoly practices	2_2_4 Regulatory compliance	p33	
GRI 415 Public Policy			
415-1 Political contributions	2_1_9 Business ethics	p30	
Material topics_ information security			
GRI 3: Material Topics 2021			
3-3 Management of material topics	1_2 Materiality analysis and engagement	p18	
GRI 418: Customer Privacy			
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2_3 Information security 2_3_3 Privacy protection	p38 p38	

Disclosure number and title	Corresponding chapter	Page	Omit/ reference number of the disclosed item in GRI Industry Practice
Material topics_ sustainable supply chain			
GRI 3: Material Topics 2021			
3-3 Management of material topics	1_2 Materiality analysis and engagement	p18	
GRI 204: Procurement Practices			
204-1 Proportion of spending on local suppliers	3_1_4 Management process of the sustainable supply chain	p46	
GRI 308: Supplier Environmental Assessment			
308-1 New suppliers that were screened using environmental citeria	3_1_4 Management process of the sustainable supply chain	p47	
308-2 Negative environmental impacts in the supply chain and actions taken	3_1_4 Management process of the sustainable supply chain	p48	
GRI 414: Supplier Social Assessment			
414-1 New suppliers that were screened using social criteria	3_1_4 Management process of the sustainable supply chain	p47	
414-2 Negative social impacts in the supply chain and actions taken	3_1_4 Management process of the sustainable supply chain	p48	
Material topics_ innovation and R&D			
GRI 3: Material Topics 2021			
3-3 Management of material topics	1_2 Materiality analysis and engagement	p19	
GRI 203: Indirect Economic Impacts			
203-2 Significant indirect economic impacts	4_1 Value innovation	p54	
Material topics_ green products			
GRI 3: Material Topics 2021			
3-3 Management of material topics	1_2 Materiality analysis and engagement	p19	
GRI 301: Materials			
301-2 Recycled materials used	4_1_3 Responsible product	p62	
GRI 302: Energy			
302-4 Reduction of energy consumption	4_1_3 Responsible product	p61	
302-5 Reductions in energy requirements of products and services	4_1_3 Responsible product	p62	

Note: GRI 403 follows the 2018 edition, the rest are all following the 2016 edition.

Disclosure number and title		Corresponding chapter		Page	Omit/ reference number of the disclosed item in GRI Industry Practice
Material topics_ product service and responsibility					
GRI 3: Material Topics 2021					
3-3	Management of material topics	1_2	Materiality analysis and engagement	p19	
GRI 416: Customer Health and Safety					
416-1	Assessment of the health and safety impacts of product and service categories	4_1_4	Customer relations management	p64	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4_1_4	Customer relations management	p63	
Material topics_ climate strategy and energy management					
GRI 3: Material Topics 2021					
3-3	Management of material topics	1_2	Materiality analysis and engagement	p20	
GRI 201: Economic Performance					
201-2	Financial implications and other risks and opportunities due to climate change	5_1_2	Strategy	p67	
GRI 302: Energy					
302-1	Energy consumption within the organization	5_2	Energy management	p75	
302-3	Energy intensity	5_2	Energy management	p75	
302-4	Reduction of energy consumption	5_2	Energy management	p76	
GRI 305: Emissions					
305-1	Direct (Scope 1) GHG emissions	5_1_3	Climate indicators and goals	p72	
305-2	Energy indirect (Scope 2) GHG emissions	5_1_3	Climate indicators and goals	p72	
305-3	Other indirect (Scope 3) GHG emissions	5_1_3	Climate indicators and goals	p74	
305-4	GHG emissions intensity	5_1_3	Climate indicators and goals	p72	
305-5	Reduction of GHG emissions	5_1_3	Climate indicators and goals	p72	
305-6	Emissions of ozone-depleting substances (ODS)	5_3_3	Air	p81	
305-7	Nitrogen oxides (NOx), sulfur oxides (Sox), and other significant air emissions	5_3_3	Air	p81	

Disclosure number and title		Corresponding chapter		Page	Omit/ reference number of the disclosed item in GRI Industry Practice
Material topics_ talent attraction and retention					
GRI 3: Material Topics 2021					
3-3	Management of material topics	1_2	Materiality analysis and engagement	p20	
GRI 201: Economic Performance					
201-3	Defined benefit plan obligations and other retirement plans	6_1_2	Talent attraction	p97	
GRI 202: Market Presence					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	6_1_2	Talent attraction	p92	
202-2	Proportion of senior management hired from the local community	6_1_1	Diversity	p88	
GRI 401: Employment					
401-1	New employee hires and employee turnover	6_1_2	Talent attraction	p90	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	6_1_2	Talent attraction	p94	
401-3	Parental leave	6_1_2	Talent attraction	p93	
GRI 404: Training and education					
404-1	Average hours of training per year per employee	6_2	Talent cultivation	p102	
404-3	Percentage of employees receiving regular performance and career development reviews	6_2	Talent cultivation	p101	
GRI 405: Employee Diversity and Equal Opportunity					
405-1	Diversity of governance bodies and employees	2_1_4 6_1_1	Independence and diversity of directors Diversity	p27 p84	
405-2	Ratio of basic salary and remuneration of women to men	6_1_2	Talent attraction	p92	

Note: GRI 403 follows the 2018 edition, the rest are all following the 2016 edition.

Disclosure number and title		Corresponding chapter		Page	Omit/ reference number of the disclosed item in GRI Industry Practice
Material topics_ employee care and concern					
GRI 3: Material topics 2021					
3-3	Management of material topics	1_2	Materiality analysis and engagement	p20	
GRI 402: Labor/ Management Relations					
402-1	Minimum notice periods regarding operational changes	6_3	Human rights management	p106	
GRI 406: Non-Discrimination					
406-1	Incidents of discrimination and corrective action taken	6_3	Human rights management	p109	
GRI 409: Forced or Compulsory Labor					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	6_3	Human rights management	p109	
Material topics_ occupational safety and health					
GRI 3: Material topics 2021					
3-3	Management of material topics	1_2	Materiality analysis and engagement	p20	
GRI 403: Occupational Health and Safety					
403-1	Occupational health and safety management system	6_4_2	Occupational safety and health	p118	
403-2	Hazard identification, risk assessment, and incident investigation	6_4_2	Occupational safety and health	p118	
403-3	Occupational health services	6_4_1	Employee care	p114	

Disclosure number and title		Corresponding chapter		Page	Omit/ reference number of the disclosed item in GRI Industry Practice
GRI 403: Occupational Health and Safety					
GRI 403: Occupational Health and Safety					
403-4	Worker participation, consultation, and communication on occupational health and safety	6_4_2	Occupational safety and health	p117	
403-5	Worker training on occupational health and safety	6_4_2	Occupational safety and health	p118	
403-6	Promotion of worker health	6_4_1	Employee care	p116	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6_4_2	Occupational safety and health	p119	
403-8	Workers covered by an occupational health and safety management system	6_4_2	Occupational safety and health	p117	
403-9	Work-related injuries	6_4_2	Occupational safety and health	p119	
403-10	Work-related ill health	6_4_2	Occupational safety and health	p120	
Other information disclosed					
GRI 306: Effluents and Waste 2020					
306-1	Waste generation and significant waste-related impacts	5_3_1	Waste management	p78	
306-2	Management of significant waste-related impacts	5_3_1	Waste management	p78	
306-3	Waste generated	5_3_1	Waste management	p79	
306-4	Waste diverted from disposal	5_3_1	Waste management	p79	
306-5	Waste directed to disposal	5_3_1	Waste management	p79	

Note: GRI 403 follows the 2018 edition, the rest are all following the 2016 edition.

SASB CRITERIA CROSS-REFERENCE TABLE

According to the Exploration of Sustainable Industry Classification System for Domestic Listed and OTC Companies: SASB's Sustainable Industry Classification System(SICS®) V1.0 and SASB STANDARDS website, the Company disclosed its information based on the industrial standards of"hardware" (Edition 2023-12) and "Electronic Manufacturing Services and Original Design Manufacturing" (Edition 2023-12).

Industry classification	Topic	Code	Metric and responses	Corresponding chapter	Page
Electronic Manufacturing Services and Original Design Manufacturing	Water Management	TC-ES-140a.1	Metric: (1) Total water withdrawn (m^3) (2) total water consumed (m^3); percentage of each in regions with High or Extremely High Baseline Water Stress (%) **Response:** (1) 159,410 m^3 (2) 64,060 m^3; all operating sites of the Company are not located in regions with high or extremely high baseline water stress.	5_3_2 Water resource	p80
Electronic Manufacturing Services and Original Design Manufacturing	Waste Management	TC-ES-150a.1	Metric: (1) Amount of hazardous waste (tons) from manufacturing (2) percentage recycled (%) **Response:** (1) 78.46 tons (2) 4.8%	5_3_1 Waste management	p79
Electronic Manufacturing Services and Original Design Manufacturing	Labour Practices	TC-ES-310a.1	Metric: (1) Number of work stoppages (2) total days idle **Response:** (1) 0 time (2) 0 day	6_3 Human rights management	p106
Electronic Manufacturing Services and Original Design Manufacturing	Workforce Conditions, Health & Safety	TC-ES-320a.1	Metric: (1) Total recordable incident rate (TRIR) (2) Near miss frequency rate (NMFR) **Response:**	6_4_2 Occupational safety and health	p119

	TRIR		NMFR	
	Taiwan	Overseas	Taiwan	Overseas
Employees	0.43	0.51	0	0
Non-employees of the Company	0	0	0	0

Industry classification	Topic	Code	Metric and responses	Corresponding chapter	Page
Electronic Manufacturing Services and Original Design Manufacturing/ Hardware	Workforce Conditions, Health & Safety Supply Chain Management	TC-ES-320a.2 TC-HW-430a.1	Metric: (1) Percentage of entity's facilities audited in the RBA Validated Audit Process (VAP) or equivalent (%), by all facilities and high risk facilities (%) (2) Percentage of Tier 1 suppliers'facilities audited in RBA Validated Audit Process (VAP) or equivalent (%)), by all facilities and high risks facilities (%) **Response:** (1)The percentage of Wiwynn's main manufacturing plants passed or completed review procedures of RVA VAP or SAQ was 100%; the ratio of high risks was 0%. Main manufacturing plant / Tainan Branch / Subsidiary in Malaysia (WYMY) / Subsidiary in Mexico (WYMX) RVA VAP / V / V / Expect to be completed in 2024 SAQ / 93 (low risks) / 93.8 (low risks) / 89.2 (low risks) (2) Percentage of tier 1 suppliers with the amount of procurement above NT$10 million (99.75%) passed RVA VAP or completed SAQ reviewing procedures was 89.77%. One supplier was listed as high-risk, and the ratio of high risks was 1.27%. We requested the high-risk supplier to pass RBA VAP procedures. The supplier submitted RBA VAP External Audit Report before Q1, 2024. The non-conformity rate was 4.3%, and it was mainly in the dimensions of"health and safety" and "environment". We have requested the supplier to complete improvements within 90 days according to the regulations.	6_3 Human rights management 3_1_4 Management process of sustainable supply chain	p110 p47
		TC-ES-320a.3 TC-HW-430a.2	Metric: (1)Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent and associated corrective action rate for priority non-conformances and other non-conformances (%), disaggregated by the entity's facilities. (2)Non-conformance rate was 4.30%; 0 item of priority non-conformance and 4 items of major and minor non-conformance; corrective action rate was 100%. **Response:** (1) Non-conformance rate was 1.61%; 0 item of priority non-conformance and 3 items of major and minor non-conformance; corrective action rate was 100%. (2) Non-conformance rate was 4.30%; 0 item of priority non-conformance and 4 items of major and minor non-conformance; corrective action rate was 100%.	6_3 Human rights management 3_1_4 Management process of sustainable supply chain	p110 p47
Electronic Manufacturing Services and Original Design Manufacturing	Product Lifecycle Management	TC-ES-410a.1 TC-HW-410a.4	Metric: Weight of end-of-life products and e-waste recovered (tons);percentage recycled (%) **Response:** Wiwynn's business model is B2B. The operations of the end-of-life products (scrapped and recycled) are handled by downstream customers. Wiwynn does not recycle any scrapped products. However, from 2023, we collaborated with customers to recycle and reuse DRAMs in working condition. They were reused on the same customer's new products and were tested and verified. It fulfilled recycling and reutilization and avoided carbon emissions caused by manufacturing DRAM. It is estimated to reduce equivalent carbon dioxide by around 158,111 kg.	4_1_3 Responsible product	p61

Industry classification	Topic	Code	Metrics and responses	Corresponding chapter	Page
Hardware	Product Lifecycle Management	TC-HW-410a.1	Metric: Percentage of products by revenue that contain IEC 62474 declarable substances **Response:** Wiwynn's main products are data center products. We follow the items specified in the Material Declaration Standards, IEC 62474, by the International Electrotechnical Commission and customers' requirements to monitor the use of materials. The ratio of products containing IEC 62474 declarable substances to the revenue was 100%.	4_1_3 Responsible product	poi
		TC-HW-410a.2	Metric: Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent **Response:** The business model of Wiwynn is B2B. The power output of all products meet local regulations of environment and energy efficiency. It is not applicable to EPEAT and ENERGYSTAR® criteria.	4_1_3 Responsible product	p60
		TC-HW-410a.3	Metric: Percentage of eligible products, by revenue, certified to an energy efficiency certification. Response: The business model of Wiwynn is B2B. The power output of all products meet local regulations of environment and energy efficiency. In addition, European Union published ErP (2009/125/EC) Directive based on the requirements of ecological design on energy-related products. Lot 9 is the legal regulations in ErP Directive on servers and storage products. The latest regulations of Lot 9 require that starting from January 1, 2024, all products containing power supply unit (PSU) sold to the EU must be upgraded from platinum PSU efficiency (94%@50%load) to titanium PSU efficiency (96%@50%load). Wiwynn's sales distribution in Europe was around 11.90%.	4_1_3 Responsible product	p61
Electronic Manufacturing Services and Original Design Manufacturing/ Hardware	Materials Sourcing	TC-ES-440a.1 TC-HW-440a.1	Metric: Description of the management of risks associated with the use of critical materials **Response:** Based on the scopes of product, battery, and packaging materials, Wiwynn formulated the"Hazardous Substance Control and Management Procedures" to ensure material management fully meets international laws and customers' requirements. Besides, we also established the"Conflict Minerals Policy" and operating procedures, including risk management policy on suppliers' violation of relevant regulations for the purpose of implementing due diligence. Please refer to "4.1.3 Responsible product" and "3.1.6 Management of conflict minerals" in the Report for more information.	4_1_3 Responsible product 3_1_6 Management of conflict minerals	p60 p51

Industry classification	Topic	Code	Metrics and responses	Corresponding chapter	Page
Hardware	Product Security	TC-HW-230a.1	Metric: Description of approach to identifying and addressing data security risks in products **Response:** Based on customers' requirements of hardware, software, and firmware, Wiwynn customizes product development and design, and provides product security protection mechanism. • In terms of hardware design: TPM2.0 (Trusted Platform Module, TPM) is an international standard for secure crypto-processor. It helps reduce the risks of associated with hackers attempting to capture passwords for sensitive information and risks associated with the encrypted key. • In terms of firmware design: Security Boot ensures devices can only be activated by trusted software to further avoid unauthorized alteration or malicious processing.	4_1_4 Customer relation management	p64
Hardware	Employee Diversity & Inclusion	TC-HW-330a.1	Metric: Percentage of gender and diversity group representation for (1) executive and non-executive management, (2) technical employees, and (3) all other employees **Response:** Please refer to Chapter 6.1.1 Diversity	6_1_1 Diversity	p84

Activity Metrics

Industry classification	Code	Activity Metrics and responses	Corresponding chapter	Page
Electronic Manufacturing Services and Original Design Manufacturing	TC-ES-000.A	Number of manufacturing facilities	0_3 About Wiwynn Corporation	p05
Electronic Manufacturing Services and Original Design Manufacturing/Hardware	TC-ES-000.B TC-HW-000.B	Area of manufacturing facilities	0_3 About Wiwynn Corporation	p05
Hardware	TC-HW-000.A	Number of units by types of production	0_3 About Wiwynn Corporation	p05
Electronic Manufacturing Services and Original Design Manufacturing	TC-ES-000.C	Number of employees	0_3 About Wiwynn Corporation	p05
Hardware	TC-HW-000.C	Percentage of production from owned facilities	0_3 About Wiwynn Corporation 2023 Wiwynn Financial Statements	p05

TCFD RECOMMENDED DISCLOSURE

Dimension	Indicator		Corresponded chapter	Page
Governance	a	Describe the board of directors' oversight of climate-related risks and opportunities.	5_1_1 Climate governance and management procedures	p67
	a	Describe management's role in assessing and managing of climate-related risks and opportunities.	5_1_1 Climate governance and management procedures	p67
Strategy	a	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	5_1_2 Strategy	p69
	b	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	5_1_2 Strategy	p69
	c	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	"Wiwynn 2023 Climate-related Evaluation Report"	p69
Risk management	a	Describe the organization's processes for identifying and assessing climate-related risks.	5_1_2 Strategy	p69
	b	Describe the organization's processes for managing climate-related risks.	5_1_2 Strategy	p69
	c	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	5_1_1 Climate governance and management procedures	p67
Metrics and targets	a	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	5_1_3 Climate indicators and goals	p72
	b	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	5_1_3 Climate indicators and goals	p72
	c	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	5_1_3 Climate indicators and goals	p72

Information on the implementation of climate-related subjects

1. Illustrate the board of directors and the management's oversight and governance of climate-related risks and opportunities.

Board of Director is the highest governance body for climate-related topics. The Board incorporates risks and opportunities related to climate into the overall risk assessments, oversees comprehensive risk management and ensures the effective operation of management mechanism[Note].

The Corporate Sustainability Committee is a functional committee under the oversight of the Board of Directors,tasked with managing climate risks and assisting in the review of climate policies, strategies, and goals. It comprises 4 directors, with an independent director serving as the convenor. The committee is required to convene at least twice a year. The Chief Sustainability Officer submits annual reports on climate-related topics to both the Corporate Sustainability Committee and the Board of Directors.. The most recent submission was made on August 7, 2023. For further details, please refer to Chapter "5.1.1 Climate governance and strategy" in the Report.

Note: Please refer to Chapter "2.2 Risk management " in the Report for more information.

2. Illustrate how do the identified climate risks and opportunities affect the business, strategy, and finance in the short, medium, and long term).

The Sustainable Development Office and each operating unit are responsible for conducting annual assessments of climate-related topics based on internal and external factors, as well as benchmarks against industry peers and leading enterprises. Identified risks encompass transitional and physical risks, including existing and emerging laws, technology, market dynamics, business reputation, litigations, acute and long-term disasters. These risks are categorized across short-term (1-3 years), medium-term (3-5 years), and long-term (more than 5 years) timelines. In addition, consideration is given to existing and emerging laws and requirements related to climate change, such as the "Climate Change Response Act", "Renewable Energy Development Act", and "Regional Self-Government Ordinance for Low-Carbon Cities".Matrix analysis is then conducted based on impact level and the probability of occurrence to identify risks and opportunities across the upstream, organization, and the downstream of the value chain. According to SSP Public Database, TCCIP future scenarios, and international industry trend reports, potential financial impacts stemming from climate change risks and opportunities are assessed for the Company.

In 2023, significant climate risks were identified with high impact and probability,including product technology transformation, investment in new technology, and the demands for low-carbon emission products. This year marked the beginning of generative AI,characterized by rapid technology advancements and increasing computing demands. Focus also intensified on energy efficiency, carbon reduction, and cooling technology,presenting challenges in addressing climate issues. Looking ahead, achieving net zero emission and adapting to carbon pricing are critical. As net zero emission gain global consensus, aligning with international policies and preparing for the era of carbon pricing are crucial aspects of enterprise climate strategies, influenced by government policies worldwide.

In terms of physical risks, the impact and likelihood of extreme rainfall and drought were higher. Global warming has intensified, leading to an increase in both the intensity and frequency of extreme weather patterns. These extremes are increasingly concentrated in some regions,resulting in more widespread disasters and losses. In the future, the enterprise will continue to face various uncertainties in the weather patterns, which will continue testing the operational resilience.

Regarding climate-related opportunities, the advancement of AI technology presents opportunities for the development of low-carbon products. The application and development of recycled materials and low-carbon energy sources are key opportunities in addressing climate issues. The scarcity of natural resources,highlighted as one of the key risks in the 2024 Global Risk Report by World Economic Forum, underscores the importance of reducing reliance on virgin materials, increasing the use of recycled materials, and lowering the dependency on fossil fuels. These measures not only mitigate risks but also enhance operational resilience. Please refer to Chapter "5.1.2 Strategy" in the Report for more information.

3. Illustrate the impacts of extreme weather events and transitional actions to the Company's finance.

The Company conducted matrix analysis on climate-related topics,evaluating the probability of occurrence and the level of impact on the Company's finance. This assessment was based on data from the SSP Public Database, TCCIP future scenario estimation,and international industry trend reports. Please refer to Chapter of "5.1.2 Strategy" in the Report and "Wiwynn Corporation 2023 Climate Evaluation Report" for more information.

4. Illustrate the integration of the identification, evaluation, and management process of climate-related risks into the management system for the comprehensive risks.

The Sustainable Development Office and each operating unit are responsible of collecting climate-related topics annually,encompassing internal and external issues,and benchmarking against peers in the industry. Identified risks include transitional and physical risks,which undergoes a matrix analysis based on impact and the probability of occurrence to identify risks and opportunities across upstream, organization, and downstream of the value chain. The Risk and Safety Management Representative Committee integrates material risks, including (but not limited to) strategic, operational, financial, information, regulatory compliance, integrity, privacy, climate change, and other emerging risks (such as biodiversity, forest, water, or infectious diseases). This compilation is submitted to the Audit Committee for approval and then reported to the Board of Directors. The Board integrates climate-related topics into overall risks and oversees comprehensive risk management to ensure effective operation of the management mechanism.

5. If scenario analysis is used to assess the resilience against the risks of climate change, explain the scenarios, parameters, hypotheses, and the analytical factors used and the major financial impact.

The Company evaluates transitional risks across three dimensions: regulations, skills, and markets. External scenarios considered include three types: one based on NDC, another achieving SSP1-1.9 pathway per IPCC AR6, and a third aiming for net zero emissions before 2050,aligned with the Science Based Targets Initiative (SBTi), which requires reduction of 4.2% per year(SBT-NZ). Physical risks assesses extreme rainfall as a hazard level across four scenarios: RCP2.6, RCP4.5, RCP6.0, and RCP8.5. Considering vulnerabilities such as flooding, landslides, and mudslides caused by extreme rainfall, and with the location of operating sites determining exposure. We conduct physical risk assessment at each site using level of hazards, vulnerability, and exposure criteria.. Please refer to "Wiwynn Corporation 2024 TCFD Report" on the official website for more information. (Website)

6. If there is any transitional program related to the management of climate-related risks, explain the content of the program as well as the metric sand targets used to identify and manage the physical and transition risks.

The Company utilized SBTi carbon reduction pathway to calculate and estimate indicators related to climate mitigation and adaptation. We collect carbon emission data through renewable energy initiative and a carbon management platform introduced across the group. Collaborating with our supply chain,we focus on reducing carbon emissions from product development, manufacturing, transportation, use, and disposal. Our two long-term goals include achieving 100% renewable energy utilization by 2030, and reaching net zero emissions by 2040. Please refer to Chapter "5.1.3 Climate indicators and goals" in the Report for more information.

7. If internal carbon pricing is used as a planning tool, explain the basis of the price setting.

Wiwynn has not yet used internal carbon pricing as the planning tool.

8. If any climate-related targets are being set, explain the activities covered, scopes of greenhouse gas emission, schedules planned, and the progress to be achieved every year. If carbon offset or renewable energy certificates (RECs) are used to achieve the targets, explain the source and volume of the carbon reduction for the offsets or the quantity of RECs.

The Company has set they ear 2021 as the baseline year for calculating the goal achievement rate in 2023,following the SBTi Carbon Reduction Pathway:

Boundary	Coverage	Scope 1+2 goal achievement rate
Taiwan	34.10%	37.20%
Global	100%	91.45%

Recognized renewable energy in 2022 and 2023

	2022	2023
Renewable certificates (including PPA and local REC)	15,961,000	35,508,000

Please refer to Chapter "5.1.3 Climate indicators and goals" in the Report for more information.

9. Greenhouse gas inventory and the status of verification as well as the reduction goal, strategy, and the actual action plans (fill in 1-1 and 1-2 separately).

(1) Greenhouse gas inventory and the status of verification conducted by the Company in 2022 and 2023

(1-1) Information of greenhouse gas inventory

State greenhouse gas emission (tons CO_2e), intensity (tons CO_2e/ NT$ million), and scope of data coverage in the most recent two years.

Statistics of greenhouse gas emissions in the most recent two years Unit: tons CO_2e

Item		2022	2023
Scope 1		1,186.6308	3,272.5527
Scope 2	Location-base	25,961.5777	28,860.4916
	Market-base	19,170.5147	12,978.5396
Total	Location-base	27,148.2085	32,133.0443
	Market-base	20,357.1455	16,251.0923
Emission per unit revenue (tons CO_2e/ NTD million)	Location-base	0.0927	0.1328
	Market-base	0.0695	0.0672
Scope 3[Note 1]		5,960,082.29	6,441,625.88

Note : **Inventory boundaries for Scope 1 and Scope 2:**
Inventory and verification boundary in 2022 was Taiwan and the subsidiary in Mexico (WYMX).
Inventory and verification boundary in 2023 was all the subsidiaries included in Wiwynn's consolidated financial statements.

Note 1: Reduction was not deducted from the data for Scope 3.

(1-2) Greenhouse gas verification information

State the verification status in 2022 and 2023, up to the publication date of the Report, including verification boundary, institution, criteria, and opinions.

Greenhouse gas inventory and verification in the most recent two years

	2022	2023
Boundary	Taiwan and the subsidiary in Mexico (WYMX)	All subsidiaries included in the consolidated financial report
Institution	BSI	BSI
Criteria	ISO 14064-1:2018	ISO 14064-1:2018
Opinion	Reasonable assurance	Reasonable assurance

Note : Other indirect emissions listed in ISO 14064-1: 2018 Verification Declaration adopt validation or agree-upon procedures (AUP).

(2) Greenhouse gas reduction goal, strategy, and actual action plans

State the baseline year of GHG reduction as well as its data, reduction goal, strategy, actual action plans, and achievement of reduction goal.

- **Baseline year of GHG reduction**
  2023
- **Figure of Scope 1+2**
  32,133.0443 (Location-base)
- **Reduction goal**
  Scope 2 market-base emission achieve 0 tons CO_2e by 2030.
- **Achievement of reduction goal**
  Scope 2 market-base emission in 2023 was 12,978.5396 tons CO_2e,decreased by 6,191.9751 tons CO_2e compared to that in 2022.
- **Strategy**
  Environmental-friendly operation
- **Actual action plans**
  - The use of renewable energy was planned according to the actual operation of each site. In 2023, the global utilization rate of renewable energy was 57.07%.
  - Installed rooftop solar panels at the plant in Malaysia to generate electricity for on-site usage. It is expected to obtain GBI Green Building Label in 2024.
  - Implementation of manufacturing process improvement, including the introduction new production lines globally for low-energy consumption PCBA, and the reduction of idle power consumption during product testing.

The Company referred to GHG Protocol and followed ISO 14064-1:2018 to conduct greenhouse gas inventory and set organizational boundaries by operational control rights. The coverage was 100%.

Please refer to "5.1.3 Climate indicators and goals" in the Report for more information.

SUSTAINABILITY DISCLOSURE CRITERIA OF THE FINANCIAL SUPERVISORY COMMISSION

Computer and peripheral equipment manufacturing

No./Indicator	Type	Corresponded chapter	Status of annual disclosure	Remark
1 **Total energy consumption, ratio of purchased power, and utilization rate of renewable energy**	Quantitative	• 5_2 Energy management	• 244, 396 GJ • Ratio of purchased renewable power: 52.30% • Ratio of purchased non-renewable power: 39.35% • Renewable energy utilization rate: 57.07%	
2 **Total water intake and total water consumption**	Quantitative	• 5_3_2 Water resource	• Total water intake: 159,410 m^3 • Total water consumption: 64,060m^3	
3 **Weight and recycled ratio of hazardous waste generated**	Quantitative	• 5_3_1 Waste management	• The weight of hazardous waste was 78.46 tons. • Recycled ratio was 4.8%.	
4 **Description of category of occupational incidents, number of people, and ratio**	Quantitative	• 6_4_2 Occupational safety and health	Type / Number of people / Ratio Contacting high-temperature equipment, pinch injury, fall / 14 / 42.42% Contusion, strain / 19 / 57.58%	
5 **Disclosure of product life cycle management: including the weigh and recycled ratio of disposed products and electronic waste**	Quantitative	• 5_3_1 Waste management	Wiwynn's business model is B2B. The operations of the end-of-life products disposal and recycle are handled by downstream customers. Wiwynn does not recycle any disposed products. From 2023, Wiwynn collaborated with customers to recycle and reuse DRAM in working condition. They were reused on the same customer's new product, and tested and verified. It fulfilled recycling and reutilization and avoided carbon emissions caused by manufacturing DRAM. It is estimated to reduce carbon dioxide equivalent of around 158,111 kg.	
6 **Description of risk management related to using key materials**	Qualitative description	• 4_1_3 Responsible product 3_1_6 Management of conflict minerals	Wiwynn Corporation established "Hazardous Substance Control and Management Procedures", focusing products, batteries, and packaging materials. This ensures comprehensive material management in compliance with international regulations and customer requirements. In addition, we established "Conflict Mineral Policy" and operating procedures, which include risk management policy for addressing supplier violations of relevant regulations,ensuring rigorous due diligence practices are being upheld.	
7 **Total monetary loss due to litigations related to the Act of Anti-Competition Behaviors**	Quantitative	• 2_2_4 Regulatory compliance	Total monetary loss due to litigations related to the Act of Anti-Competition Behaviors was NT$0.	
8 **Production capacity of the main products based on product category**	Quantitative	• 0_3 About Wiwynn Corporation	Data center products: 1,423,543 PCS.	

INDEPENDENT THIRD-PARTY ASSURANCE OPINION STATEMENT

bsi.

By Royal Charter

INDEPENDENT ASSURANCE OPINION STATEMENT

2023 Wiwynn Corporation Sustainability Report

The British Standards Institution is independent to Wiwynn Corporation (hereafter referred to as Wiwynn in this statement) and has no financial interest in the operation of Wiwynn other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of Wiwynn only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by Wiwynn. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Wiwynn only.

Scope

The scope of engagement agreed upon with Wiwynn includes the followings:

1. The assurance scope is consistent with the description of 2023 Wiwynn Corporation Sustainability Report.
2. The evaluation of the nature and extent of the Wiwynn's adherence to AA1000 AccountAbility Principles (2018) and the reliability of specified sustainability performance information in this report as conducted in accordance with type 2 of AA1000 AS v3 sustainability assurance engagement.
3. The assessment of disclosure to be in conformance with the applicable SASB industry standard(s) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the 2023 Wiwynn Corporation Sustainability Report provides a fair view of the Wiwynn sustainability programmes and performances during 2023. The sustainability report subject to assurance is materially correct without voluntary omissions based upon testing within the limitations of the scope of the assurance, the information and data provided by the Wiwynn and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are correctly represented. The sustainability performance information disclosed in the report demonstrate Wiwynn's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurors in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that Wiwynn's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards and SASB Standard(s) were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top level review of issues raised by external parties that could be relevant to Wiwynn's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on Wiwynn's approach to stakeholder engagement. Moreover, we had sampled 1 external stakeholder to conduct interview.
- interview with 18 staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of materiality assessment process.
- review of key organizational developments.
- review of the extent and maturity of the relevant accounting systems for financial and non-financial reports.
- review of the findings of internal audits.
- the verification of performance data and claims made in the report through meeting with managers responsible for gathering data.
- review of the processes for gathering and ensuring the accuracy of data, followed data trails to initial aggregated source and checked sample data to greater depth during site visits.
- the consolidated financial data are based on audited financial data, we checked that this data was consistently reproduced.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).
- an assessment of the organization's use of metrics or targets of SASB Standard(s) to assess and manage topic-related risks and opportunities.

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018) and sustainability performance information as well as GRI Standards and SASB Standard(s) is set out below:

Inclusivity

In this report, it reflects that Wiwynn has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the Wiwynn's inclusivity issues and has demonstrated sustainable conduct supported by top management and implemented in all levels among organization.

Materiality

The Wiwynn publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of Wiwynn and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the Wiwynn's management and performance. In our professional opinion the report covers the Wiwynn's materiality assessment process and material issues.

Responsiveness

Wiwynn has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for the Wiwynn is developed and continually provides the opportunity to further enhance Wiwynn's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the Wiwynn's responsiveness issues.

Impact

Wiwynn has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. Wiwynn has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within an organization. In our professional opinion the report covers the Wiwynn's impact issues.

Performance Information

Based on our work described in this statement, specified sustainability performance information such as GRI Standards disclosures disclosed in this report, Wiwynn and BSI have agreed upon to include in the scope. In our view, the data and information contained within 2023 Wiwynn Corporation Sustainability Report are reliable based on procedures undertaken by means of vouching, re-tracking, re-computing and confirmation.

GRI Sustainability Reporting Standards (GRI Standards)

Wiwynn provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, including the disclosures of applicable economic, environmental, and social information, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the Wiwynn's sustainability topics.

SASB Standards

Wiwynn provided us with their self-declaration of in accordance with SASB Standard(s) (Hardware Sustainability Accounting Standard and Electronic Manufacturing Services & Original Design Manufacturing Sustainability Accounting Standard, version 2023-12). Based on our review, we confirm that the sustainability disclosure topics & accounting metrics of SASB Standard(s) (Hardware Sustainability Accounting Standard and Electronic Manufacturing Services & Original Design Manufacturing Sustainability Accounting Standard, version 2023-12) are reported, partially reported, or omitted. In our professional opinion the self-declaration covers disclosure topics, associated accounting metrics and activity metrics for applicable SASB industry standard(s).

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

The moderate level assurance provided is in accordance with AA1000AS v3 in our review of SASB Standard(s).

Responsibility

This sustainability report is the responsibility of the Wiwynn's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan

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