Winstek®



2023

Winstek Semiconductor Co., Ltd.

Sustainability Report

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Introduction

Message from the Management

ESG Performance

Report Overview and Scope





Message from the Management

Greetings to Friends of Winstek:

In 2023, amid global political and economic turbulence, the semiconductor industry faced challenges. Despite these rapid changes in the broader environment, Winstek remains focused on the advanced semiconductor packaging and testing sector, dedicating resources to research and development. Simultaneously, we are committed to integrating resources to provide existing customers with a comprehensive one-stop service model for packaging and testing, enhancing both the breadth and depth of our services. We anticipate that the robust growth in emerging technology applications will propel the semiconductor industry towards higher-value system integration levels in the future. Additionally, as global attention to and the importance of sustainability issues continue to rise, we will regularly review Winstek's short-, medium-, and long-term sustainability goals, navigating steadily on the path to sustainability.

Commitment to Green Production

Winstek's ESG Sustainability Committee closely monitors international climate change issues and the trend towards net-zero carbon emissions. In alignment with Product Hazardous Substance-Free Standards such as the EU's RoHS and REACH, we implement appropriate adjustments, mitigations, and substitutions for substances that may pose environmental hazards during manufacturing.

Through the verification of greenhouse gas emissions with ISO 14064-1 and product carbon footprint with ISO 14067, we have identified that electricity use is the key carbon emission hotspot for Winstek. By monitoring the operation of equipment and the efficiency of resource use, we have developed energy-saving and carbon reduction plans. To gradually increase Winstek's use of renewable energy, in 2023, we signed a five-year renewable energy procurement contract totaling 27 million kWh, and we have allocated capital expenditure for 2024 to construct a 201.72 kW solar power system in-house, supporting global net-zero carbon reduction goals. Furthermore, to implement our sustainable supply chain policy, we require suppliers to participate in our environmental sustainability initiatives, enhancing green consensus across the supply chain. All suppliers have signed the "Supplier Sustainability Declaration," working together to uphold our commitment to environmental friendliness.

Building Talent for the Future

We value and cultivate local talent, maintaining a robust occupational safety and health management system that provides comprehensive protective measures and health care resources, fostering a high-quality work environment with zero occupational accidents. By implementing our human rights policy, we offer equal development opportunities and fair compensation and benefits to all employees, regardless of race, gender, or age. We have regularly organized diverse training courses and offered external training. Employees have full autonomy to choose courses that meet their immediate needs, with costs subsidized by the company. This holistic approach enhances employees' skills and motivates them to maximize their self-worth.

Corporate Social Responsibility

In response to the United Nations Sustainable Development Goals, we are committed to inclusive, equitable, and high-quality education and sustainable urban and rural development. Upholding the principle of "giving back to society," we embody corporate social responsibility by encouraging and supporting employees to participate in various public welfare activities, fostering a sense of participation in these initiatives. We continuously care for disadvantaged groups, respond to societal needs, and cultivate civic awareness, internalizing it as a corporate social responsibility culture and realizing the concept of corporate giving back to society. By integrating public interest resources, we form a network of responsible cooperation, contributing to our nation.

Strengthening Information Security

In terms of information security policy, we have initiated internal controls, introduced network access control mechanisms, strengthened information security and privacy protection, regularly conducted social engineering drills, and implemented a system log analysis platform to generate real-time security incident alerts. Winstek upholds the highest standards of integrity, adhering to the Responsible Business Alliance Code of Conduct. The company adopts the highest ethical standards and enforces a zero-tolerance policy against any form of corruption, bribery, fraud, or monopoly practices. This year, we continue to expand new applications, including capacity for wafer micro-bumping and wafer testing for 3nm chips, and the construction of new facilities to meet the rapid growth in operations.

Faced with a rapidly changing environment, Winstek is committed to advancing ESG initiatives to enhance corporate resilience, fulfill corporate citizenship responsibilities, and integrate sustainability into our corporate culture. We strive to minimize the environmental impact of our operations while balancing sustainability with business growth. Together with our employees and partners, we aim to harness collective wisdom and strength, deepening our commitment to sustainable values and creating a new sustainable future.

ESG Performance Highlights

E Environment

1%
Energy Saving Rate

Contract Signing Completion
Contract Signing for the Use of Renewable Energy

585.05 tons CO_2e
Greenhouse Gas Emission Reduction ≥329.18 tons CO_2e

0 days
Production Disruption Due to Climate-Related Disasters

0 cases
Violations of Air Pollution Regulations

S Social

9.3%
Overall Turnover Rate < 13%

100%
Completion Rate of Employee Ethics Training

188.72 hours
Average Training Hours per Employee

0
Frequency-Severity Indicator (FSI) ≤0.09

0 cases
Major Occupational Accidents

G Governance

Top 21~35%
Corporate Governance Evaluation Ranking Among All OTC Companies

87 points
Customer Satisfaction

0 cases
Leakage Incident of Customer Confidential Information

0 cases
Violations of Regulations

Report Overview and Scope

Report Overview and Principles

This report is prepared with reference to the guidelines and framework of the Global Reporting Initiative (GRI) Standards. It comprehensively introduces Winstek Semiconductor Co., Ltd. (hereinafter referred to as Winstek, the Group, the Company, or we) in fulfilling its corporate citizenship responsibilities. It covers areas such as sustainable management, corporate governance and integrity, innovation, financial performance and customer service, sustainable supply chain management, green production for environmental sustainability, a friendly workplace for safe and healthy work environment, and social co-prosperity. This is our first sustainability report, issued in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" of the Taiwan Stock Exchange. It aims to provide reliable and transparent information to address the concerns of investors. Information is also published on our company website to promote two-way communication with internal and external stakeholders. As the demand for non-financial information disclosure increases, we will continue to comprehensively present present our company's management policies and data on sustainable development, while enhancing the transparency and credibility of related information.

Reporting Period

The report covers the period from January 1, 2023, to December 31, 2023. This report discloses various aspects of Winstek's ESG sustainability actions and sustainable business management practices, including the identification of stakeholders, communication and analysis of key issues, prioritization and response to significant issues, impact of sustainable business practices and risk assessment of material topics, implementation of the United Nations Sustainable Development Goals, continuity of operations plan, and the management policies performance information related to material topics. The company will continue to revise and publish the sustainability report annually.

Scope and Boundary

The scope of this report is defined based on Winstek's organizational boundaries, including:

- Headquarters: No. 176-5, Luliaokeng, 6th Neighborhood, Qionglin Township, Hsinchu County 307410, Taiwan (R.O.C.).
- Considering the principle of materiality, this report primarily discloses information related to Winstek Semiconductor Co., Ltd., with data collection including subsidiary: Winstek Semiconductor Technology Co., Ltd.

Principles and Guidelines

To continuously enhance the comparability and substantive nature of performance, all information disclosed in this report is presented with reference to internationally recognized standards, such as GRI and SASB, as well as the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" in Taiwan. The standards referenced are as follows:

- Global Reporting Initiative (GRI) Sustainability Reporting Standards (GRI Standards: 2021)
- Sustainability Accounting Standards Board (SASB) Semiconductors Sustainability Accounting Standard 2018)
- Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies
- Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Ensuring Accuracy of Disclosed Information

Disclosing ESG-related information has a significant impact on stakeholders, so we must make every effort to ensure the accuracy and completeness of all disclosed details.

Internal Verification:

(1) Unless otherwise noted, all currency units in this report are in New Taiwan Dollars (NTD), with numbers rounded to the second decimal place.

(2) Some indicators provide continuous data from 2021 to 2023 to highlight mid- to long-term trends as much as possible.

(3) All data, reviews, and information disclosed in this report have been verified and approved by the respective department heads and reviewed by top management.

External Verification:

Financial data disclosed in this report are derived from consolidated financial statements audited by PwC Taiwan in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards (IFRS) recognized and published by the Financial Supervisory Commission. Unless otherwise noted, all financial information is presented in NTD or thousands of NTD. Other information is presented in commonly used textual and numerical formats.

The information contained in this report is based on data from Winstek's Hsinchu plant.

Frequency of Publication

- Frequency of Publication: annually.
- The 2023 Sustainability Report is Winstek's first sustainability report, issued in October 2024.
- Next edition: Expected to be issued in August 2025.

Contact Information

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Implementing Sustainable Business Practices

1.1 ESG Organization and Stakeholder Identification

1.2 Communication and Analysis of Stakeholder Concerns

1.3 Prioritization and Response to Significant Issues

1.4 Impact of Sustainable Business Practices

1.5 Sustainability Goals Management and SDGs

- Winstek's Direction and Actions in ESG Sustainability Reporting



1.1 ESG Organization and Stakeholder Identification

1.1.1 ESG Organization and Responsibilities

Winstek, in accordance with the "Corporate Governance Best Practice Principles" and the "Sustainable Development Best Practice Principles," has established relevant regulations. Recognizing that sustainable business operations require long-term and in-depth discussions with stakeholders, the company actively establishes communication channels with all stakeholders. By understanding and continuously focusing on responding to stakeholder concerns, Winstek can adjust its approach to sustainable operations as needed. This commitment ensures full disclosure of the company's efforts in corporate governance, economic, environmental, and social dimensions, demonstrating our determination to promote corporate sustainability and fulfill corporate social responsibility, while actively responding to public expectations and showcasing social impact.

The company has established an ESG Sustainability Committee (hereinafter referred to as the ESG Committee) as the executing body. The committee consists of heads of relevant departments, serving as members of the Sustainability and Risk Management Group, Corporate Governance Group, Economic Group, Environmental Group, and Social Group (including supply chain, employees, and community). The Vice President serves as the Chief Commissioner to supervise and manage the committee. Meetings are held each year or as needed, with at least one report to the Board of Directors annually (in 2023, the report was presented to the Board on October 31). The Board of Directors reviews the sustainability strategies and action plans proposed by the ESG Committee, monitors their implementation, and prompts adjustments as necessary.





ESG Sustainability Committee Responsibilities

The ESG Sustainability Committee serves as a cross-departmental communication platform, responsible for planning, executing, and controlling various action plans. It integrates and supervises the progress and effectiveness of corporate governance, economic, environmental, and social dimensions, ensuring the effectiveness of both horizontal and vertical communication within the organization to concretely implement sustainable development.

Responsibilities of the Committee:

(1) Establishing the annual strategic direction for ESG corporate sustainability development.

(2) Planning and executing various ESG corporate sustainability activities and goals.

(3) Tracking and reviewing the execution and effectiveness of ESG corporate sustainability plans.

(4) Deciding on other sustainability-related matters concerning corporate governance, environment, and society.

(5) Holding review meetings each year or as needed to jointly discuss corporate sustainability-related issues and the effectiveness of business promotion, executing ESG-related tasks, and participating in related activities.

(6) Supervising various stakeholder communication plans.

ESG Sustainability Committee Task Force

To effectively achieve ESG goals, the ESG Sustainability Committee has established five task forces, with members divided into groups. The primary responsibilities and authorities of each task force are as follows:

Taskforces	Responsible Units	ESG Key Work Items	Key Achievements in 2023
A. Sustainability and Risk Management Taskforce	ESG Development	Establishment of the ESG Sustainability Committee, reviewing and setting annual sustainability indicators, and implementing risk management.	1. Optimized the original CSR task force into the ESG Sustainability Committee. 2. Established a routine organization for promoting sustainable development. 3. Addressed climate change through energy conservation and emission reduction measures.
B. Corporate Governance Taskforce	Finance Department, Internal Audit Office, Information Technology Division	1. Establishing an effective governance framework and implementing corporate governance requirements. 2. Operating corporate governance mechanisms, including the disclosure of operational information.	1. Commissioned external institutions to evaluate the performance of the Board of Directors (including internal control), resulting in a favorable evaluation. 2. Added a dedicated cybersecurity personnel in the IT department, and establish a dedicated supervisor and cybersecurity personnel to comply with regulatory requirements.
C. Economic Taskforce	Research and Development Division, Quality Reliability Division, Sales & Marketing	1. Ensuring sustainable products and innovation R&D momentum. 2. Creating economic value, promoting quality control and customer satisfaction systems, and providing improvement suggestions.	The results achieved through process improvements are as follows: 1. Reduced carbon emissions by 188 tons of CO_2e. 2. Increased total production capacity by 35%. 3. Reduced raw material consumption: 574,954 kg of N_2 and 1,349 tons of DIW.
D. Environmental Taskforce	Assembly/Test Operation Division, Facility Division	1. Setting and promoting energy-saving and carbon reduction goals and measures. 2. Advancing sustainable development and environmental protection systems and providing improvement suggestions.	The completed energy-saving and carbon reduction projects are estimated to reduce approximately 2.21 million kWh of electricity consumption and approximately 1,280 tons of carbon emissions.
E. Social Taskforce	Logistic Department, Human Resource Department, Occupational Safety & Health Office	1. Complying with environmental and social indicators with suppliers, maintaining human rights. 2. Implementing supply chain management, occupational safety and health management, social welfare systems, and promoting character education with improvement suggestions.	1. 345 suppliers signed the Supplier Sustainability Declaration, with a 100% signing rate among major suppliers. 2. Hsinchu County Qionglin Township Mayor Cheng-Piao Huang personally awarded Winstek for donating to local underprivileged families, donating NT$100,000 in 2023. 3. Collaborated with the Qionglin Women's Association and rallied employees to participate in a blood donation campaign. 4. Partnered with the Hsinchu County Qionglin Public Health Center to conduct a corporate flu vaccination program.

The implementation status and work plan of the ESG Sustainability Committee will be publicly available on Winstek's official website (https://www.winstek.com.tw/html/CSR/csr.html)

1.1.2 Identification of Key Stakeholders

Winstek identifies six key stakeholders based on six screening principles: "Responsibility," "Influence," "Proximity," "Dependency," "Representation," and "Policy and Strategic Intent." These stakeholders, identified during ESG Committee meetings, include shareholders and investors, employees, customers, suppliers (contractors), government agencies, and community residents. By listening to stakeholders through various communication channels, Winstek gathers their concerns and responds to their expectations.

The key stakeholders of the company are illustrated as follows:





1.2 Communication and Analysis of Stakeholder Concerns

Stakeholders are defined as groups or organizations that affect or are affected by Winstek. Using the AA1000 Stakeholder Engagement Standard (SES) principles—Dependency, Responsibility, Influence, Diverse Perspectives, and Tension—Winstek identifies six major categories of key stakeholders. Based on their mode of impact (direct or indirect), stakeholders are divided into two main groups: Direct stakeholders: Shareholders and investors, employees, customers, and suppliers (contractors). And indirect stakeholders: Community residents and government agencies.

Considering the nature of stakeholders, their concerns, and the purpose of engagement, Winstek selects different methods for stakeholder engagement. An annual report on communication with each stakeholder group is submitted to the Board of Directors. Collect sustainability-related issues based on sustainable development goals, industry norms and standards, and organizational annual goals, etc. Representatives from each unit engage with stakeholders regularly or as needed. By analyzing the impact of company operations and vice versa, 22 key issues of stakeholder concern (including one duplicate) are identified and detailed in the following table:

Stakeholders	Issues of Concern	Primary Communication Channels	Frequency	Communication Activities in 2023
Shareholders and Investors	Regulatory Compliance Corporate Governance and Tax Policies Operational Performance/ Operating Conditions Information Security Customer Relations Management Risk Management	Board of Directors	At least 4 times a year	Held one domestic institutional investor conference.
		Shareholders' meetings	Once Yearly (Regular)	
		Quarterly and annual financial reports	Regular	
		Market Observation Post System	Quarterly/yearly	
		Company website	Regular	
		Investor conferences	As needed	
Employees	Regulatory Compliance Talent Recruitment, Retention and Development Labor relations Human Rights Policies, and Diversity and Inclusion Occupational Safety and Health Integrity and Business Ethics	Labor-management meetings	Once per quarter	Held labor-management meetings to discuss 17 labor-related issues, with minutes kept for reference.
		Internal website/E-mail notifications/ announcements/bulletin boards (including electronic bulletin boards)	Irregular/Regular	Posted 45 announcements on the electronic bulletin board.
		Employee suggestion box, complaint hotline & E-mail	Regular	Addressed and resolved 2 issues raised via the employee suggestion box.
		Employee forums	Per quarter	Conducted 5 production line communication meetings.
		Gender equality committee	Regular	Notify the friendly workplace principles at the administrative orientation for new employees, with all employees completing the friendly workplace course in September 2023 (E-learning), with no complaints filed.
		Welfare committee meetings	Per quarter	Welfare committee announced 18 discount schemes/vendor exhibitions, offering more options for employees.

Stakeholders	Issues of Concern	Primary Communication Channels	Frequency	Communication Activities in 2023
Employees	Regulatory Compliance Talent Recruitment, Retention and Development Labor relations Human Rights Policies, and Diversity and Inclusion Occupational Safety and Health Integrity and Business Ethics	Employee counseling and new employee contracts	Irregular	Stakeholder Engagement
		Employee performance & learning development interviews	Yearly	Each year, through an automated online system, employees regularly conduct self-assessments of their annual work results and set goals for the upcoming year. These evaluations are discussed with their respective supervisors, and the annual KPIs and personal development plans for the following year are established.
		Proposal improvement system	Regular	Addressing 37 issues, all resolved.
		Education and training courses	Yearly	• An internal course needs assessment is conducted annually in December. • A total of 352 internal courses were offered, with 14,384 participants and an average satisfaction rate of 88%. Additionally, 230 external training sessions were attended by 304 participants.
		Safety and health consultations	Irregular	• Conducted internal emergency response training, including fire drills, civil defense training, and earthquake escape training sessions, a total of 3 sessions of 6 hours, involving 1,852 participants. • Conducted 21 external occupational safety and health certification training sessions totaling 936.5 hours, involving 83 participants.
Customers	Corporate Governance and Tax Policies Integrity and Business Ethics Customer Relations Management Product Responsibility Information Security Greenhouse Gas Emissions	Complaint handling and response Customer satisfaction surveys Customer meetings Phone/E-mail/website	Irregular Yearly Irregular Irregular	Completed 11 customer QBR (video) meetings on schedule, understanding customer needs and passing evaluation items.
Suppliers (Contractors)	Regulatory Compliance Integrity and Business Ethics Information Security Corporate Social Responsibility and Participation	Supplier evaluations Supplier audits Green products	Per quarter Once a year Regular	• Raw material suppliers were evaluated quarterly, and all suppliers met the required indicators. • Audited 18 suppliers, all meeting requirements without major deficiencies. • Ensured material suppliers comply with RoHS, REACH regulations, and use harmless substances, ensuring customer products meet international regulations.
		Agreement organization meetings	Irregular	345 suppliers signed the Supplier Sustainability Declaration, with all suppliers required to adhere to Winstek's RBA Code of Conduct policies.

Stakeholders	Issues of Concern	Primary Communication Channels	Frequency	Communication Activities in 2023
Government Agencies	Labor Relations Occupational Safety and Health Talent Recruitment, Retention and Development Human Rights Policies, and Diversity and Inclusion Air Pollutant Control Energy Resource Management Greenhouse Gas Emissions	Participation in government agency promotional and symposiums Official letters/phone inquiries Regulatory briefings Inspections by regulatory authorities	Regular/irregular Irregular Irregular Regular/irregular	• Participated in 16 legislative promotion meetings related to labor, environment, finance, and energy. • The corporate governance evaluation score for the year ranked within the 21% to 35% percentile range.
Community Residents	Corporate Social Responsibility and Participation Air Pollutant Control Energy Resource Management Occupational Safety and Health Human Rights Policies, and Diversity and Inclusion	Company website and Market Observation Post System Environmental monitoring information Hosting ESG-related activities	Regular Regular Irregular	• Published significant information promptly. • Held 8 ESG activities, including bread charity sales for the Children Are Us Foundation, fundraising for the Huashan Foundation, and micro-donations for the Genesis Social Welfare Foundation.

The communication with stakeholders is reported to the Board of Directors at least once per year. In 2023, the report was presented to the Board of Directors on October 31.



1.2.1 Identification and Analysis of Stakeholder Concerns

Winstek regularly performs materiality analysis on an annual basis, taking into account GRI Universal Standards 2021, AA 1000 SES, Impact Valuation methodology, and the Responsible Business Alliance (RBA) Validated Audit Program (VAP) for Human Rights Due Diligence (HRD). This approach develops an impact-oriented materiality analysis framework to identify Winstek's significant sustainability issues.

Additionally, we integrate these significant sustainability issues with enterprise risk management (ERM) to identify potential risks from an organizational resilience perspective and incorporate them into our sustainability management process. The materiality analysis is used not only for compiling Winstek's non-financial reports but also as a reference for developing long-term sustainability goals and strategies. ESG Sustainability Committee members assess the importance of each sustainability issue to operations. This process has resulted in the identification of 22 key issues prioritized for corporate sustainability.

Step 1 Understanding the Context of the Organization

Internal and external analysis and identification of impact sources

1 Stakeholder identification

2 Establish a list of issues of concern

- Identify 22 sustainability-related issues through the following channels to serve as the scope for identifying significant topics in the report.
- Each department's colleagues list different stakeholders' sustainability concerns based on their daily business and work experience.
- Review significant topics of domestic and international benchmark peers and international sustainability trends.
- Ensure the objectivity, completeness, and inclusiveness of the issues of concern.

Step 2 Identifying Actual and Potential Impacts

Management completes the impact assessment of significant issues

3 Impact assessment and stakeholder concerns level

The method for prioritizing issues of concern is as follows:

- Each ESG issue is assessed based on two main dimensions: "the level of impact on the economy, environment, and human rights by the company" and "the level of concern from stakeholders."
- The internal ESG committee meeting reviewed stakeholder feedback and evaluated the impact of the issues of concern on internal operations.
- The impact level of direct and indirect impacts for each issue was statistically identified, resulting in a preliminary materiality matrix .

Step 3 Evaluating the Significance of Impacts

Confirm significant issues

4 Confirming significant issues

- To ensure compliance with GRI definition principles and stakeholder inclusiveness principles, and to strengthen core competencies, the initial identification results of significant topics were reviewed and decided upon by the ESG committee.
- Ultimately, 9 significant issues were identified as the scope for significant disclosure in this report. Based on the content of these significant issues, relevant GRI disclosure topics were correspondingly identified and addressed in the report.

Step 4 Determining the Material Topics for Reporting

Confirming material topics management indicators and corresponding SDGs

5 Confirming management indicators and goals

- The materiality matrix will be continuously reviewed. According to the Taiwan Stock Exchange's corporate governance evaluation requirements, listed and OTC companies should conduct risk assessments of environmental, social, and corporate governance issues related to company operations based on the principle of materiality. Relevant risk management policies or strategies should be formulated, considering the severity and likelihood of risk occurrence of material topics and their risk considerations.

1.3 Prioritization and Response to Significant Issues

During the compilation of the 2023 Sustainability Report, we collected feedback from 219 stakeholders to understand their level of concern regarding Winstek's sustainability issues. ESG Sustainability Committee members then formulated long-term sustainability management goals. Each issue of concern was matched with the relevant stakeholder concerns to identify major topics.

Based on the stakeholder identification results, the ESG Sustainability Committee convened a meeting to discuss the stakeholder concerns for the 2023 ESG Sustainability Report, their level of concern, and the potential impact on organizational operations (e.g., material losses exceeding NT$10 million, fines exceeding NT$1 million, causing injuries or operational disruptions). The ESG Sustainability Committee conducted a review meeting to prioritize the key stakeholder concerns for 2023. Industry examples were referenced to make reasonable adjustments and revisions, which were recorded in meeting minutes and submitted to the Chief Commissioner for approval. Among the 22 identified issues, adjustments were made, and the 2023 report disclosed 9 significant issues and 7 secondary issues, as detailed in the following table:

Stakeholder Concern Level	Low	Moderate	High
High		Integrity and Business Ethics, Customer Relations Management, Energy Resource Management	Operational Performance/Operating Conditions, Regulatory Compliance, Air Pollutant Control, Talent Retention and Development, Labor Relations and Human rights (note) , Occupational Safety and Health, Risk Management, Product Responsibility, Financial Impacts and Adaptation Approaches of Climate Change, Information Security
Moderate	Corporate Social Responsibility and Participation	Sustainable Supply Chain Management and Procurement Policies, Greenhouse Gas Emissions, Innovative Products	Corporate Governance and Tax Policies
Low	Sustainable Value Chain, Digital Transformation	Green Manufacturing	
Organizational Impact Level			

Note: Significant issues and secondary issues are analyzed based on the importance of the 22 identified concerns. The three concerns of talent recruitment, retention and development, labor relations, and human rights policy and diversity and inclusion were combined into one theme of "Talent Retention and Development, Labor Relations and Human rights" due to their similar aspects, as decided by the ESG Committee through discussion.

The ESG Committee analyzed the impact of governance, economic, environmental, and social issues (including human rights/populations) both internally and externally to determine the level of sustainability impact as follows:

major direct impact ● non-major indirect impact ▲

Stakeholder Concern Dimensions	Concern Issues Content Analysis	Significant Issues	Secondary Issues	Internal Scope		External Scope				
				Organization	Employees	Shareholders/ Investors	Customers	Suppliers (Contractors)	Government Agencies	Community Residents
Corporation Governance/ Economic Aspect	Corporate Governance and Tax Policies		✓	●	●	▲			●	
	Integrity and Business Ethics		✓	●	●		▲	▲	▲	
	Regulatory Compliance	✓		●	●	●	●	▲	●	●
	Information Security	✓		●	●	●	●	▲	▲	▲
	Customers Relationship Management		✓	●	▲	▲	●			
	Risk Management	✓		●	●	●	▲		▲	▲
	Operational Performance/ Operating Conditions	✓		●	●	●	▲	●		▲
	Digital Transformation			●		▲		▲		
	Innovative Products and Services		✓	●		▲	●	●		
	Product Responsibility	✓		●	▲	●	●	▲	●	
	Green Manufacturing			●			●		●	
	Sustainable Supply Chain Management and Procurement Policies		✓	●			▲	●	▲	
	Sustainable Value Chain			●		▲	▲			
Environmental Aspect	Financial Impacts and Adaptation Approaches of Climate Change	✓		●	●	●	●	▲	●	●
	Greenhouse Gas Emissions		✓	●		▲	●		▲	
	Energy Resource Management		✓	●	▲	▲	●		▲	
	Air Pollutant Control	✓		●	▲	▲	▲	▲	●	●
Social Aspect	Occupational Safety and Health	✓		●	●	●	●	●	●	●
	Talent Retention and Development, Labor Relations and Human Rights	✓		●	●	▲	●		●	●
	Corporate Social Responsibility and Participation			●						●

Explanation: The table above classifies concerns into seven categories: internal (organization and employees) and external (shareholders/investors, customers, suppliers/contractors, government agencies, and community residents). Significant issues (9 items in total), identified by six or more●+▲or four or more●.Responses to both significant and secondary issues, as well as risk assessments and management of significant issues, are detailed in Section 1.4.2 (Risk Management of Material topics) and listed in Appendix 1 and 2. Short-, medium-, and long-term goals and management measures are also set.
Secondary issues (7 items in total), identified by four●+▲, with responses of policies and measures in Section 1.3.1 (Response to Significant and Secondary issues).

1.3.1 Response to Significant and Secondary Issues

In 2023, 9 significant issues and 7 secondary issues were identified. A summary of management actions and related measures is provided below:

Corporate Governance/Economic Aspect

Aspect	GRI Standards	Importance to Winstek	Measures Implemented
Operational Performance/ Operating Conditions	201 Economic performance	To establish a more comprehensive framework for corporate integrity, Winstek has formulated ethical guidelines for employees to avoid conflicts of interest and foster a sustainable business environment.	Establishing the "Ethical Corporate Management Best Practice Principles," "Operating procedures of insider trading prevention management," and "Procedures for Handling Reports of Illegal and Unethical Conduct" for employees and stakeholders.
Regulatory Compliance	2-27 Compliance with laws and regulations	Regulatory compliance is a cornerstone policy at Winstek, establishing the foundation for trust and credibility within the company.	The Company adheres to regulatory compliance by establishing and implementing anti-corruption, anti-bribery, and conflict of interest policies. These measures are enforced to ensure the optimal operational model that meets legal requirements.
Information Security	(Voluntary disclosure)	Implementing robust information security risk identification and management strategies ensures the protection of customer privacy and data security.	Conducting regular disaster recovery drills for information systems to ensure data confidentiality and security. Implementing privacy policies to protect important data, business secrets, and other critical information.
Product Responsibility	417 Marketing and labeling	Customer satisfaction and service quality are pivotal in building trust and a positive reputation.	Conducting annual customer satisfaction surveys and assigning responsibility for timely improvements to customer complaints.
Risk Management	201-2 Financial implications and other risks 2-12 Role of the highest governance body in overseeing the management of impacts	In response to operational, environmental, and other risks faced by global enterprises, Winstek has established a comprehensive risk management mechanism. This allows for swift adaptation and minimization of potential losses, safeguarding the interests of stakeholders.	In response to operational risks, the company convenes management meetings to review and adjust operational strategies proactively. This approach enables us to mitigate risks in advance and maintain continuous protection of stakeholders' interests.
Corporate Governance and Tax Policies	207-1 Approach to tax	Effective tax risk management is also crucial for both short-term and long-term operations.	Establishing tax management policies.
Integrity and Business Ethics	205 Anti-corruption 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Upholding principles of honesty, integrity, and ethical conduct is essential in fostering a culture of trust and sound business operations.	Formulating and implementing the "Code of Ethical Conduct" and whistleblowing procedures.
Customers Relationship Management	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Understanding customer standards and ensuring compliance with privacy protection in procurement orders and contracts are critical measures.	Establishing "Intellectual Property Management Procedures" to guide both parties.
Innovative Products and Services	2-6 Activities, value chain and other business relationships	Continuous product development and innovation, leading to patent acquisition, enhance product competitiveness.	Implementing "R&D Strategies" to manage research and development processes.
Sustainable Supply Chain Management and Procurement Policies	414-1 New suppliers that were screened using social criteria	Procurement practices prioritize local suppliers in Taiwan, with new vendors evaluated based on environmental and social responsibility criteria.	Procurement Policy: Do not procure harmful substances, conflict minerals, or raw materials from regions with forced labor.

Environmental Aspect

Aspect	GRI Standards	Importance to Winstek	Measures Implemented
Financial Impacts and Adaptation Approaches of Climate Change	305-4 GHG emissions intensity 305-5 Reduction of GHG emissions	The rise in temperatures and extreme weather conditions pose operational risks and opportunities. Winstek should always pay attention to official reference data and respond accordingly.	Identify risks and set short, medium, and long-term targets according to TCFD climate-related financial impact disclosures.
Air Pollutant Control	2-27 Compliance with laws and regulations 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Air Pollutant Control Methods: Different prevention equipment is used to handle waste acid gas, waste alkaline gas, and volatile organic compounds (VOCs) in compliance with regulatory standards.	Plan according to ISO 14001, collect and treat exhaust gases according to their characteristics to meet emission standards.
Greenhouse Gas Emissions	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions	In response to global environmental trends and national greenhouse gas reduction strategies, report the company's greenhouse gas emissions.	Conduct greenhouse gas inventories and verifications for 2023, and continue energy-saving and carbon reduction measures.
Energy Resource Management	306-1~306-3 Waste 303-2 Management of water discharge related 303-3 Water withdrawal 303-4 Water discharge 2-27 Compliance with laws and regulations	Violations of environmental regulations regarding wastewater and waste can affect the company's reputation and image. Implement robust water resource management measures to reduce water scarcity risks, manage and reduce water usage, and enhance recycling and reuse.	Plan according to ISO 14001, wastewater testing and waste classification are in compliance with regulations. Categorize water use mainly into cooling tower water, process wastewater, and domestic water, and conduct wastewater recycling accordingly.



Social Aspect

Aspect	GRI Standards	Importance to Winstek	Measures Implemented
Talent Retention and Development, Labor Relations and Human Rights	2-19 Remuneration policies 2-20 Process to determine remuneration 2-21 Annual total compensation ratio 401 Employment 402 Labor management relations 404 Training and education 405 Diversity and equal opportunity 406 Non-discrimination 408 Child labor 409 Forced or compulsory labor 412 Human rights assessment 403 Occupational safety and health	Implement an industry-competitive overall compensation strategy and system to attract and retain outstanding talent. Establish a mechanism focused on developing employees' abilities and performance evaluation to nurture and develop employee capabilities, facilitate promotions and salary adjustments, and create a diverse and equal opportunity workplace. Regard employees as the most important partners, aiming to create a harmonious, challenging, and sustainable learning and growth environment. Establish a workplace with diverse values and employee inclusion.	Provide industry-competitive compensation and benefits systems, along with a harmonious work environment to enhance Winstek employees' cohesion. Formulate the "Organization Regulations of the Compensation Committee" and the "Employee Performance Evaluation Measures" for all levels of management to follow. Set the "Employee Promotion Management Measures," whereby all levels of management report annually on outstanding employees' promotions to supervisory or position levels. Establish the "Work Rules" and "Sexual Harassment Prevention Measures, Complaints and Disciplinary Measures" for approval by the Labor Affairs Department. Additionally, specific "Foreign Worker Management Measures" ensure their labor rights are protected, including provisions on human rights protection and against forced labor and sexual harassment.
Occupational Safety and Health	403 Occupational Safety and Health	Comply with the "Occupational Safety and Health Act," providing a safe, healthy, high-quality, and friendly workplace for employees.	Obtain ISO 45001 Occupational Safety and Health Management System certification and maintain its validity. Implement the management system through inspections and audits, and enhance employees' emergency response and safety management capabilities through regular safety education and fire drills.



1.4 Impact of Sustainable Business Practices

1.4.1 Material Topics in the Winstek Value Chain

Full Disclosure ● Partial Disclosure ▲

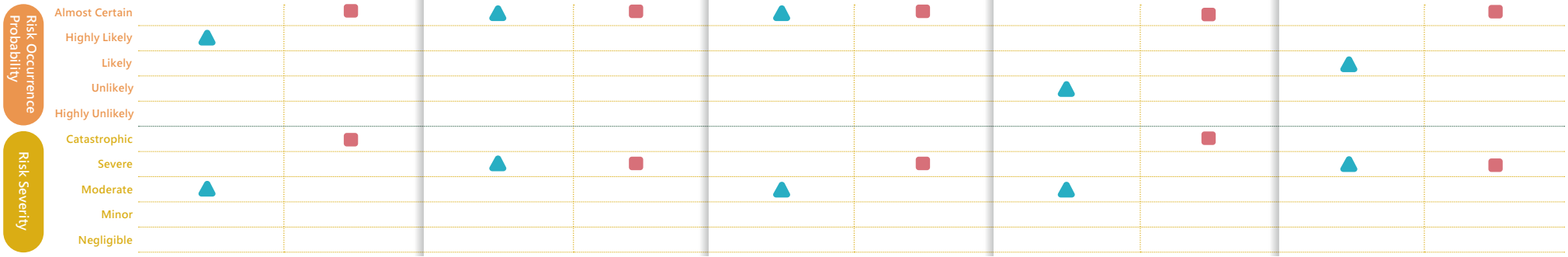
Sustainability Mission	Material Topics	GRI Standards Specific Topics SASB Standards for Semiconductors	Upstream	Winstek Products			Downstream	Operational Importance			
			Procurement Stage	Wafer/Finished Product Testing	Bump Packaging Business	Back-end Services/ Verification Analysis	Customer Usage	Revenue Growth	Customer Satisfaction	Employee Morale	Operational Risks
Operating Profit/ Corporate Governance	Operational Performance/ Operating Conditions	201 Economic performance TC-SC-410a. product lifecycle management	▲	●	●	●	●	●	●		
	Product Responsibility	417 Marketing and labeling	●	●	●	●	▲	▲	▲	▲	●
	Regulatory Compliance	2-12 Role of the highest governance body in overseeing the management of impacts 2-27 Regulatory compliance TC-SC-520a.1 Intellectual property protection & competitive behavior						●	●		●
	Risk Management						●		●	●	●
	Information Security		●				●	●	●	●	●
Green Production	Financial Impacts and Adaptation Approaches of Climate Change	201-2 Financial implications and other risks and opportunities due to climate change 305 Emissions 2-27 Regulatory compliance TC-SC-110a. Greenhouse gas emissions TC-SC-130a.1 Energy management in manufacturing TC-SC-140a.1 Water management TC-SC-150a.1 Waste management	●	●	●	●		●	●	●	●
	Air Pollutant Control		●	●	●	●			●		●
Friendly Workplace	Talent Retention and Development, Labor Relations and Human Rights	2-19 Remuneration policies 2-20 Process to determine remuneration 2-21 Annual total compensation ratio 401 Employment 402 Labor management relations 404 Training and education 405 Diversity and equal opportunity 406 Non-discrimination 408 Child labor 409 Forced or compulsory labor 412 Human rights assessment TC-SC-330a.1 Recruiting & managing a global & skilled workforce							●	●	●
	Occupational Safety and Health	403 Occupational safety and health TC-SC-320a Occupational safety and health		●	●	●		●		●	●

1.4.2 Risk Management of Material Topics (Positive and Negative Impact Analysis)

In 2023, nine material topics were identified regarding the severity and likelihood of risk occurrence, along with their risk considerations, risk assessment, and management measures. The detailed analysis and explanation are as follows:

Risk Considerations: Strategy | Operations | Hazard

Operational Performance/ Operating Conditions		Risk Management		Regulatory Compliance		Information Security		Product Responsibility	
Positive	**Negative**	**Positive**	**Negative**	**Positive**	**Negative**	**Positive**	**Negative**	**Positive**	**Negative**
Business Performance Surplus This year's operational performance has achieved a surplus.	Business Performance Deficit This year's operational performance has no deficit.	The company adheres to established risk procedures to mitigate risks.	Failure to develop management measures for emerging risks, resulting in operational losses.	The company complies with various laws and adopts regulatory compliance as a policy for several significant themes.	Any violation of regulatory compliance or ethical conduct could severely impact the company's reputation and image, affecting customers' willingness to place orders.	Winstek establishes a code of ethics in accordance with the law, aiming to protect the privacy of employees and customers.	If customer privacy is breached, it could result in official fines or employee sanctions, significantly impacting the company's internal and external reputation.	High quality and satisfaction of products and services.	Complaints about products and services lead to poor satisfaction, potentially resulting in order cancellations and impacting the company's operational performance.
Risk Assessment and Management Measures		**Risk Assessment and Management Measures**		**Risk Assessment and Management Measures**		**Risk Assessment and Management Measures**		**Risk Assessment and Management Measures**	
Established a "Code of Integrity" for employees and stakeholders to follow, with related procedures to foster a profitable corporate environment.		Each management function has relevant "Risk Analysis and Management Procedures" and "Continuous Supply Procedures," with annual risk identification and management.		Integrity management is implemented through regulatory compliance, anti-corruption, and anti-bribery policies, and conflict of interest avoidance systems.		Ensure smooth business operations by preventing unauthorized access, use, control, leakage, destruction, tampering, disposal, or other cybersecurity incidents.		Winstek regularly conducts product hazardous substance testing, customer satisfaction surveys, and promptly addresses customer complaints.	
Please refer to this report 【3. Innovative , Financial Performance, and Customer Service】		Please refer to this report 【2.7 Risk Management】		Please refer to this report 【2.4 Management Philosophy, Business Ethics, and Regulatory Compliance】		Please refer to this report 【2.6 Information Security Management】		Please refer to this report 【3.3 Customer Management and Service】	



Risk Considerations: Strategy | Operations | Hazard

Air Pollutant Control

Positive
The company complies with environmental regulations, with few incidents of environmental law violations.

Negative
In case of violations, we face official fines, government-imposed deadlines for improvements, or severe cases may lead to employee injuries, affecting the company's reputation.

Risk Assessment and Management Measures
The Company is ISO 14001 Environmental Management System certified, emphasizing environmental protection, and control air pollutants and have relevant equipment to reduce harmful emissions.

Please refer to this report
【5, Green Production】

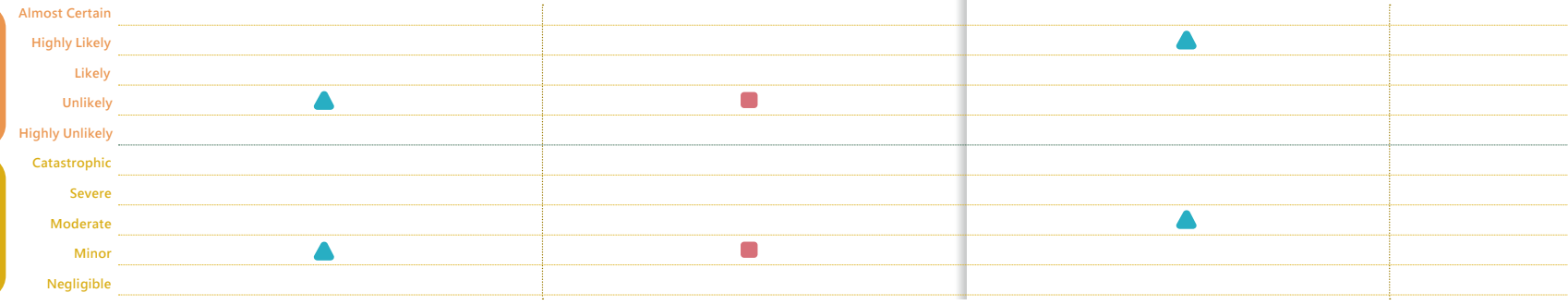
Financial Impacts and Adaptation Approaches of Climate Change

Positive
We manage greenhouse gas emissions through audits and energy-saving measures to achieve reduction targets.

Negative
Failure to implement carbon reduction measures could result in future government carbon taxes, increasing operational costs.

Risk Assessment and Management Measures
We are also ISO 14064-1 Greenhouse Gas Inventory certified. Each year, we establish specific power-saving measures to reduce electricity consumption, lower CO2 emissions, and minimize environmental impact, aiming for sustainable environmental protection.

Please refer to this report
【5, Green Production】





Risk Considerations: Strategy | Operations | Hazard

Talent Retention and Development, Labor Relations and Human Rights

Labor Relations

Positive

The company maintains harmonious labor relations, values employee rights, listens to employees' voices, and has a grievance mechanism.

Negative

Disharmonious labor relations could affect departmental collaboration and efficiency, and could lead to internal and external grievances, affecting the corporate image.

Talent Retention and Development

Positive

The company ensures harmonious labor relations, values employee rights, listens to employees' voices, and has a grievance mechanism.

Failure in talent recruitment and retention could affect departmental collaboration and efficiency, and severely impact the company's operational status and corporate image.

Human Rights

Positive

The company adheres to labor laws and RBA human rights standards, with no human rights violations.

Negative

Human rights violations could affect departmental collaboration and efficiency and severely impact brand reputation.

Risk Assessment and Management Measures

Our company has established labor-management meetings and employee welfare committees to promote harmonious labor relations and has set up grievance mechanisms and channels to address and resolve labor disputes promptly.

Please refer to this report
【6.5 Care and Communication】

Risk Assessment and Management Measures

We offer competitive salaries and benefits, conduct regular employee performance and development interviews, encourage communication, and have an annual training course plan to regularly review training effectiveness and enhance employees' career capabilities.

Please refer to this report
【6. Friendly Workplace】

Risk Assessment and Management Measures

We have submitted the "Work Rules" and "Sexual Harassment Prevention, Complaint, and Disciplinary Measures" to the Labor Affairs Department for approval, including human rights protection and regulations against forced labor and sexual harassment.

Please refer to this report
【6.4 Respect for Human Rights】

Occupational Safety and Health

Positive

The company complies with the "Occupational Safety and Health Work Code," implementing hazard identification and risk assessment to create a healthy and safe work environment.

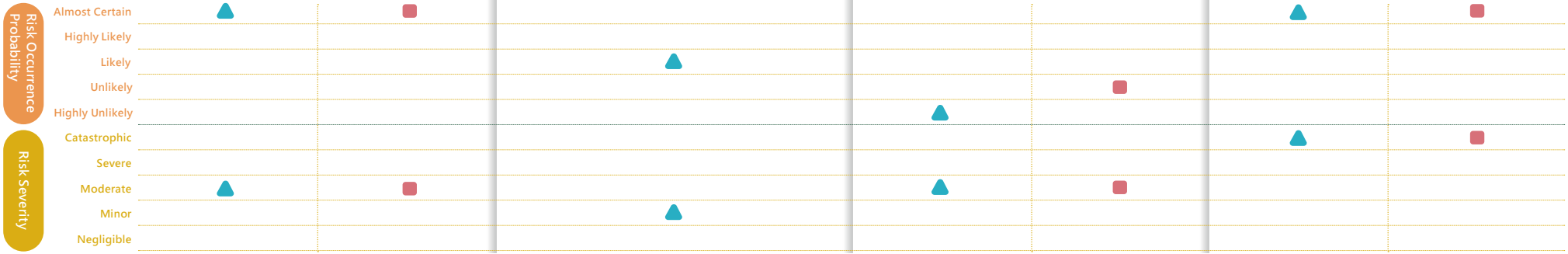
Negative

Safety and health incidents could lead to employee injuries and lost work hours, or in severe cases, fatalities and serious occupational accidents, with official fines and deadlines for improvement, affecting the company's reputation.

Risk Assessment and Management Measures

Our company has established the "Occupational Safety and Health Work Code" and its organizational staffing, submitted for official approval, and passed the ISO 45001 Occupational Safety and Health Management System certification.

Please refer to this report
【6.6 Occupational Safety and Health, 6.7 Health Promotion】



1.5 Sustainability Goals Management and SDGs

To implement the United Nations Sustainable Development Goals (SDGs), Winstek continues to focus on SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), and SDG 17 (Partnerships for the Goals). Through economic, environmental, and social initiatives, we set goals and management measures for 2023 to practically realize sustainable impact.



Economic Dimension

Corresponding SDGs: 12 Responsible consumption and production 13 Climate action 17 Partnerships for the goals

Company Goals	Management Measures	Corresponding SDGs	Corresponding Sections
Disclose relevant information in line with the government's corporate governance blueprint.	Disclose non-financial information referencing international reporting standards and plan to obtain third-party verification in the future.	12.b	● Report Overview and Scope
Actively identify and manage the risks brought by climate change and energy supply, continually controlling the impact and damage of extreme weather on operations.	Develop adaptation policies and solutions for physical risks such as floods, typhoons, power outages, and rising temperatures, and actively implement relevant response measures to ensure rapid recovery after disasters.	13	2.7 Risk Management 5. Climate Change
Ensure customer health and safety, privacy, marketing, and labeling of products and services comply with relevant regulations and international standards, and establish policies and procedures to protect consumer rights.	For products entering the EU, it is required that they do not contain excessive heavy metals such as lead. Suppliers have confirmed that their current products provided to the company comply with these regulations and have signed guarantees that the products do not contain prohibited or restricted substances. Suppliers are required to understand and comply with the latest EU prohibitions and produce accordingly. They must also submit reports, production material samples, and test data regarding the chemical substances contained in the products, as directed by EU chemical management regulations, to ensure that Winstek's products exported to the EU meet the new environmental regulations.	17	3. Innovation, Financial Performance, and Customer Service



Environmental Dimension

Corresponding SDGs: 06 Clean Water and Sanitation 07 Affordable and Clean Energy 13 Climate Action

Company Goals	Management Measures	Corresponding SDGs	Corresponding Sections
Promote water conservation.	To address climate change and the increasing scarcity of water resources, Winstek has been increasing the amount of recycled process and equipment water annually in all its facilities to replace water usage. This aims to conserve water and protect water resources, reducing the impact on the natural environment.	06	5.4 Water Management
Increase the proportion of renewable energy by introducing green electricity.	Winstek is actively working to achieve carbon reduction goals and increase the proportion of renewable energy. The next development phase includes the self-use of solar energy, with a plan to reach 201.72 kW by December 2024, expected to generate 225,000 kWh per year.	07	5. Green Production
Scope 1 and 2: Implementing greenhouse gas inventory and verification. Scope 3: Conducting inventory and verification work. Main Energy-Saving Policy: Implementing energy-saving and carbon reduction projects with a target energy saving rate of 1%.	All Winstek facilities conduct greenhouse gas inventories and adopt energy-saving measures as a management approach to achieve greenhouse gas reduction targets. These efforts aim to reduce environmental impact, and Winstek obtained third-party verification, completing the ISO 14064-1 greenhouse gas verification.	13	5.1 Greenhouse Gas Inventory and Carbon Management 5.2 Energy Management

Social Dimension

Corresponding SDGs: 03 Good Health and Well-being 04 Quality Education 05 Gender Equality

Company Goals	Management Measures	Corresponding SDGs	Corresponding Sections
Promote occupational safety and health (OSH) self-inspection and management measures to prevent internal disasters and reduce risks.	Establish OSH work guidelines based on ISO 45001 Occupational Safety and Health (OSH) management systems and relevant OSH regulations, identify hazardous operations, and establish self-inspection and safety operation standards to prevent potential hazards.	03	6.6 Occupational Safety and Health
Enhance the knowledge and skills of new and current employees.	Provide pre-employment training for new employees on company policies, OSH regulations, and other important management rules. Supervisors provide on-the-job training until employees can work independently without errors to ensure product and work quality.	04	6.3 Training and Development
Prohibit gender discrimination in recruitment, employment, remuneration, promotion, and training.	Submit "Work Rules" to the local Labor Affairs Department for approval, clearly stipulating the prohibition of gender discrimination policies and systems.	05	6.1Talent Policy and Commitment 6.4 Respect for Human Rights

Winstek's Direction and Actions in ESG Sustainability Reporting

After linking Winstek with the United Nations Sustainable Development Goals (SDGs), Winstek formulated its ESG strategy to implement sustainable goals in operations, aiming for corporate sustainability.

① ESG Five Key Directions



② ESG Actions



2

Corporate Governance and Integrity Management

2.1 Company Profile

2.2 Corporate Governance

2.3 Integrity Management

2.4 Management Philosophy, Business Ethics, and Regulatory Compliance

2.5 Internal Audit and Management Verification System

2.6 Information Security Management

2.7 Risk Management

2.8 Recognition and Honors



Winstek has identified material topics and goals for the sustainable management of corporate governance, operating performance, and regulatory compliance. The short, medium, and long-term indicators for these material topics are as follows:

	Short-term Indicators (2023~2024)	Medium-term Indicators (2025~2028)	Long-term Indicators (2029 and beyond)
Operational Performance/ Operating Conditions	Corporate Governance Evaluation Ranking: Top 21-35% among all OTC companies	Corporate Governance Evaluation Ranking: Top 21-35% among all OTC companies	Corporate Governance Evaluation Ranking: Top 21-35% among all OTC companies
Regulatory Compliance	Violations of Company Law or Tax Regulations: 0 cases	Violations of Company Law or Tax Regulations: 0 cases	Violations of Company Law or Tax Regulations: 0 cases

Material Topics, Goals, and Performance

Winstek adheres to the principles of integrity management and transparent information disclosure for its corporate governance and sustainable management. By complying with regulations, enhancing operating performance, and improving internal controls and personnel management mechanisms through ISO management system certification, we aim to cultivate a high-quality corporate culture based on ethical standards. The material topics, goals, and performance indicators are as follows:

◆ Operational Performance/Operating Conditions (Secondary Topic: Corporate Governance and Tax Policy)

2024 Goals	2023 Goals	2023 Performance
Corporate Governance Evaluation Ranking: Top 21-35% among all OTC companies	Corporate Governance Evaluation Ranking: Top 21-35% among all OTC companies	Corporate Governance Evaluation Ranking: Top 21-35% among all OTC companies → Achieved, continuous improvement in 2024

◆ Regulatory Compliance

2024 Goals	2023 Goals	2023 Performance
Violations of Company Law or Tax Regulations 0 cases	Violations of Company Law or Tax Regulations 0 cases	0 cases → Achieved



2.1 Company Profile

Winstek Semiconductor Co., Ltd., established in 2000 and located in Qionglin Township, Hsinchu County, provides one-stop semiconductor testing services, including bumping, wafer-level packaging, reliability and failure analysis solutions. We offer comprehensive testing and assembly services to ensure the smooth and uninterrupted delivery of customer products. With advanced testing platforms and an experienced R&D and engineering team, we reduce the engineering burden for our customers and prepare their products for commercial success in the shortest time possible.

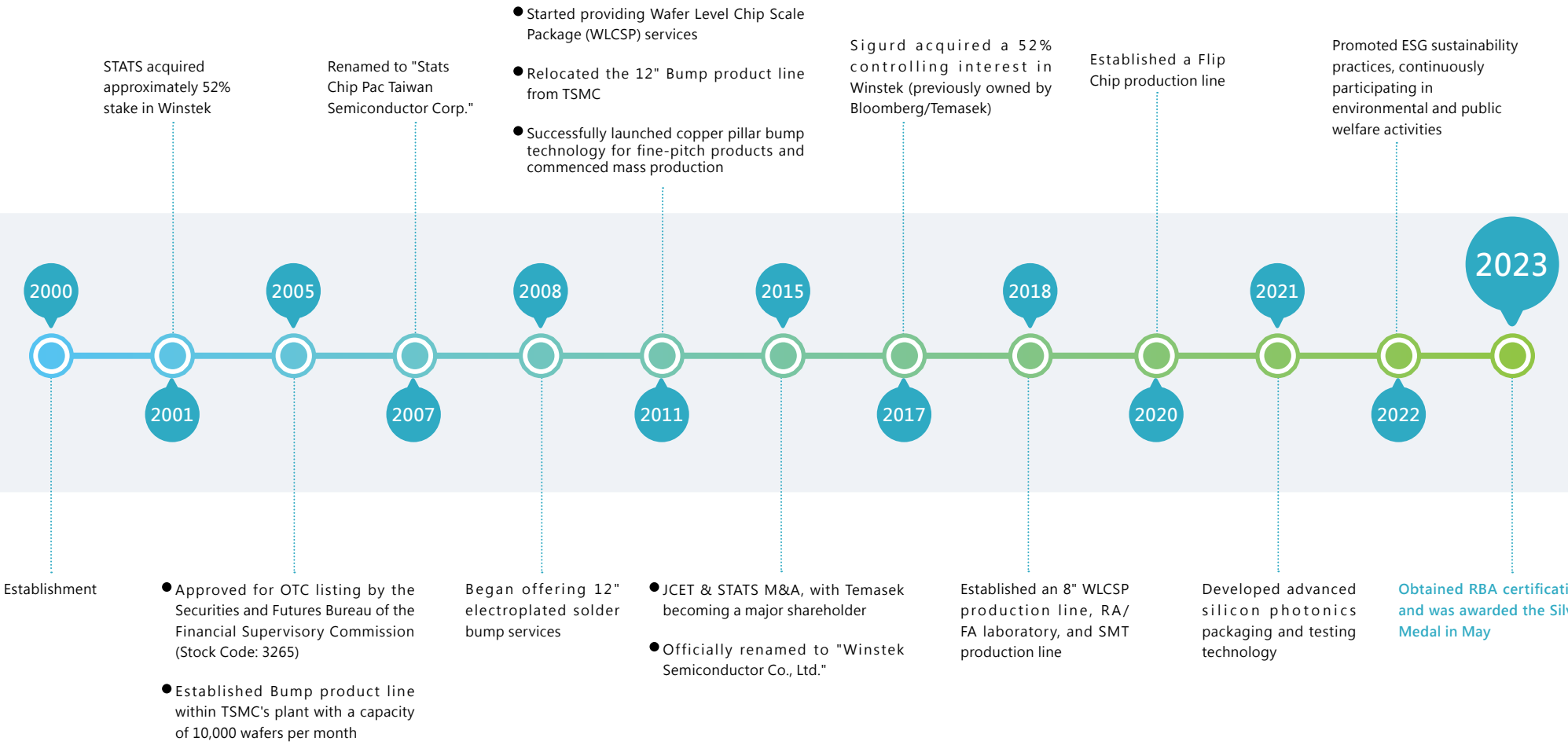
Since its establishment, Winstek has upheld the corporate tenet of " Earnest progress, and continuous administration" growing steadily under the guidance of its principles, the efforts of all colleagues, and the support of society. We have laid a solid foundation for development, aiming to lead the market with technology and providing leading one-stop services with high-quality, reliable products. We have established an operating philosophy of "Integrity, Frugality, Proactivity, Steadfastness, and Sustainable Operation," encouraging every employee to act with integrity and a proactive attitude towards personal, corporate, and societal efforts. We look forward to the company's steady progress through the diligent efforts of everyone, continuously striving for performance growth and providing society with high-quality, cost-effective electronic products.

Company Name	Winstek Semiconductor Co., Ltd.
Headquarters Location	No. 176-5, Lukukeng, Qionglin Township, Hsinchu County
Establishment Date	April, 2000
Chairman	Hsing-Yang Huang
General Manager	Chih-Li Weng
Capital	NT$1,362,616,590
Number of Employees	923 (as of December 31, 2023)

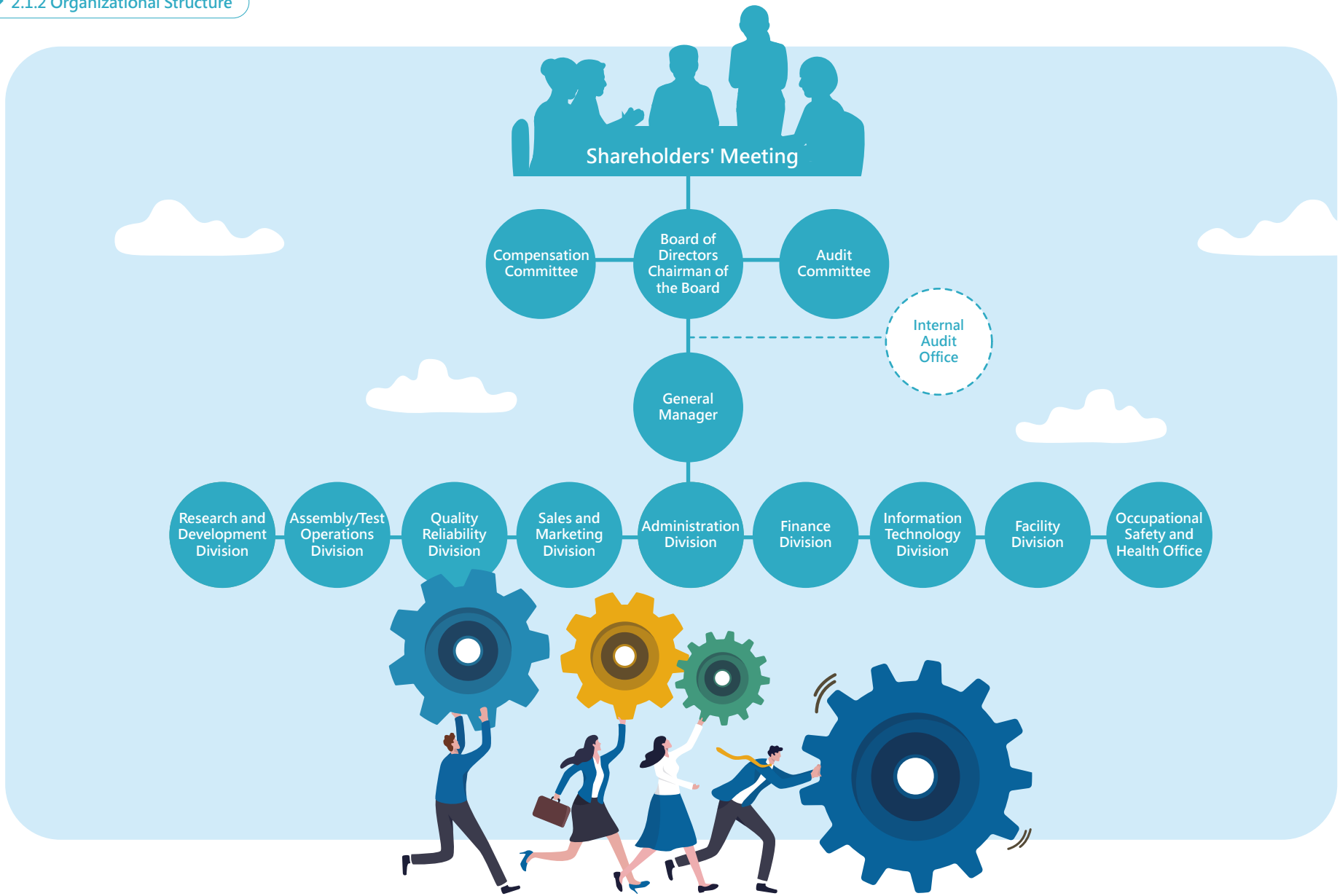


2.1.1 Company Establishment and Evolution

Company Establishment and Major Events in the Last 10 Years



2.1.2 Organizational Structure



2.2 Corporate Governance



Material Topics: Operational Performance/Operating Conditions
Secondary Topics: Corporate Governance and Tax Policy

Management Policies

- **Corporate Governance Policy:** Comply with the Company Law and relevant business regulations to ensure the normal operation of the board of directors and other governance bodies.
- **Shareholder Rights Policy:** Operate profitably without incurring losses to protect shareholder interests.
- **Goals and Targets:** Ensure that all governance units of the company are legal and appropriate, with a governance system supported by managers, employees, and shareholders.
- **Commitment:** Implement the company's codes of conduct using due diligence and proactive communication methods to protect stakeholder rights.
- **Management Measures:**

  (1) Establish a "Corporate Governance Best Practice Principle" to ensure the structure, agenda, and duties of the board of directors.

  (2) Follow legal norms and requirements and establish company policies.

  (3) Strengthen the functionality of the board by seeking professional decision-making and ensuring diverse academic and professional backgrounds among board members.

  (4) Uphold integrity management, commit to sustainable governance, and create value for shareholders.

  (5) Irregularly update major information on the Market Observation Post System to protect shareholder rights.

Responsibility

- **External Responsibilities:** Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, relevant regulations for listed and OTC companies, or other laws related to business conduct.
- **Internal Systems:** Articles of Incorporation, Corporate Governance Practice Principles, Sustainable Development Best Practice Principles, Ethical Corporate Management Best Practice Principles, Operating procedures of insider trading prevention management, Company's regulations governing the board performance evaluation, Regulations Governing Procedure for Board of Directors Meetings, Audit Committee Organization Regulations, Remuneration committee Organization Regulations, Reporting illegal and anti-Integrity case policy , Grievance and Whistleblowing Management Procedures, Endorsement and Guarantee Operating Procedures, Loaning Funds to Others Operating Procedures, Acquisition or Disposal of Assets Handling Procedures.

Performance

- The result of the 2021 Corporate Governance Evaluation was within the 21% to 35% range, with no corrections issued by the TWSE.
- The result of the 2022 Corporate Governance Evaluation was within the 21% to 35% range, with no corrections issued by the TWSE.
- 2023: Average board attendance rate of 96.22%.

Winstek adheres to its management philosophy, striving for sustainable and stable operation, focusing on employee potential development, fostering teamwork and innovation, and building an excellent team that can effectively leverage corporate resources. The company continuously injects new competitive advantages, becoming an industry benchmark. Since its establishment, it has been committed to providing customers with high-quality and efficient services, shaping a culture of simplicity, excellence, and continuous improvement, becoming a leader in high growth and high performance.

2.2.1 Management Philosophy and Corporate Vision

Sustainable Management Philosophy and Interpretation:

1 In Response to Emerging Trends	In response to climate change, stakeholders are increasingly concerned about corporate ESG management. We have proposed measures to address related issues, continuously fulfilling corporate social responsibility.
2 Enhance Competitiveness	Continuously improve quality standards to meet customer demands in response to industry trends, adhering to integrity management and strengthening corporate governance.
3 Move Towards Sustainable Environmental Protection	Committed to increasing the use of renewable energy, responding to government energy transition policies, implementing carbon reduction measures, and improving energy and resource efficiency to reduce environmental impact.
4 Friendly and Harmonious Workplace	Creating a friendly workplace with a healthy and safe working environment, ensuring the protection of human rights, and continuously engaging in social welfare activities while fostering community care.
5 Corporate Responsibility	Integrating the concept of sustainability into the corporate culture, balancing corporate sustainability with business growth, practicing ESG principles to enhance corporate resilience, cultivating sustainable value, and progressing towards sustainable operations.

2.2.2 Governance Structure

Board of Directors

Winstek has legally established a Board of Directors, with Mr. Hsing-Yang Huang serving as Chairman and Mr. Chih-Li Weng as General Manager. On June 6, 2023, during the annual shareholders' meeting, Winstek conducted the 8th Board of Directors election. The Board consists of 9 directors, including 3 independent directors, with the total shareholding ratio of all directors complying with the regulations set by the securities management authority. In accordance with Article 14-2 of the Securities and Exchange Act, the number of independent directors must not be less than three. The candidate nomination system includes professional or managerial backgrounds such as business management, industry knowledge, electronics, chemistry, electrical engineering, and financial accounting. The company's charter stipulates that the Board shall consist of 9 to 11 directors elected by the shareholders' meeting, with a three-year term, eligible for re-election. Director remuneration is allocated based on the company's performance and the stipulations in the charter, with the distribution reported to the shareholders' meeting.

The professional qualifications, shareholding, job restrictions, nomination, and election methods of independent directors, as well as other compliance matters, are handled in accordance with relevant regulations of the competent authority.

The Board includes 11.1% employee directors and 33.3% independent directors, all maintaining independence. For detailed information on the Board, please refer to page 20, 2023 Annual Report.

The Board of Directors operates in accordance with the "Regulations Governing Procedure for Board of Directors Meetings," holding at least one meeting each quarter to thoroughly review corporate performance and discuss future development strategies. All directors maintain a high level of self-discipline. If an agenda item involves a conflict of interest, the directors adhere to the "Corporate Governance Best Practice Principles" and the procedures outlined in Article 32 of the board meeting rules and decision-making procedures: "A director shall exercise a high degree of self-discipline and, if the director himself or herself, or the juristic person the director represents, has an interest in a proposal submitted to the Board of Directors, he or she shall describe the important information about such interest at the meeting. If the interest may be detrimental to the company, the director shall not participate in the discussion or voting on the proposal and shall voluntarily abstain from voting, either personally or as a proxy for another director. Directors must also practice self-discipline in their internal relationships and must not support each other inappropriately. Matters related to a director's voluntary abstention from voting shall be clearly set forth in the Regulations Governing Procedure for Board of Directors Meetings."

Board Member Training

In addition to possessing relevant industry backgrounds and practical management experience, all members of the Board of Directors in 2023 have undergone training in accordance with the "Guidelines for the Promotion of Training for Directors and Supervisors of Listed and OTC Companies." The training covered various topics, including risk management, climate change, financial accounting, financial regulations, ESG, and legal responsibilities related to professional ethics. The total training hours for all directors exceeded 60 hours, and the training details were disclosed regularly.

Director Remuneration

Article 28 of the Corporate Charter stipulates that if the company has a profit for the year, it should allocate 0.1% to 15% as employee compensation and up to 3% as director compensation based on business conditions. The company has established a "Director Remuneration Payment Method," where directors and independent directors not holding positions within the company receive fixed salaries regardless of company profits or losses. Directors holding positions within the company are compensated reasonably based on their positions, representation as subsidiary directors, and involvement in company operations. The proposed director remuneration is submitted for approval by the Board of Directors upon the recommendation of the Remuneration Committee in accordance with regulations.

Board Operations

In 2023, the Board of Directors held 6 meetings with an attendance rate of 96.22%.

Board Performance Evaluation Implementation

2023 Board Performance, Director Member Performance, and Functional Committee Performance Evaluation Report

Evaluation Cycle	Evaluation Scope	Evaluation Method	Evaluation Content
Conducted annually	(1) Overall board of directors (2) Board members (3) Functional committees	Board members self-assessment	(1) Board Performance Evaluation: Achievement rate of evaluation indicators: 92.8% to 100% Participation in company operations, decision-making quality, board composition and structure, director selection and continuous training, internal control. (2) Board Director Member Performance Evaluation: The evaluation indicators achieved a success rate of 91% to 100% This evaluation covers areas including understanding of the company's goals and tasks, recognition of directors' duties, participation in company operations, management of internal relationships and communication, directors' professional expertise, continuous training, and internal control. (3) Functional Committee Performance Evaluation: The evaluation indicators achieved a success rate of 86% to 100% This evaluation assesses the level of participation in company operations, understanding of committee duties, decision-making quality of the functional committee, the composition and selection of committee members, and internal control.
Conducted every three years	Overall board of directors	Appoint an external professional organization (Taiwan Institute of Ethical Business) to conduct the evaluation.	(1) Board of Directors' Professional Functions (This includes the composition and structure of the Board, the selection of directors, and their continuous training.) (2) Board Decision-Making Effectiveness (This measures the participation in company operations and the enhancement of decision-making quality.) (3) Emphasis on Internal Control and Supervision (This evaluates the Board's focus on and supervision of internal controls.) (4) Board Attitude Towards Sustainable Operations

The company conducts an annual self-assessment survey to evaluate the performance of the overall Board of Directors, individual directors, and functional committees. This year, the self-assessment results for the "Overall Board," "Director Members," and "Functional Committees" were all favourable. Additionally, in 2022, the company appointed an external professional organization, the Taiwan Institute of Ethical Business, to conduct a performance evaluation of the Board. The evaluation results were reported to the Board on March 6, 2023.

2.2.3 Functional Committees

2.2.3.1 Responsibilities and Operations of the Audit Committee

The Audit Committee was established by the company on June 26, 2009, following the shareholders' meeting. The committee is composed of three independent directors and is tasked with assisting the Board of Directors in overseeing the quality and integrity of the company's accounting, auditing, financial reporting processes, and financial controls. The key responsibilities of the Audit Committee include:

1. Auditing financial statements and reviewing accounting policies and procedures.
2. Reviewing the internal control system and related policies and procedures.
3. Monitoring significant asset or derivative transactions.
4. Overseeing major loans, endorsements, or guarantees.
5. Supervising the raising or issuance of securities.
6. Reviewing the company's derivative financial instruments and cash investments.
7. Ensuring compliance with applicable laws and regulations.
8. Handling complaint reports.
9. Monitoring related-party transactions and potential conflicts of interest involving managers and directors.
10. Implementing anti-fraud plans and investigating fraud reports.
11. Overseeing information security.
12. Managing corporate risk.
13. Appointing, dismissing, or determining the remuneration of the certifying CPA.
14. Appointing or dismissing financial, accounting, or internal audit supervisors.

The Audit Committee evaluates the effectiveness of the company's internal control system policies and procedures (including financial, operational, risk management, information security, outsourcing, and compliance controls). It also reviews the periodic reports submitted by the audit department, the certifying CPA, and management, including those on risk management and compliance. The Audit Committee has determined that the company's risk management and internal control systems are effective, with the necessary control mechanisms in place to monitor and correct non-compliance.

The Audit Committee is also responsible for overseeing the independence of the certifying CPA firm to ensure the fairness of the financial statements. Generally, the CPA firm is prohibited from providing services other than tax-related services or specifically approved projects. All services provided by the certifying CPA must be approved by the Audit Committee.

- **Curriculum Vitae and Operational Information of the Audit Committee Members for the Year 2023**

	Name	Education and Experience	Remarks
Independent Director	Min-Kai Lin	Graduate Institute of Accounting at National Taiwan University. Formerly served as Senior Specialist in Investment and Financial Management in the General Manager's Office, Special Assistant to the Chairman, Head of the Audit Office, and Chief Secretary at Chia Hsin Cement Corporation. Also served as a Supervisor at Huadong Cement International, Chia Hsin Construction, and Verdancy Company.	2023.06.06 Re-elected
	Den Wang	Master of Science, Rochester Institute of Technology, Rochester, New York, USA. Former Director of Advanced Packaging Operations at TSMC.	2023.06.06 Newly elected
	Wen-chou Vincent Wang	Ph.D. Materials Science & Engineering from Cornell University, Ithaca, New York, was Senior Vice President for STATS Chip PAC Ltd, Head of Flip Chip Engineering for Altera Corporation, San Jose.	2023.06.06 Re-elected

The company's Audit Committee consists of three members. In 2023, the Audit Committee held four meetings with a 100% attendance rate. For detailed information on the attendance of independent directors, please refer to page 23, 2023 Annual Report.

Audit Committee Meeting Information

The significant agenda items, resolutions, and handling of the Audit Committee's opinions during the most recent year include:

(1) Allocation of employee and director remuneration.

(2) Review of the business report and financial statements.

(3) Dividend distribution plan.

(4) Evaluation of the effectiveness of the internal control system and issuance of the internal control statement.

(5) Lifting of non-competition restrictions for candidates on the director nomination list.

(6) Appointment and remuneration of the certifying CPA, and assessment of their independence and competence.

(7) Appointment of the company's Corporate Governance Officer.

(8) The company's Board of Directors nominated and included candidates for directors and independent directors on the candidate list, and reviewed the qualifications of the independent directors.

(9) Appointment of two independent directors as members of the 7th Remuneration Committee.

All attending members of the Audit Committee unanimously approved the resolutions without objection. The company's handling of the Audit Committee's opinions was submitted to the Board of Directors, where all attending directors agreed and approved the resolutions.

2.2.3.2 Responsibilities and Operations of the Remuneration Committee

- **Responsibilities of the Remuneration Committee**
  In accordance with Article 14-6 of the Securities and Exchange Act, Winstek established the Remuneration Committee in 2011. On July 31, 2023, the Board of Directors appointed members to the 7th Remuneration Committee for a term from July 31, 2023, to June 5, 2026. The committee is composed of three members: Independent Director Min-Kai Lin (Chair), and committee members Jin-Yi Liao and Dian Wang.

  The Remuneration Committee is established by the Board of Directors, and its members are appointed by the board. The primary responsibilities include periodically reviewing the performance evaluation and remuneration policies for directors and managers, and submitting recommendations to the Board for discussion.

- **Remuneration Committee Operational Information**
  The Remuneration Committee consists of three members. In 2023, the committee held two meetings, with an attendance rate of 100%.

- **Regular Review of Remuneration**
  The function of the company's Remuneration Committee is to objectively and professionally evaluate the remuneration policies and systems for the company's directors and managers. The committee meets at least twice a year and may convene additional meetings as needed to provide recommendations to the Board of Directors for their decision-making reference.

2.2.4 Communication Between Independent Directors, Internal Audit Supervisors, and the CPA

1. Communication Methods Between Independent Directors, Internal Audit Supervisors, and the CPA

(1) The company's internal audit supervisor attends quarterly Audit Committee and Board meetings to report on audit activities. The independent directors have no objections to the reports, and communication between the audit supervisor and the independent directors is smooth. Independent directors offer professional advice on the reports, and the company considers their opinions.

The internal audit supervisor provides the independent directors with audit reports for review monthly and communicates through email, telephone, or meetings. The communication includes discussions on the control environment, audit process recommendations, and necessary enhancements, which are recorded, tracked, and implemented.

(2) The CPA meets with independent directors at least once a year, either face-to-face or in writing, to discuss significant matters regarding the company's financial status and audit results of financial statements. When significant issues arise, the Board invites the CPA to provide professional opinions to enhance communication. The Audit Committee and CPA maintain good communication.

2. Summary of Communication Between Independent Directors, Internal Audit Supervisors, and the CPA

- The independent directors have had effective communication regarding audit operations and performance.
- Key communication topics on the most recent year:

Discussion of the company's compliance with laws and regulations	Review of internal audit operations and audit plans	Discussion of the internal control environment and audit practices	Review of consolidated financial statements and communication with governance units

2.2.5 Disclosure of Significant Company Information

Winstek has an official website (https://www.winstek.com.tw/html/home/index-tw.html), where it discloses basic company information, product details, and financial data. The company has designated spokespersons and deputy spokespersons responsible for handling and responding to matters related to shareholder rights. In addition to holding occasional investor conferences or participating in investment forums organized by third parties, where the company's operational status and future outlook are presented and explained, relevant information is also uploaded to the "Market Observation Post System" for stakeholders' reference. Moreover, the company regularly discloses information related to business activities, organizational structure, financial status, and operational performance in accordance with applicable laws and major industry practices.

2.3 Integrity in Management

The company engages in business activities based on the principles of fairness, honesty, trustworthiness, and transparency. To implement ethical corporate management policies and actively prevent unethical conduct, the company has established specific guidelines that personnel must follow when conducting business, in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and relevant local laws where the company operates.

Dedicated Unit Responsibilities

The Administrative Management Department is the dedicated unit responsible for ethical corporate management. This department is tasked with policy formulation, promotion, implementation, and whistleblowing matters. The department reports on its execution at least once a year to the Board of Directors. Adequate resources and competent personnel are allocated to the department to handle the revision, implementation, interpretation, advisory services, and documentation of the operating procedures and code of conduct. The department's primary responsibilities include:

(1) Assisting in integrating ethical values into the company's business strategy and establishing anti-corruption measures aligned with laws and regulations.

(2) Irregularly analysing and evaluating the risk of unethical conduct within the scope of business, developing preventive measures, and setting relevant standard operating procedures and behaviour guidelines.

(3) Planning internal organization, staffing, and responsibilities, and establishing mutual supervision and checks within high-risk business activities.

(4) Promoting and coordinating the implementation of ethics policy training.

(5) Designing a whistleblowing system to ensure its effectiveness.

(6) Assisting the Board of Directors and management in auditing and evaluating the effectiveness of anti-corruption measures and regularly assessing compliance with relevant business processes, with reports prepared accordingly.

(7) Creating and maintaining documentation of the ethical corporate management policy, declarations of compliance, and related implementation records.

The company's Ethical Corporate Management Best Practice Principles are implemented upon approval by the Board of Directors and are submitted to independent directors and the shareholders' meeting. The same procedure applies to any amendments.

Integrity in Business Preventive Measures

The company has established preventive measures that cover at least the following behaviours:

- Offering and accepting bribes.
- Providing illegal political contributions.
- Making improper charitable donations or sponsorships.
- Offering or accepting unreasonable gifts, hospitality, or other improper benefits.
- Infringing on trade secrets, trademark rights, patent rights, copyright, and other intellectual property rights.
- Engaging in unfair competition practices.
- Directly or indirectly harming the rights, health, or safety of consumers or other stakeholders during the research and development, procurement, manufacturing, provision, or sale of products and services.

2.3.1 Integrity in Business Activities

Before establishing business relationships, Winstek evaluates the legitimacy, integrity policies, and any history of dishonest behaviour of agents, suppliers, customers, or other business partners to ensure that their business practices are fair, transparent, and free from bribery.

When conducting this evaluation, Winstek may implement appropriate due diligence procedures to review the following aspects of the potential business partner to understand their integrity:



2.3.2 Implementation Effectiveness

In 2015, the company established the "Administrative Measures for Reporting Cases of Illegal and Integrity Behavior" and the "Labor and Ethics Management Policy," incorporating relevant provisions of ethical corporate management and whistleblowing procedures. These policies are available in both Chinese and English on the company's website. Regular employee training sessions are held to promote the concept of ethical corporate management, including the establishment of anonymous reporting channels to ensure that employees are aware of and adhere to these policies, thereby enhancing the implementation effectiveness of the company's ethical management. For new employees, the company also emphasizes "Work Management and Ethics," "Integrity Management Policy" and "Whist Blower System and Reporting Procedures" during their orientation training.

Implementation Status

(1) Since January 2016, there have been no reported cases.

(2) The status of ethical management implementation was reported to the Board of Directors on October 31, 2023.

Whistleblowing/Complaint Mechanism

Winstek focuses on respecting human rights, protecting intellectual property, and preventing improper benefits from harming the interests of the company, customers, and suppliers. To ensure the implementation of ethical management, we have established an independently operated Internal Audit Office that regularly or irregularly conducts internal audits each year. Convenient and accessible complaint channels are available for internal and external stakeholders to report concerns, and appropriate responses are provided to minimize operational risks and establish a positive interaction model with stakeholders.

- Whistleblowing Email: kim.chen@winstek.com.tw, Legal@winstek.com.tw
- Whistleblowing Hotline: (03)593-6565 ext. 161, 169
- 2023 Implementation Results: No supervisors or employees were found to have violated ethical principles.



2.4 Management Philosophy, Business Ethics, and Regulatory Compliance

2.4.1 Management Philosophy

The company's management philosophy focuses on reducing resource waste, enhancing quality standards, meeting customer needs, and advancing toward sustainable environmental practices. The ultimate goal is to pursue profit and surplus, ensuring transparency of information, creating higher added value for products, and continuously improving the professional and leadership capabilities of the team to enhance operational performance.

2.4.2 Business Ethics and Regulatory Compliance

Material Topic: Legal Compliance
Secondary Topic: Ethical Corporate Management and Business Ethics

Management Policies

- **Policy:** Adhere to corporate ethics, professional conduct, and legal regulations
- **Goals and Targets:** To achieve continuous growth and sustainable operations, reach economies of scale, and enhance overall corporate competitiveness while adhering to ethical standards, and complying with economic, environmental, labor, and occupational safety and health regulations, as well as corporate ethics and professional conduct.
- **Commitment:** Employ due diligence and proactive communication methods to uphold corporate ethics, professional conduct, and legal compliance, thereby protecting the rights and interests of stakeholders.
- **Management Measures:**

  (1) Establish an effective internal control system and management framework to enforce integrity and ethical business practices.

  (2) Comply with relevant laws and regulations and cooperate with the government in promoting the sustainable development of the semiconductor industry.

  (3) Emphasize corporate ethics and employee professionalism, respect intellectual property rights, and protect the privacy of individuals and customers.

  (4) Strengthen communication with stakeholders and strive to meet their expectations for the company's sustainable operations.

Winstek Semiconductor places great importance on employee integrity and ethical behaviour. The company has established several key procedures, including the "Labor Ethics Objectives and Management Policy," "Labor Ethics Information Communication Procedure," "Reporting Illegal and Anti-integrity Case Policy" and "Operating Procedures of Insider Trading Prevention Management." The "Ethical Policy" is signed by the General Manager and promoted through the official website (https://www.winstek.com.tw/html/RBA/Ethics-Policy.html) and on-site postings. Corporate social responsibility and ethics-related training are provided, and all new employees are required to undergo "Labor and Ethics Management Behaviour Training" to prevent corruption.

- The number of new employees trained on RBA courses and online awareness over the past three years is as follows:

Unit: Employee

	2021	2022	2023
New employees	173	184	140
In-service employees	834	910	923
Pass rate	100%	100%	100%

Anti-bribery and anti-corruption

Winstek has established the "Ethical Corporate Management Best Practice Principles" and the "Operating procedures of insider trading prevention management" to maintain normal business operations and ensure fair competition. These procedures regulate commercial transactions, prohibiting any form of corruption, extortion, embezzlement, or other improper benefits. The company explicitly prohibits all improper benefits in all commercial activities or external interactions, including dealings with government departments, negotiating orders with client representatives, customer QC inspections, fair execution of product inspections, and audits. Any direct or indirect payments or receipts of cash, goods, or other benefits under any pretence outside of transactions—such as rebates, promotion fees, advertising fees, service fees, reimbursements, domestic or international travel, etc.—are strictly prohibited.

Regular monitoring of potential violations should be conducted, and compliance must be ensured:

1. Maintaining the highest standards of integrity in all business interactions.
2. Improper benefits should not be promised, offered, authorized, granted, or accepted.
3. Ensuring the protection of intellectual property.
4. Upholding fair trade, advertising, and competition.
5. Protecting against retaliation and safeguarding identities.
6. Preventing unauthorized disclosure of personal information.

In 2023, Winstek conducted a corruption and bribery risk assessment using the RBA self-assessment form. The results indicated no significant risks of corruption or bribery, and no incidents of bribery or corruption occurred.



2.4.3 Legal Compliance

Winstek is committed to legal compliance, regularly collecting and compiling relevant business regulations for identification. In the event of new or revised regulations, the responsible departments promptly review the existing business models and practices to ensure compliance and assist with the dissemination of policies to relevant units. To protect the company' s legal rights, legal courses are held periodically, and legal bulletins are produced to enhance employees' legal knowledge.

The following table outlines the major sources of law related to corporate governance, environmental, economic, and social legal compliance, along with the corresponding internal regulations and whether any legal violations occurred in 2023:

Category	Taiwan's Key Legal Sources	Company's Internal Regulations or Procedures
Corporate Governance	Company Act, Corporate Governance Best Practice Principles, Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, Audit Committee Charter, Remuneration Committee Charter	Articles of Incorporation, Corporate Governance Practice Principles, Sustainable Development Best Practice Principles, Ethical Corporate Management Best Practice Principles, Operating procedures of insider trading prevention management, Company's regulations governing the board performance evaluation, Regulations Governing Procedure for Board of Directors Meetings, Audit Committee Charter, Remuneration Committee Charter, Reporting illegal and anti-Integrity case policy
Employee Labor Rights and Conditions	Labor Standards Act, Employment Service Act, Gender Equality in Employment Act, Labor Insurance Act, Labor Pension Act, National Health Insurance Act, Employee Welfare Fund Act, Labor Leave Rules, Labor-Management Meeting Implementation Guidelines, etc.	Work Rules Approval, The Roster of Labor-Management Meeting Representatives Approval Employment Procedures, Resignation Management Procedures, Salary Management Procedures, Employee Reward and Punishment Procedures Labor and Ethics Management Behavior Training Responsible Business Alliance (RBA) Code of Conduct
Health and Safety	Occupational Safety and Health Act, Enforcement Rules of the Occupational Safety and Health Act, Labor Health Protection Rules, Labor Safety and Health Facility Regulations, Labor Safety and Health Education and Training Rules, etc.	Occupational Safety and Health Work Rules Approval, Occupational Safety and Health Organization and Personnel Approval ISO 45001 Occupational Health Management System and Related Procedures
Environment	Basic Environment Act, Climate Change Response Act, Waste Disposal Act, Resource Recycling Act, Air Pollution Control Act, Noise Control Act, Drinking Water Management Act, Effluent Standards, Water Pollution Control Act and its Enforcement Rules, etc.	Sustainable Development Best Practice Principle, ISO 14001 Environmental Management System and Related Procedures, SOPs and Forms, including Waste Management Procedures, Noise Control Procedures, Drinking Water Equipment Management Procedures, Wastewater Treatment Procedures, etc. Implementation of ISO 14064-1 Greenhouse Gas Inventory System and Issuance of Greenhouse Gas Inventory Reports
Economy	Fair Trade Act, Patent Act, Copyright Act, Intellectual Property Law, Trade Secrets Protection Act, Computer-Processed Personal Data Protection Act, etc.	Job Contracts, Professional Ethics Standards Personnel-Related Management Systems
Social	Civil Law, Communicable Disease Control Act, Sexual Harassment Prevention Act	
Products	Fair Trade Act, Computer-Processed Personal Data Protection Act Hazardous Substance Process Management System	Implementation of the ISO 9001 Quality Management System, including related procedures, SOPs, and forms, and the integration of the RBA system to effectively control hazardous substances in compliance with international standards, ensuring the prevention of harm to consumers.

0 cases
Any Legal Violations in 2023

2.5 Internal Audit and Management Verification System

2.5.1 Internal Audit

To comprehensively review and assess the effectiveness of internal controls, measure the efficiency and effectiveness of operations, ensure the reliability, timeliness, and transparency of reporting, and ensure compliance with regulations, Winstek Semiconductor has established an Internal Audit Office as an independent internal audit unit directly under the Board of Directors.

Audit Targets: The audit targets include all business units within the company.

- **Audit Plan**

  Planned Audits → The Internal Audit Office formulates the annual audit plan based on risk assessment results and legal regulations before the end of each year. This plan is then submitted to the Board of Directors for discussion and approval, serving as the basis for audit operations in the following year.

  Special Audits → As needed, senior management or the head of the Audit Department may designate specific audit themes and timelines. Auditors are required to conduct the necessary audit activities within the specified timeframe.

- **Audit Process**

Formulate the annual audit plan based on the risk assessment results and execute audit operations according to the plan.

Conduct special audits as needed and promptly provide management with insights into existing deficiencies or potential risks.

Issue audit reports after the audit work is completed, including recommendations and improvement measures.

Continuously track the improvement of audit deficiencies, preparing follow-up reports each quarter until the deficiencies are fully resolved.

After the audit report and follow-up report are reviewed, they should be submitted to each independent director by the end of the month following the completion of the audit.

Audit work is conducted based on the results of risk assessments. The annual audit plan is formulated and executed after approval by the Board of Directors to provide management with insights into the operation of internal controls. Special audits are conducted as necessary, with findings fully communicated to the audited units to help management understand existing deficiencies or potential risks.

Upon completing audit activities, the Internal Audit Department issues written audit reports and follow-up reports, which are presented at the quarterly Board meetings and reported to the Chairman and the Audit Committee on a monthly basis or as needed.

In 2023, no significant internal control deficiencies were identified. The effectiveness statement of the internal control system is disclosed in the annual report and filed according to legal requirements.

- **Audit operations follow the P-D-C-A (Plan-Do-Check-Act) management cycle, as illustrated in the diagram below:**



2.5.2 Internal Management System

The Board of Directors and management of the company have established an internal management system based on the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and other relevant legal requirements, with the aim of enhancing operational management effectiveness and product quality.

The internal management system is primarily divided into three main components:

(1) Internal Control System

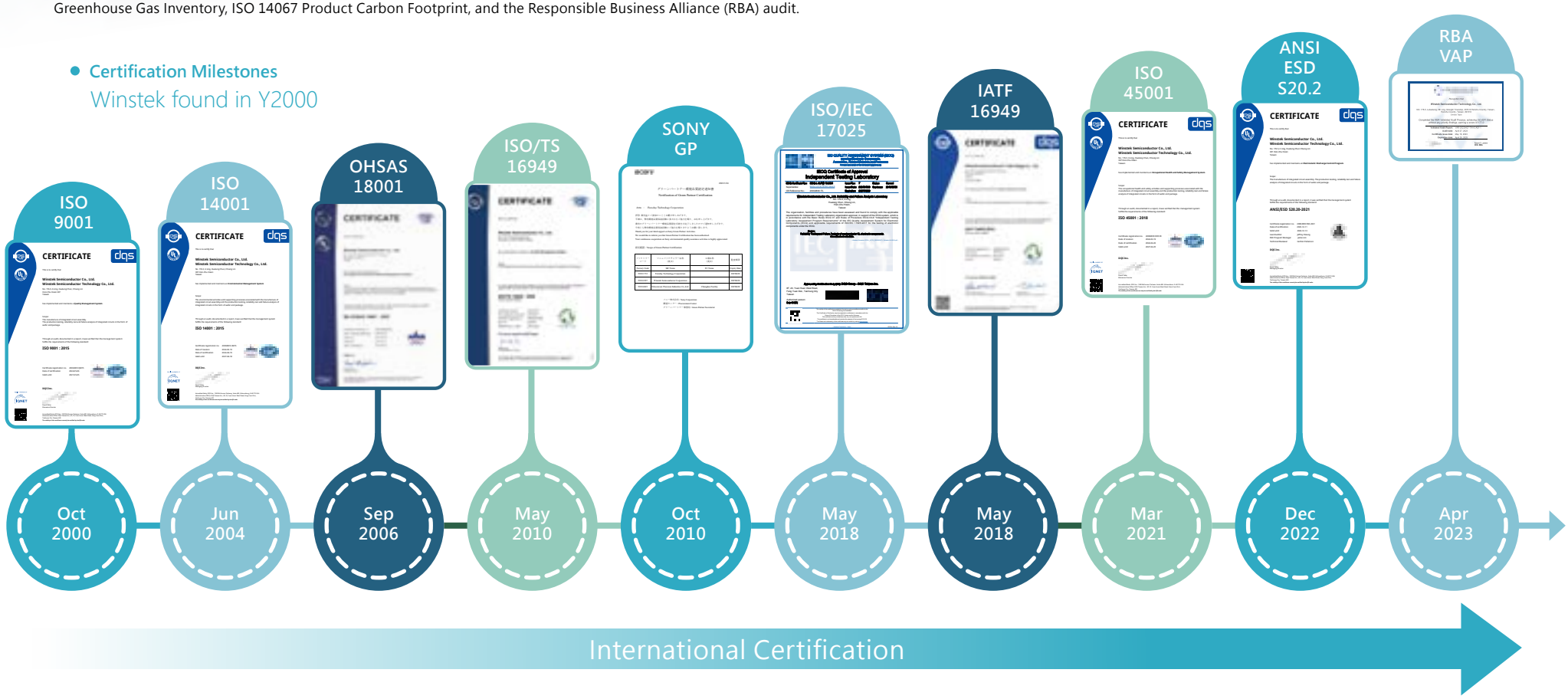
The internal control system encompasses the entire company's operations, including "management" functions such as planning, organizing, and controlling, as well as nine major cyclical processes and standard measures related to sales, production, procurement, financing, payroll, fixed assets, information technology, investments, and research and development. The main purpose of the internal control system is to "ensure effective operational activities within the organization".

(2) ISO Management Systems

In addressing issues related to production, quality, and the environment, the company has established ISO management systems. The certifications currently held include ISO 9001 Quality Management System, IATF 16949 Automotive Quality Management System, ISO 14001 Environmental Management System, ISO/IEC 17025 Laboratory Quality Management System, ISO 45001 Occupational Health and Safety Management System, ISO 14064-1 Greenhouse Gas Inventory, ISO 14067 Product Carbon Footprint, and the Responsible Business Alliance (RBA) audit.

- Certification Milestones

Winstek found in Y2000



The Responsible Business Alliance (RBA) Code of Conduct

It establishes a set of standards for the electronics industry and related supply chains to ensure safe working conditions, respect for workers, environmentally responsible operations, and adherence to ethical conduct. In the VAP (Validated Assessment Program) recognition, Winstek achieved a silver level, scoring over 160 points (177 points).


Responsible Business Alliance
Advancing Sustainability Globally

Recognition that

Winstek Semiconductor Technology Co., Ltd.

NO. 176-5, Luliaokeng, 6th Ling, Qionglin Township, 307410 Hsinchu Country, Taiwan , Hsinchu Country, Taiwan, 307410
Chinese Taipei

Completed the RBA Validated Audit Process, achieving SILVER Status without any priority findings, earning a score of 177.0

Validated Audit Report:	VAR-20230427-TW-01A01-1
Audit date:	April 27, 2023
Certificate issue date:	May 16, 2023
Expiration date:	April 28, 2025

Robert F. Lederer
CEO, RBA

(3) Various Management Procedures

Special control items with high operational risks, such as personnel management systems, credit management operations, and expense approval authorities, have established relevant management practices to mitigate operational risks.

These three internal control management systems—comprising the internal control system, ISO management systems, and various management practices—are based on legal compliance, ethical corporate management, corporate culture, and management philosophy. These systems are designed to operate effectively and continuously improve, aligning with Winstek Semiconductor's sustainable management philosophy, thereby enhancing operational management effectiveness and the quality and added value of products, ultimately achieving the company's vision and mission of sustainable operations.

- **The figure of the Internal Control Management System is as follows:**



2.6 Information Security Management

Material Topic: Information Security

Management Policies

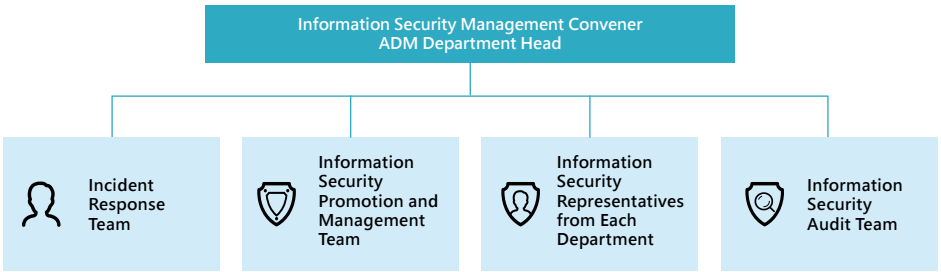
- **Scope:** The management scope includes establishing, implementing, operating, maintaining, and continuously improving the information security management system based on the PDCA (Plan-Do-Check-Act) cycle. It also encompasses risk assessment and management processes tailored to the company's needs.
- **Management Measures:**
  - (1) Establish communication and operational security management regulations, including network security management, information equipment management, general equipment management, and the security management of data and software exchanges.
  - (2) Implement physical and environmental security measures for the data center and conduct regular maintenance and inspections.
  - (3) Develop incident response procedures for managing information security events.
  - (4) Conduct regular internal audits annually to evaluate and manage information security and corrective actions.

1. Information Security Risk Management Framework

(1) Corporate Information Security Governance Organization:

In 2021, the company established an "Information Security Task Force," led by the Administrative Management Department head and comprising representatives from various units. The task force is responsible for formulating the company's information security policies, approving information security plans, coordinating resource allocation, and overseeing the implementation of information security initiatives. Regular meetings are held annually, with additional meetings scheduled as needed.

(2) Corporate Information Security Organizational Structure



2. Information Security Policy

Ensure and strengthen the confidentiality, integrity, and availability of the company's information assets, enhance employee awareness of information security, and comply with relevant regulations to protect the company from internal and external threats, whether intentional or accidental.

To promote and implement various information security control measures, the Information Security Task Force is responsible for holding regular meetings annually or as needed. The task force plans and advances information security tasks, conducts security inspections, adjusts resources as necessary, and determines the direction and measures for improving information security management. The Information Security Audit Team is responsible for conducting information security audits, providing audit reports, and making recommendations to the Information Security Committee. Additionally, all employees undergo information security-related training and adhere to the company's information security policies.

3. Specific Information Security Management Programs

(1) Classify company assets based on their attributes, apply appropriate control measures according to confidentiality levels, maintain an "Information Asset Inventory," designate responsible personnel, and periodically review the accuracy of the inventory to ensure effective control measures are in place. Annual information security training is provided, and all new employees must complete security training and pass an assessment.

(2) Implement physical and environmental security measures for the data center, with regular maintenance and inspections.

(3) Establish communication and operational security management measures, including network security management, information equipment management, general equipment management, and security management for data and software exchanges.

(4) Clearly define access control rights for portable devices, software usage, accounts and passwords, and backups to prevent unauthorized access.

(5) Ensure that the acquisition, development, and maintenance of information systems comply with company regulations to prevent information security breaches.

(6) Develop incident response procedures for managing information security events.

(7) Conduct regular internal audits annually to assess information security and manage corrective actions.

4. Resource Allocation for Information Security Management

(1) System Aspect

Ⓐ Monitor, analyse, and promptly address significant system vulnerabilities to enhance system security (e.g., 7-Zip, DCSync Attack, iControl REST, SAMBA and Zoom, etc.).

Ⓑ Increase password complexity to reduce the risk of brute-force attacks.

Ⓒ Deploy endpoint protection systems to improve visibility of endpoint malware.

Ⓓ Implement domain-based email authentication and reporting mechanisms (DMARC) to reduce phishing risks.

Ⓔ Continuously upgrade antivirus systems to maintain high security and efficiency.

(2) Infrastructure Aspect

Ⓐ Strengthen LAN isolation mechanisms in the FAB area to reduce the impact of information security incidents.

Ⓑ Upgrade email transmission encryption mechanisms to reduce decryption risks during transmission.

Ⓒ Inventory and consolidate printing devices to reduce exposure to printing vulnerabilities.

Ⓓ Replace internet boundary switches to address security vulnerabilities and reduce the risk of external intrusion.

(3) Management Aspect

Ⓐ Revise the process for visitor equipment entry to strictly control the security of devices brought into the facility.

Ⓑ Continue promoting information security awareness to enhance employee vigilance and reduce phishing risks.

Ⓒ Share information security trends with suppliers, explain malware infiltration methods, and provide protective measures to enhance supply chain security awareness and protection.

Ⓓ Deploy 24/7 monitoring systems in critical information facility areas to strengthen physical security.

Ⓔ Implement third-party vulnerability assessment mechanisms to continuously monitor and address potential external intrusion paths.

5. As of the most recent year-end 2023, no significant information security incidents have occurred that resulted in losses, potential impacts, or required response measures. If such impacts could not be reasonably estimated, an explanation of the inability to estimate would be provided; however, no such incidents were reported.

Information Security Management Performance

Management Items	Implementation Effectiveness
Information Security Education and Training	Conducted 0.5-hour information security education during orientation for new employees. Launched annual online confidential security training and testing for all current employees. Implemented social engineering exercises and enhanced awareness for high-risk users identified through these exercises.
Third-Party Vulnerability Scanning	Addressed vulnerabilities identified by Security Scorecard, Panorays, and Upguard scans. Maintained a company score higher than the industry average.
E-mail Security	Encrypted email transmission and enabled SPF, DKIM, and DMARC verification mechanisms. Performed sandbox analysis on email links/attachments to block unsafe content.



2.7 Risk Management

Risk Management

To strengthen the risk management mechanism, the company has established relevant "Risk Analysis and Management Operating Procedures" and "Continuous Supply Operating Procedures" based on various management functions. These procedures are approved by senior management and include risk management policies, risk categories, identification, analysis, evaluation, control measures, and continuous monitoring of the likelihood and severity of various risks. The goal is to enhance risk awareness among all employees, control risks within acceptable levels, and ensure the completeness, effectiveness, and optimization of risk management.

Mission of Risk Management:

The mission is to build and maintain an effective risk management system, continuously improve it, reduce operational costs, ensure sustained profitability, and create a high-quality work environment to achieve the company's goal of sustainable development. The objectives, commitments, and management measures are outlined in the following table:

Material Topic: Risk Management
Policy: Prevention is better than remedy; reduce losses

Management Policies

- **Objective:** To manage internal and external business risks, pre-emptively formulate relevant strategies, adjust operational models, prioritize prevention over remedy, and actively implement countermeasures.
- **Commitment:** To closely monitor global industry trends through due diligence and proactive communication, adjust development goals and business strategies in a timely manner, and mitigate potential risks.
- **Management Measures:** Planned → Periodically review internal and external risks to the company each year.

To comply with laws and regulations, demonstrate operational capability, reduce the likelihood of unforeseen events, and minimize asset losses while pursuing sustainable business operations, the company prioritizes sustainable development and risk management as key considerations in business expansion. To ensure these concepts are fully integrated into operations, the company engages in proactive risk control measures to manage uncertainties and will continue to establish corporate risk management systems, raise employee awareness, and actively manage risks and uncertainties.



2.7.1 Risks and Opportunities

The risks and threats to business operations over the past three years (2021-2023) and corresponding countermeasures are as follows:

Risk Factors	Threats	Countermeasures
Industry Competition	The short product lifecycle due to changes in packaging technology driven by chip design company products. Shortages of proprietary materials can impact product delivery, leading to loss of customers.	The company will develop various wafer bump packaging solutions to align with future packaging types and leverage existing patented technologies to capture market opportunities. Maintain good customer relationships and develop parallel alternative products to distribute risk and maintain stable raw material supply.
Customers	Market price fluctuations affected customer relationships.	Provide innovative value with advanced high-quality products, ensuring the necessary resources for continuous business operations and maintaining normal operations for customers.
Geopolitical Instability	Resulting in unstable food supply, inflation, and economic weakness in global regions or countries.	Diversify market development efforts to manage geopolitical risks, aligning with customer demands for diversified supply chains, including China +1 strategies, and develop appropriate responses.
Climate Change	The ongoing rise in physical risks due to global extreme weather events necessitates heightened vigilance. In response to these extreme climate risks, the company anticipates occurrences of drought, water shortages, power outages, and electrical failures, which could result in the generation of defective materials worth millions of dollars, leading to increasingly severe losses for the company.	The IT department has implemented an Uninterruptible Power Supply (UPS) system to support the automatic engagement of backup generators. Additionally, energy conservation practices and measures have been promoted, including the installation of energy-saving light bulbs and other eco-friendly initiatives
Integrity and Business Ethics	The company recognizes the potential labor and ethical risks, along with the likelihood of events that could occur during its operations. Should these events transpire, they may harm the company's objectives, personnel, assets, environment, and reputation, potentially leading to simultaneous consequences.	To mitigate these risks, the company proactively identifies and analyzes potential risks, implements preemptive control measures, and continuously monitors and improves processes to minimize the likelihood of risk occurrence and its impact on corporate objectives.
Supply Chain Management	To ensure a stable supply of goods and maintain the quality of raw materials, the company seldom changes suppliers after conducting evaluations and trial production.	We establish shared ESG goals and, through regular audit activities, management reviews, and processes, ensure effective and sustained operational management, thereby building a highly competitive supply chain in collaboration with our suppliers.
Information Security	With technological advancements, the company faces increasing cybersecurity risks.	All personnel must adhere to the "Intellectual Property Rights Law," "Computer-Processed Personal Data Protection Law," and customer contract provisions when executing policy-governed activities. Information security management includes physical security, system security, and electronic document protection measures. The company is fully committed to safeguarding customers' intellectual property and personal data.

2.7.2 Identification, Evaluation, and Management of Emerging Risks

Winstek constantly monitors trends in the economic environment to identify long-term risks and opportunities, allowing for the appropriate adjustment of business strategies to achieve sustainable development goals and long-term operational performance. Each risk management unit gathers relevant domestic and international information, assessing potential long-term operational risks for the company. Through questionnaires, meetings with senior managers, or the ESG Committee, the most impactful future issues are identified. These findings are reviewed to determine how to mitigate impacts and develop response strategies, which are then presented at senior management meetings for decision-making and serve as key references for formulating future business strategies.

- **Annual Identification of Significant Emerging Risks**

Collecting relevant emerging risk information from internal and external sources.	Consolidating relevant risk information and establishing methods for identifying emerging risks innovation risk information.	Identifying significant emerging risks for senior management.

- **Significant Emerging Risks Evaluation**

Identify potential issues related to significant emerging risk events.	Forecasting and analysing the potential impact of various risk events.	Establish management channels for significant emerging risks.

- **Managing Significant Emerging Risks**

Develop strategies and plans for managing significant emerging risks.	Implement and monitor significant emerging risk events.	Each risk management unit tracks and controls the effectiveness of emerging risk management.

2.8 Recognition and Honors

Bitmain awarded the 2023 Best Delivery Award.



3

Innovation, Financial Performance, and Customer Service

3.1 Operational Products and Services

3.2 Financial Statements and Tax Policy

3.3 Customer Management and Service

3.4 Customer Privacy

3.5 Product Quality



Winstek specializes in professional packaging and testing services, offering advanced technology services and a comprehensive product portfolio to customers worldwide. We assist our clients in developing high-end products and ensuring stable mass production, positioning ourselves as a trusted strategic partner. The following table outlines our short, medium, and long-term plans concerning material topics related to operational performance and customer service:

	Short-term Indicators (2023~2024)	Medium-term Indicators (2025~2028)	Long-term Indicators (2029 and beyond)
Operational Performance/ Operating Conditions	Customer Satisfaction: Maintained at 80 or above	Customer Satisfaction: Maintained at 85 or above	Customer Satisfaction: Maintained at 85 or above
Product Responsibility	Certified under the ISO 9001 Quality Management System	Certified under the ISO 9001 Quality Management System	Certified under the ISO 9001 Quality Management System
	Certified under the IATF 16949 Automotive Quality Management System	Certified under the IATF 16949 Automotive Quality Management System	Certified under the IATF 16949 Automotive Quality Management System
Regulatory Compliance	Violations of product or fair-trade regulations: 0 cases	Violations of product or fair-trade regulations: 0 cases	Violations of product or fair-trade regulations: 0 cases
	Violations of customer privacy or information security regulations: 0 cases	Violations of customer privacy or information security regulations: 0 cases	Violations of customer privacy or information security regulations: 0 cases

Material Topics, Goals, and Performance:

To achieve stable growth in operational performance and provide excellent service with high customer satisfaction, Winstek has established the following goals and performance indicators on material topics:

Operational Performance/Operating Conditions

2024 Goals	2023 Goals	2023 Performance
Customer Satisfaction: Maintained at 80 or above	Customer Satisfaction: Maintained at 80 or above	87 → Achieved

Product Responsibility

2024 Goals	2023 Goals	2023 Performance
Certified under the ISO 9001 Quality Management System.	Certified under the ISO 9001 Quality Management System.	Certified → Achieved
Certified under the IATF 16949 Automotive Quality Management System.	Certified under the IATF 16949 Automotive Quality Management System.	Certified → Achieved

Regulatory Compliance

2024 Goals	2023 Goals	2023 Performance
Violations of product or fair trade regulations: 0 cases	Violations of product or fair trade regulations: 0 cases	0 cases → Achieved
Violations of customer privacy or information security regulations 0 cases.	Violations of customer privacy or information security regulations 0 cases.	0 cases → Achieved

3.1 Operational Products and Services

Material Topic: Operational Performance/Operating Conditions

Management Policies

- **Policy:** Operate profitably, ensuring shareholder rights.
- **Goals and Targets:** Achieve strong and stable financial performance, ensuring profitability. Establish corporate governance as the foundation of the company's culture. Reduce waste and balance cost expenditures while improving quality to increase profitability.
- **Commitment:** Utilize due diligence and early warning communication methods, comply with the Company Act and applicable business regulations, and consistently generate economic value.
- **Management Measures：**
  (1) Maintain a robust financial structure to support sales, production, and R&D.
  (2) Continue to advance wafer and final product testing and wafer bumping operations, contributing to the company's growth.
  (3) Strategize short, medium, and long-term capital utilization methods to maximize returns within the framework of sound principles.

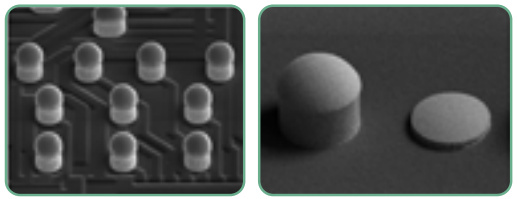
Winstek is located in Qionglin Township, Hsinchu County, and primarily engages in wafer and final product testing, as well as wafer bump packaging. Since its establishment, the company has adhered to the philosophy of "Customer Satisfaction, Pursuit of Excellence," focusing on market-driven R&D to outpace competitors with technology and product innovation, thereby enhancing profitability. Our goal is to lead trend research and development for next-generation products.

Winstek's products are sold globally, with production facilities located in Hsinchu, Taiwan. The primary use of our products is as carriers for chips during semiconductor packaging, also serving as external circuit connectors. These products are categorized as raw materials or carrier components in the packaging industry, mainly sold to domestic and international IC packaging, design, and system companies. Winstek provides comprehensive one-stop testing and assembly services to ensure the seamless and uninterrupted delivery of customers' products.

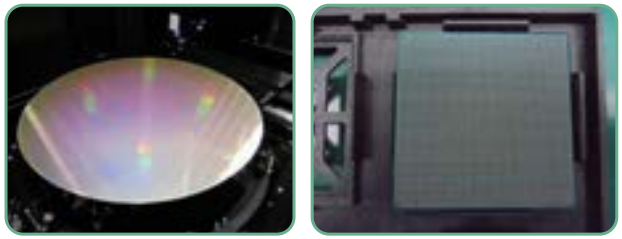


3.1.1 The Main Product Categories

Winstek's main product categories are divided into three major types: Wafer Level & Flip Chip Chip-Scale Packaging (CSP), Wafer Sort Services, and Final Integrated Circuit (IC) Test Services.

	Main Products	Brief Description of Use/ Function	End-use Products	Photo
Wafer Level & Flip Chip CSP	**Bumping** ● C4 LF Bump , Cu Pillar Bump & WLCSP ● BGBM (Back Side Grinding and Back Side Metal) ● Heterogeneous Bump	Directly grows connection points on the chip to connect with the substrate, shortening the electrical signal path. This method allows for more I/O numbers, faster signal transmission speeds, and better power consumption than traditional packaging.	Mobile processors Personal computer CPUs Graphics cards AI accelerators Microcontrollers RF signal transducers Various sensors Power conversion devices	
	DPS (Die Process Service) ● Wafer Thinning ● Wafer Singulation ● Tape & Reel	The wafer is thinned, diced, and packaged into a format ready for subsequent packaging use.		
	Flip Chip Assembly ● FCCSP ● FCBGA ● FCLGA	Thinning and dicing the wafer, then packaging it for subsequent use in packaging. Combining the thinned and diced chips with the substrate using flip-chip methods offers better power efficiency than traditional wire bonding packaging.		

Wafer Sort

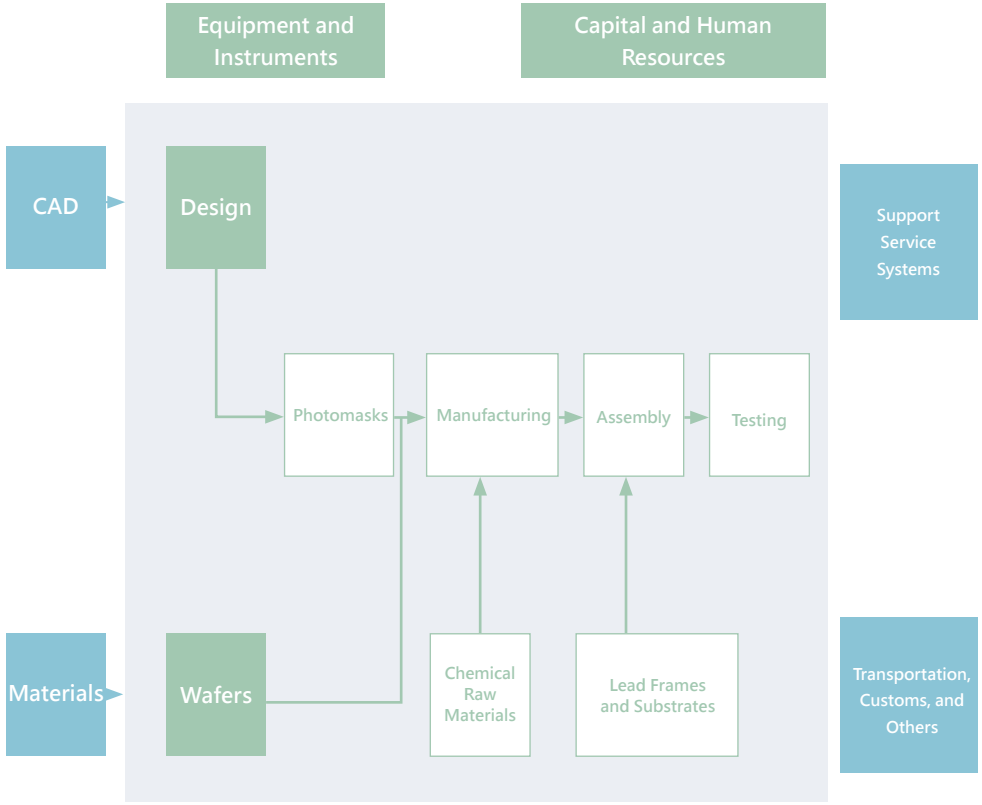
Main Products	Brief Description of Use/ Function	End-use Products	Photo
8" and 12" wafer testing	1. 24-hour probe card repair service. 2. Wafer bump/thin wafer/ multi-die (x16/x32/x64) wafer testing. 3. Customize real time data process and transmit. 4. Test program development and engineering support. Yield improvement: yield monitoring and real-time feedback.	Consumer electronics Communication products High-speed computing products	

IC Final Test

Main Products	Brief Description of Use/ Function	End-use Products	Photo
QFP/QFN/BGA final product testing	1. Test platform conversion. 2. Customized change kit/ socket manufacturing. Handler Specification 3. Customize real time data process and transmit. 4. Test program development and engineering support. Yield improvement: yield monitoring and real-time feedback.	Set-top boxes Smart TVs Gaming console graphics cards	

- Product Application Classification Summary

The following diagram illustrates the upstream, midstream, and downstream relationships within the IC industry in our country:



Source: IT IS Project, Industrial Technology Research Institute (ITRI) Economic Resource Center

According to statistics from the Industrial Technology Research Institute (ITRI) International Division, the domestic packaging and testing service industry had a production value of NT$583.7 billion in 2023. Winstek's revenue for 2023 was NT$3.67 billion, representing a market share of 0.63%. In 2022, the industry's production value was NT$684.7 billion, while Winstek's revenue was NT$3.95 billion, corresponding to a market share of 0.58%.

3.2 Financial Statements and Tax Policy

3.2.1 Operating Results and Financial Statements

- The table below outlines the direct economic value generated and distributed over the past three years

Unit: NT$ thousand

	2021	2022	2023
Consolidated Revenue	3,086,392	3,947,152	3,667,818
Gross Profit	711,565	1,305,364	1,103,534
Profit Before Tax	471,140	1,111,932	1,009,645
Net Profit After Tax	393,931	917,467	839,843
Other Comprehensive Income	(79,895)	373,940	(18,323)
Total Comprehensive Income	314,036	1,291,407	821,520
Earnings Per Share (EPS)	2.89	6.73	6.16
Debt Ratio	23.07%	21.46%	21.37%
Return on Equity (ROE)	8.20%	17.10%	14.18%
Director and Supervisor Shareholding Ratio	52.32%	52.32%	52.32%

Production Capacity, Output, and Value by Product Category

Unit: Thousand PCS, NT$ thousand

Production Volume / Year / Main Products	2022			2023		
	Capacity	Production Volume	Output Value (NT$ thousand)	Capacity	Production Volume	Output Value (NT$ thousand)
Wafer Testing	Note	366,191	847,744	Note	312,746	891,407
IC Testing		108,428			87,448	
Wafer-Level Packaging	660,000	330,546	1,794,044	660,000	333,718	1,672,877
Total			2,641,788			2,564,284

Note: Since testing industry capacity is measured by time rather than quantity, the number of key production machines is disclosed instead. As of the end of 2022 and 2023, there were 156 and 152 testing machines, respectively. The packaging product mix impacts output, so capacity figures are for reference only.

Sales Revenue and Percentage by Region for Main Products Over the Past Three Years

Unit: NT$ thousand

Year / Region	2021		2022		2023	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Taiwan	1,560,603	50.56 %	1,592,921	40.36 %	823,436	22.45 %
USA	578,549	18.75 %	1,139,673	28.87%	1,172,307	31.96 %
China	336,598	10.91%	599,586	15.19%	361,113	9.85 %
Singapore	476,845	15.45%	409,992	10.39 %	1,258,113	34.30%
Others	133,797	4.34 %	204,980	5.19 %	52,849	1.44 %
Total	3,086,392	100.00%	3,947,152	100.00%	3,667,818	100.00%

As smartphone penetration gradually increases, the overall smartphone market has reached a plateau. Winstek continues to invest in R&D, successfully developing multiple technologies and products, driving steady growth in business performance.

1. Future Market Supply and Demand Status and Growth Potential

The growth momentum in the semiconductor market will depend on emerging applications such as information services, energy conservation, and technology integration, particularly AI, new energy, and smart connectivity, which will be the main drivers of growth. AI servers and electric vehicles are expected to achieve significant growth by 2027, becoming key drivers of market expansion. Additionally, driven by digitalization and smart trends, wireless terminal devices are expanding from traditional product domains to vertical market applications. Major IC design companies are launching multiple 5G SoC smartphone chips, accelerating the penetration of 5G phones. AIoT, high-performance computing (HPC), and automotive image processing chips are also growing rapidly. Our company is actively adjusting its product portfolio and capacity allocation, increasing the proportion of wafer bumping and wafer testing orders for 5nm and 4nm AI/HPC processors. Furthermore, we are expanding orders for 5nm WiFi 7, Gallium Nitride (GaN), and high-performance computing (HPC) testing, accelerating automotive chip production certification to drive growth in 2024.

2. Competitive Advantages

Our management team has professional backgrounds and extensive experience in the semiconductor packaging and testing industry, with excellent rapid response management capabilities. The company has established a complete and rigorous operating system that can promptly address and resolve process issues, providing quick feedback on test results to customers for wafer and IC design corrections.

(1) Effectively shorten customer product verification time, reducing product development time and costs.
(2) In response to the increasing complexity of customer product designs, the company continuously introduces automated, high-precision machinery and circuit design simulation software from world-renowned equipment manufacturers to meet customer needs and enhance service quality.
(3) The company has long-term collaborations with international fabless design companies and Integrated Device Manufacturers (IDMs), and its professional services and technical capabilities are widely recognized.
(4) The company offers a one-stop service that includes wafer-level packaging, Flip Chip Assembly, and testing (CP/FT), effectively shortening the product production cycle, reducing manufacturing costs and transportation risks, thereby not only meeting customer needs but also enhancing overall service competitiveness.
(5) The company uses an internet-based system for production information and history transmission, allowing customers to monitor product production status and schedules at any time, effectively eliminating the impact of human factors on production efficiency, and improving service value and quality for customers.

3. Favourable and Unfavourable Factors and Countermeasures for Future Development

- Favourable Factors:

  (1) The company's R&D and process personnel have years of industry experience and expertise, enabling quick responses and solutions to customer issues. Upholding a customer-oriented philosophy and high standards of work ethics, the company provides optimal solutions, becoming a long-term strategic partner for customers.

  (2) The company offers a one-stop service for packaging and testing, continuously optimizing each process node, effectively shortening process times, and reducing transportation time, costs, and risks. Additionally, to meet market and customer demands, we have proactively expanded capacity, investing in advanced equipment to meet customer needs, providing the most competitive solutions to strategic partners.

  (3) Looking ahead to the company's development in AIoT and 5G-related high-performance computing, we not only mass-produce 5nm Flip Chip bumping for strategic partners but also continue to introduce new customers with high-end advanced process packaging and testing needs. In the face of regional economic developments triggered by G2 and various uncertainties in the semiconductor cycle, the implementation of a differentiated product management strategy will enable the company to continue growing even during downturns.

- Unfavourable Factors and Countermeasures:

  (1) Urgent capital needs: With capacity expansion and the high cost of advanced equipment, the need for working capital and equipment investment is more pressing than ever before.

  » Countermeasure: The company's financial structure is sound with a high proportion of self-owned funds. Through operational net cash inflows and capital market financing channels, we can meet capital needs.

  (2) China's accelerated semiconductor self-sufficiency and import substitution policies create competitive pressure in some areas.

  » Countermeasure: In response to the rapid changes in the industry and the influence of numerous external environmental uncertainties, we will continue to focus on high-end semiconductor packaging and testing fields, investing R&D resources to maintain a close alignment with high-end technology and customer product development needs. Meanwhile, we are committed to resource integration, reducing production costs, and improving production efficiency. In addition to providing existing customers with comprehensive one-stop packaging and testing services, we are actively developing new customers to ensure continuous revenue and profit growth. Based on semiconductor industry prosperity indicators and market forecasts by various professional institutions from 2024 to 2027, demand in emerging technology fields such as 5G, WiFi 6, WiFi 7, high-performance computing (HPC), data centers, and AI will remain high. It is expected that the company's sales volume and revenue in 2024 will remain cautiously optimistic.

Employee Salaries, Benefits, and Distribution of Payments to Investors

Unit: NT$ thousand

Item \ Year	2021	2022	2023
Operating Costs	2,374,827	2,641,788	2,564,284
Employee Salary and Benefits Expenses (Note)	818,372	990,327	992,320
Tax Payments	27,248	86,453	157,876
Dividend Payments	167,518	313,402	681,308

Note: This includes salary expenses, labour and health insurance fees, pension expenses, and other employee benefits expenses.

Future Strategy: Diversification of Sales Regions

In 2023, the company's business sales were mainly concentrated in Singapore, accounting for 34.3% of revenue, followed by the United States at 31.96%, and Taiwan at 22.45%, with the top three accounting for a significant 88.71%. In the future, we will develop customers in other countries or regions, such as Korea, Southeast Asia, or Europe, to diversify the market and reduce risks, thereby mitigating losses caused by delays due to lockdowns resulting from regional epidemics affecting both human and material flows.

3.2.2 Tax Policy

The company supports tax policies that encourage product and technological innovation and sustainable development, and is committed to controlling tax risks, pursuing sustainable development, and fulfilling corporate social responsibility. Winstek commits to:

- All major operational decisions comply with relevant legal regulations and assess the impact on tax risks.
- Adhere to the OECD's Base Erosion and Profit Shifting (BEPS) action plan, ensuring profit creation with economic substance, obtaining tax residency status, and applying local tax regulations.
- Avoid planning and conducting transactions in low-tax jurisdictions for tax evasion purposes.
- Disclose financial report contents in accordance with relevant regulations, and fully disclose tax information as required.
- Establish relationships of mutual respect and good communication with tax authorities in the jurisdictions where taxes are paid based on integrity.
- The company complied with tax policies and regulations in 2023, with no penalties from the regulatory authorities.



3.3 Customer Management and Service

Material Topics: Operational Performance/Operating Conditions
Diligently manage customer relationships to enhance service satisfaction.

Management Policies

- **Goals and Targets:** Regular and ad hoc customer relationship management and service to ensure customer orders are retained and satisfaction remains stable and improves.
- **Commitment:** Employ due diligence and early warning communication methods, comply with applicable business regulations and ethical standards, and protect customer privacy.
- **Management Measures:**

  (1) Conduct regular customer satisfaction surveys to achieve continuous operation and growth, and record the results.

  (2) Include customer satisfaction surveys and improvement outcomes in management review assessments, and implement immediate improvements.

  (3) Plan short-, medium-, and long-term customer satisfaction improvement initiatives to ensure a continuous flow of customer orders.

Customer Maintenance and Satisfaction Survey

Conduct regular customer satisfaction surveys through Quarterly Business Reviews (QBR): Annually, personnel from the Sales and Marketing Department and Customer Management Department conduct customer satisfaction surveys via in-person visits, fax, email, postal mail, or video conferencing, to communicate with customers regarding their needs and assessment items.

- Customer feedback is recorded in the Customer Satisfaction Survey Form.
- Customer satisfaction survey results and improvement outcomes are included in management review assessments.

Achieving sustained operations and growth is a key goal of customer satisfaction surveys. To enhance customer satisfaction, Winstek effectively utilizes the Manufacturing Execution System (MES), Customized B2B Customer Data Transmission System, and Enterprise Resource Planning (ERP) system to actively create a win-win philosophy for customers, suppliers, and Winstek. Winstek aims to provide optimized solutions in cost, quality, and service (including delivery), regularly conducting customer satisfaction surveys as the cornerstone of long-term business development.



Customer Satisfaction Survey Results for 2021-2023:

	2021	2022	2023
Average Satisfaction	91	86	87
Target Value	80	80	80
Achievement Status	Achieved	Achieved	Achieved

As per customer schedules, 11 customer QBR (video) meetings were successfully completed in 2023, understanding customer needs and passing assessment items.

Customer Feedback and Handling

To promptly address customer concerns and needs, in addition to processing according to the established standard operating procedures by the Sales & Marketing and Quality Reliability Division, the company has set up contact points on its official website. Customers can provide feedback through multiple channels such as the sales service hotline and email provided on the website, ensuring all customer needs are promptly addressed. Upon receiving complaints, the company immediately forwards feedback internally for processing, to protect customer rights.

Customer Complaint Handling Process

(1) When customers lodge complaints or provide feedback, the complaint handling process is initiated. The Quality Reliability Division is responsible for verifying the abnormal content of customer feedback and immediately addressing it to reduce recurrence and prevent further complaints.

(2) If abnormalities occur, the 8D problem-solving method is employed as needed to form an improvement team to identify the root cause and execute short- and long-term corrective actions, followed by an evaluation of the effectiveness. Additionally, internal continuous improvement activities are reinforced through re-education, continually enhancing Winstek's product quality standards.

Customer Complaint Submission (Customer) → Team Formation Problem Description Preventive Measures (Quality Reliability Division) → Root Cause Analysis (Quality Reliability Division) → Corrective Actions Implementation (Responsible Unit) → Corrective Actions Verification (Quality Reliability Division) → Preventive Actions Implementation (Responsible Unit) → Case closed (Quality Reliability Division)



3.4 Customer Privacy

Customer Privacy Policy: Protect customer privacy.

Management Policies

- **Goals and Targets:** Strengthen and expand partnerships with customers, broadening business scope.
- **Commitment:** Employ due diligence and early warning communication methods; customers are essential partners to Winstek, and we provide stringent protection of customer privacy and confidential information.
- **Management Measures:**
  - (1) Follow international regulations and guidelines throughout the product output process.
  - (2) Ensure product quality, safety, and delivery meet customer requirements, as well as maintaining high customer service satisfaction.
  - (3) Provide customer complaint channels to protect customer privacy and rights.

At the start of any cooperation with customers, to ensure that business secrets disclosed by both parties are properly protected and utilized, Winstek requires customers to sign confidentiality agreements. Accordingly, all employees are required to sign confidentiality agreements upon hiring, committing to the ethical policy of "strictly protecting personal privacy and safeguarding the commercial information security of customers and suppliers."

Relevant Measures Include:

(1) From the moment customers provide designs to Winstek, they are converted into internal customer codes to prevent direct leakage of customer information. Once official production begins, these are further converted into internal part numbers to facilitate communication.

(2) Each relevant unit within the plant has its own designated information area, and access by unauthorized units is prohibited.

Winstek has never experienced any penalties or compensation demands from customers due to customer privacy breaches.



3.5 Product Quality

Material Topics: Product Responsibility Policy: Product Quality and Delivery.

Management Policies

- **Quality Policy:** We are committed to providing our customers with the highest quality service and continuously enhancing our operational advantages.
- **Hazardous Substance Free Policy:** We are committed to delivering "hazard-free" products to our customers and continuously enhancing our operational advantages.
- **Goals and Targets:** Improve the yield of various products and comprehensively ensure shipping and testing quality.
- **Commitment:** Employ due diligence and early warning communication methods to ensure the product quality required by customers and accurate delivery times.
- **Management Measures:**

  (1) Adhere to international regulations, standards, and quality certification rules throughout the product output process.

  (2) Improve the yield of various products, ensuring that product quality, safety, and delivery meet customer requirements.

  (3) Provide channels for customer complaints to protect customer privacy and rights.

  (4) Establish systematic procedures to control testing equipment, introducing the Fault Detection and Classification (FDC) system for real-time error detection and classification.

Globalization and rapid technological development have made today's manufacturing environment increasingly competitive. As a premier solution provider, Winstek remains focused on superior design and processes, dedicated to consistent service levels, and delivering uniform product performance.

We believe that quality is a shared responsibility of every employee in each department and is embedded in all operational processes and interdepartmental collaborations. We strive to exceed customer expectations for quality, service, and value. Our continuous improvement efforts are relentless, with no finish line in sight.

As a critical business management issue, we emphasize and prioritize quality management through the following measures:

(1) All material suppliers comply with regulations such as RoHS and REACH, ensuring the use of non-hazardous substances, with customer products meeting relevant international regulations.

(2) The entire company's processes—from order intake, planning, procurement to shipping, and after-sales service—are continuously improved and enhanced in terms of quality and technology.

(3) Prevent defects, reduce variability and waste, ensuring comprehensive customer satisfaction in terms of product functionality, price, quality, delivery, and service, thereby enhancing operational performance and achieving sustainable business operations.

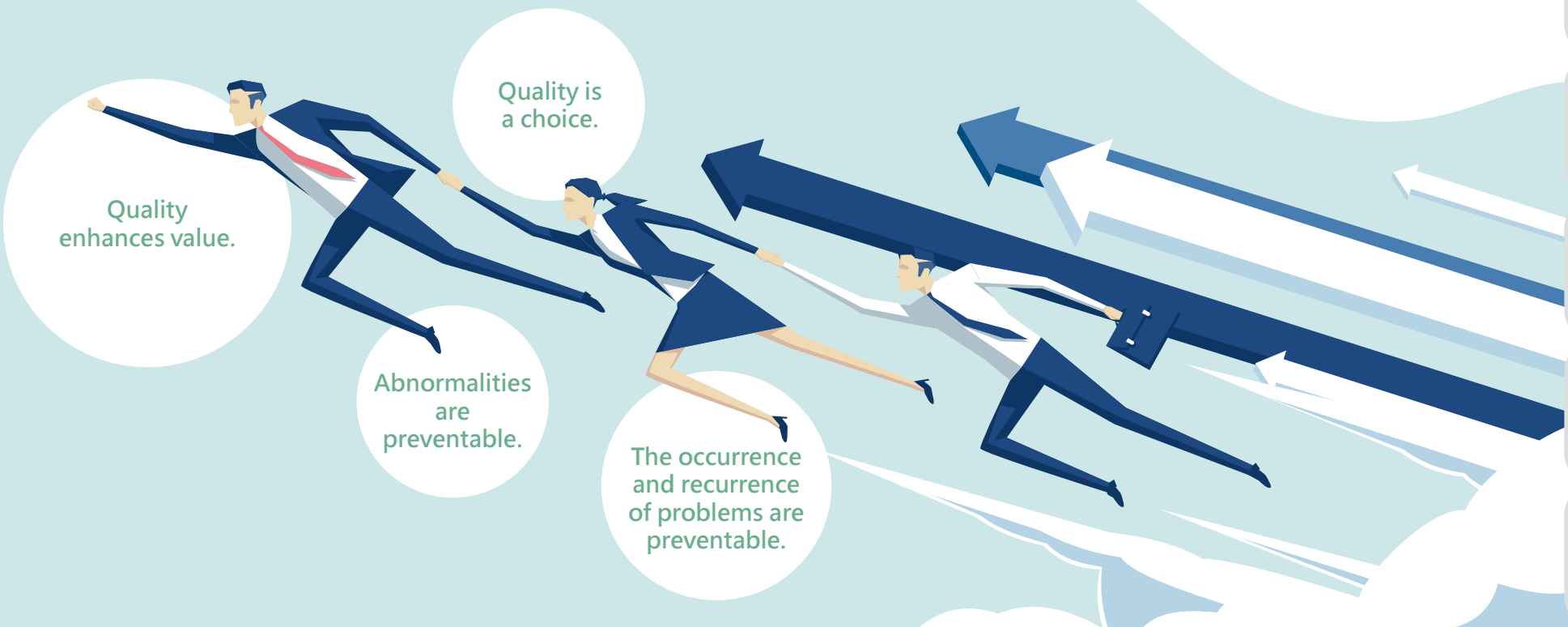
(4) Establish a "Continuous Improvement Procedure" to create and accumulate accelerated growth benefits through ongoing improvement activities. Improvement areas include automation, intellectual property maintenance, energy conservation and carbon reduction, and green products, with continuous efforts to ensure high-value, sustainable services and products for customers.

We prioritize customer specifications and relevant standards, continuously evaluating and improving at every stage of product development, certification, and customer usage experience, with concrete results reflected in product quality, thereby enhancing product safety and reliability.

Based on international product environmental regulations, industry standards, and customer requirements for hazardous substance restrictions, we strictly control all components and materials, using this as the standard for managing restricted/controlled chemicals with suppliers, to meet customer and regulatory requirements for hazardous substances in products. We review every aspect, from awareness, materials, production, inspection, to shipping, not only limited to material introduction, but also monitoring production processes and controlling incoming and outgoing materials. Moreover, we emphasize environmental regulations through promotion and training, integrating the spirit and requirements of the Responsible Business Alliance (RBA) into daily operational management. As a result, in 2023, there were no incidents of violations of health and safety regulations concerning products and services. We also complied with international regulations, customer requirements, and environmental trends by reviewing and updating hazardous substance management standards to protect the Earth's environment and reduce the impact on ecosystems. We effectively strengthened incoming quality inspection capabilities through raw material and supplier management, ensuring that shipped products comply with customer health and safety specifications for products and services, as well as product and service information labelling.

The Quality System Department promotes internal organizational improvements in quality management systems, continuously reducing product defects, refining process control, detecting anomalies early, and preventing quality incidents from affecting customers. Through product quality training courses and quality improvement projects, we enhance employees' problem-solving abilities.

We believe



- Continued ISO 9001 Quality Management System and IATF 16949 Automotive Quality Management System re-certifications were successfully completed.

Automotive Quality Management System:

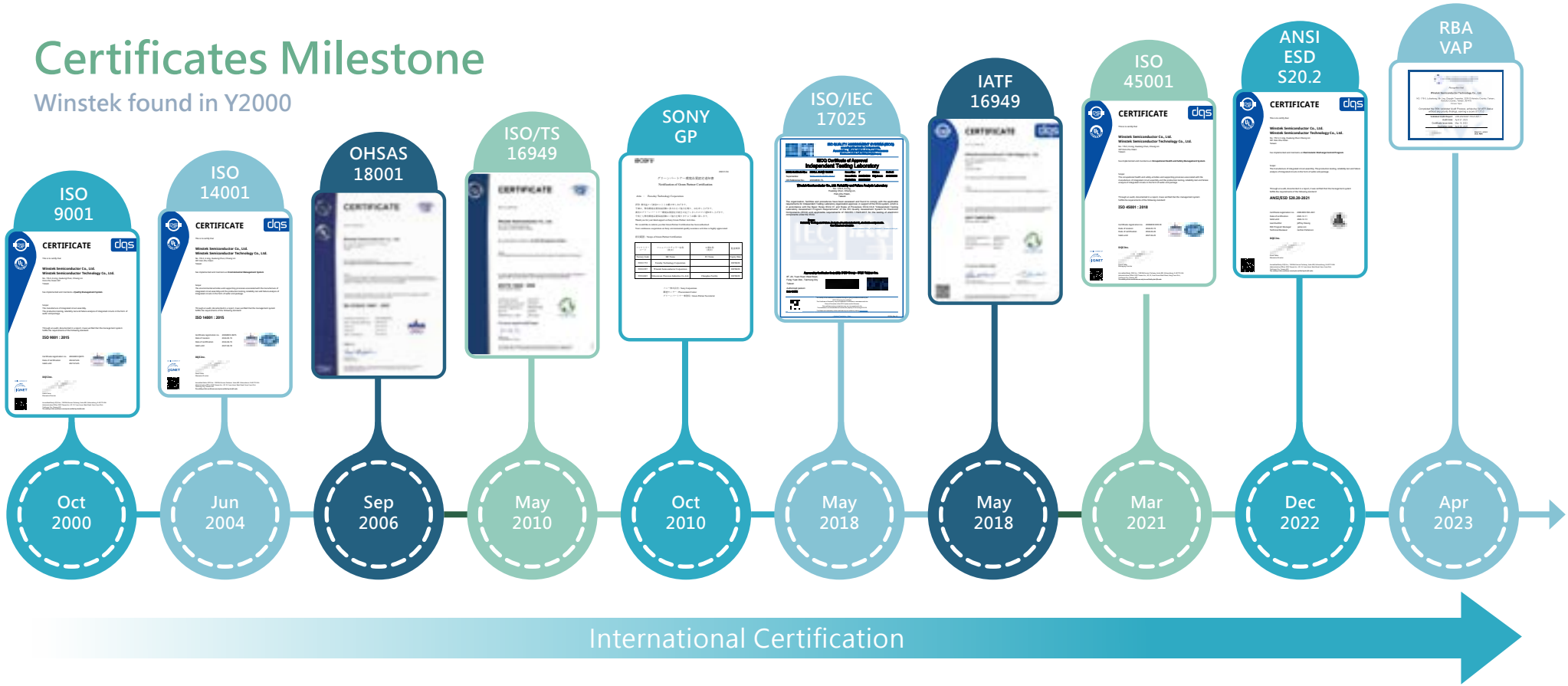
Winstek is certified under the ISO 9001 and IATF 16949 quality systems, adhering 100% to quality standards and regulations. To implement Winstek's quality policy and ensure its effective communication to all employees, we continuously promote quality awareness and provide automotive quality e-learning training, verifying the effectiveness of these initiatives to ensure that quality principles are deeply embedded.

Quality Policy

We are committed to deliver best-in-class services to our customers and continually improve our operational excellence.

Certificates Milestone

Winstek found in Y2000



Continuous Improvement Measures:

-Utilize advanced production process technology to optimize processes and resource allocation, enhancing manufacturing efficiency and product stability.

-Establish production-related automation systems to reduce human operation risks and increase production efficiency.

-Standardize processes to ensure product quality and service consistency.

-Systematically address and track issues or defects, taking appropriate measures to improve product quality and service.

-Through open communication and transparent cooperation, manage suppliers to establish a mutually beneficial win-win situation.

-Establish a customer feedback system to actively collect customer feedback and ensure that customer expectations are met, thereby enhancing customer satisfaction.

Quality System Overview



- CIP/6S
- Quality Training
- Lesson Learnt
- Problem Solving/8D
- Internal Audit
- Automotive Quality System
- VDA 6.3 Developments

- Customer Requirements
- Customer Audit Coordination
- Customer Quality System
- Customer SPEC /Document Control

- Material Quality Management
- Supplier Management

- APQP/PPAP/FMEA
- Process Design and Development
- Process and Product Validation

- Control Plan/SPC/MSA
- Automation System/MES
- Process Change Control
- Non-Conforming Management
- Defect Reduction
- Outgoing Quality Control

4

Sustainable Supply Chain Management

4.1 Supplier Policies and Commitments

4.2 Value Industry Supply Chain

4.3 Relationships and Philosophy with the Supply Chain

4.4 Supplier Management

4.5 Supplier Sustainability Management

4.6 Ethical Procurement - Conflict Minerals Management



Winstek places great importance on customer satisfaction and corporate social responsibility, working closely with suppliers to extend the concept of supply chain management externally, achieving sustainable operations and jointly enhancing social responsibility. To establish a sustainable supply chain, in addition to adhering to regulations and ethical procurement, it is crucial to assist the supply chain in achieving sustainable operations and to plan short-, medium-, and long-term sustainability goals and work plans, as outlined in the table below:

	Short-term Indicators (2023~2024)	Medium-term Indicators (2025~2028)	Long-term Indicators (2029 and beyond)
Regulatory Compliance	Compliance with the Responsible Business Alliance (RBA) Code of Conduct	Compliance with the Responsible Business Alliance (RBA) Code of Conduct	Compliance with the Responsible Business Alliance (RBA) Code of Conduct
	100% compliance rate with the use of non-hazardous substances	100% compliance rate with the use of non-hazardous substances	100% compliance rate with the use of non-hazardous substances
	Compliance with the Responsible Business Alliance (RBA) Code of Conduct for Supplier, conducting due diligence on suppliers for "Responsible Minerals", with 100% compliance rate of using responsible minerals.	Compliance with the Responsible Business Alliance (RBA) Code of Conduct for Supplier, conducting due diligence on suppliers for "Responsible Minerals", with 100% compliance rate of using responsible minerals.	Compliance with the Responsible Business Alliance (RBA) Code of Conduct for Supplier, conducting due diligence on suppliers for "Responsible Minerals", with 100% compliance rate of using responsible minerals.

- **Goals and Performance:**

In addition to complying with regulations and ethical procurement, Winstek prioritizes the establishment of a sustainable supply chain. To achieve this, we have set the following goals and performance indicators:

2023 Goals

- Target for Completion of Winstek Supplier Sustainability Declarations: 345 suppliers
- 100% compliance rate with the use of non-hazardous substances
- Due diligence for "Responsible Minerals" with 100% compliance rate of using responsible minerals

2023 Performance

- Target for Completion of Winstek Supplier Sustainability Declarations: 345 suppliers
- 100% compliance rate with the use of non-hazardous substances
- Due diligence for "Responsible Minerals" with 100% compliance rate of using responsible minerals

4.1 Supplier Policies and Commitments

Supplier Management Policy: Establish a Sustainable Supply Chain

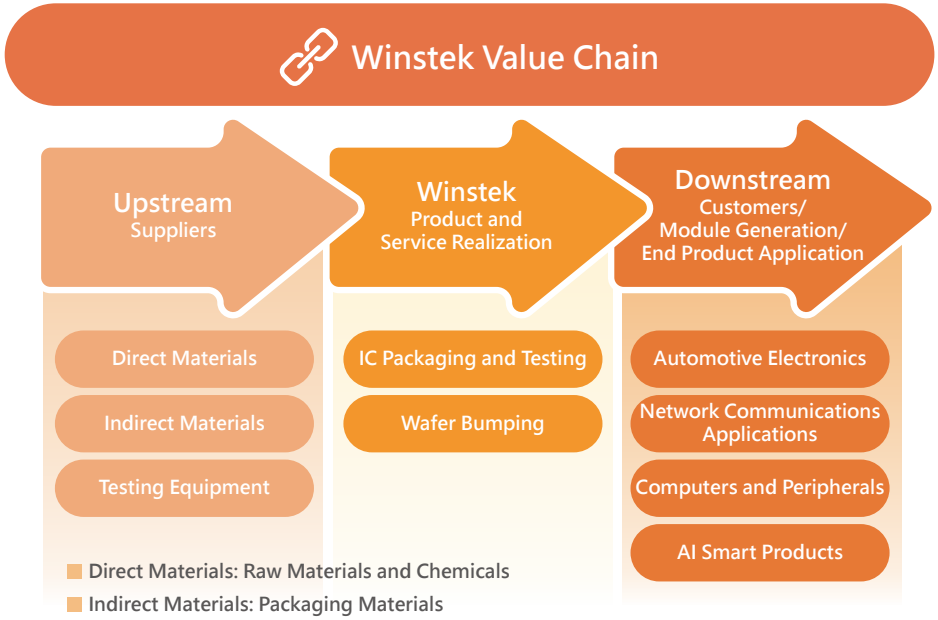
Management Policies

- **Goals and Targets:** Committed to maintaining long-term cooperative relationships with domestic and international suppliers, establishing mutual trust and stable partnerships, reducing the risk of operational disruptions, and developing a stable and sustainable supply chain.
- **Commitment:** Utilize due diligence and early warning communication methods to ensure that suppliers providing raw materials and parts to the company are qualified, and to guarantee that suppliers meet the company's specifications and requirements for raw materials and parts.
- **Management Measures:**
  - (1) Develop a supplier management procedure manual, conduct supplier quality audits, and manage delivery to effectively implement qualified supplier management.
  - (2) Hold supplier conferences as needed or provide relevant policies on the company website to maintain good interactions and information exchange, creating a win-win cooperative relationship.
  - (3) Increase the proportion of local procurement to reduce energy consumption.
  - (4) Develop a CSR supplier selection and evaluation procedure, ensuring that key suppliers commit to social responsibility, conduct self-assessments, and undergo on-site audits, fulfilling corporate social responsibility and environmental protection.
  - (5) Prohibit the procurement of hazardous substances and ensure compliance with RoHS international standards, banning the use of conflict minerals.

Responsibilities

- **External Responsibility:** Conflict Minerals, RBA Code of Conduct
- **Internal Systems:** Supplier Management Procedures, CSR Procedure of Supplier Evaluation, Customer Satisfaction Evaluation Procedures, Conflict Minerals Management Procedures, Environment-related Substance Management Procedure.

4.2 Value Industry Supply Chain



To continuously enhance the company's competitiveness and supply chain management, Winstek identifies key materials as Photoresist, Polyimide, Target, Anode, and solder ball, etc., representing 85% of direct material procurement by value or irreplaceable direct materials. Winstek considers key material suppliers as long-term strategic partners, continuously monitoring and guiding their improvement to create a win-win strategy and actively manage risks.

4.3 Relationships and Philosophy with the Supply Chain

Winstek currently collaborates with 994 suppliers, covering procurement items including raw materials, machinery, equipment, parts, and facility engineering. Suppliers are classified based on procurement type as:

- Manufacturing Suppliers: Raw materials, machinery, equipment, parts, etc.
- Facility Engineering Suppliers: Construction, electromechanical, air conditioning, etc.
- Other Service Providers: Outsourced testing, office supplies, consumables, IT products, etc.

Current Qualified Suppliers:

Total **994** Suppliers | Total Proportion **100%**

Domestic Suppliers : **95%** | International Suppliers : **5%**

Production and Manufacturing	Facility Engineering	Other Services
334 Suppliers	**24** Suppliers	**636** Suppliers
Proportion **34%**	Proportion **2%**	Proportion **64%**

Key Suppliers: In 2023, this refers to direct and indirect material suppliers with transactions exceeding NT$20 million in the previous year, domestic direct material suppliers, and contractors with on-site personnel.

Local Procurement

Winstek's procurement strategy prioritizes the development of local suppliers to support Taiwan's local economy and employment opportunities. We actively implement localization of materials to reduce unnecessary air or sea freight costs and lower the carbon footprint generated during material transportation. This approach not only fulfils our environmental responsibility for energy saving and carbon reduction but also directly reduces procurement costs.

2023 Local Procurement Proportion of Raw Material Suppliers: 92%.

Note: Transactions with raw material suppliers accounted for 51% of the total in 2023. The definition of local procurement is based on the supplier's location.

4.4 Supplier Management

Supplier Qualification Evaluation and Verification

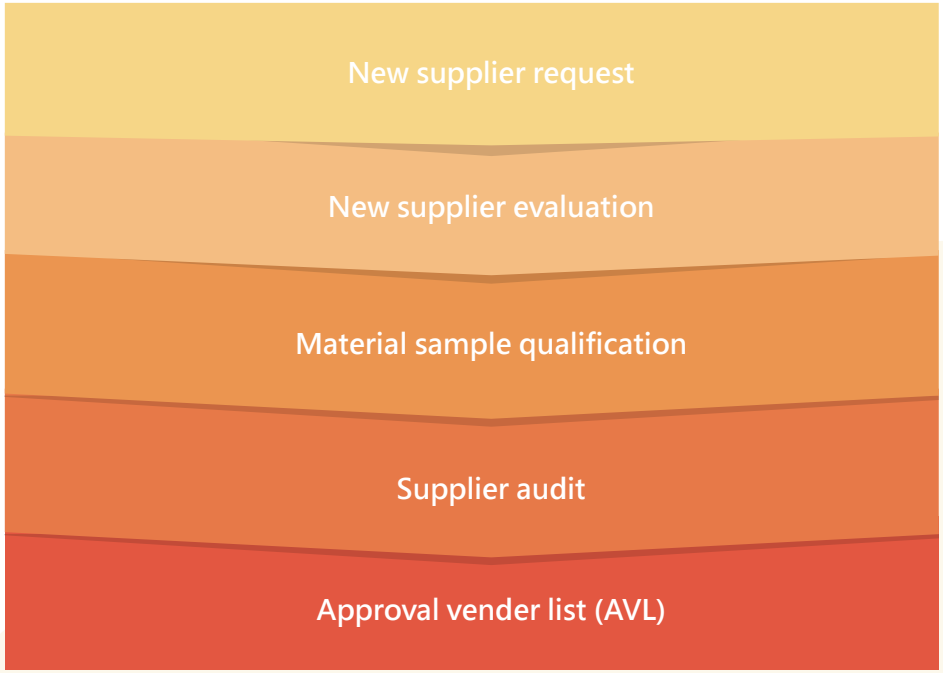
To carefully select suppliers, we have established a procedure for selecting qualified suppliers, ensuring that raw material and parts suppliers meet the company's needs in product quality, delivery time, cost, technology, and service through appropriate management and evaluation. This ensures a stable supply source, reduces the risk of supply shortages affecting production, and fosters mutual trust and stable partnerships with suppliers for joint growth and the construction of a robust sustainable supplier relationship.

When introducing a new supplier, it is necessary to submit "application form for new supplier", company registration applications, confidentiality agreements, "Conflict-Free Minerals Commitment", "Certificate of prohibited substances", "Supplier Sustainability Declaration", ISO certificates, and business continuity plans as per requirements.

Supplier Management System: Winstek has established a supplier management system and standards, regularly conducted supplier assessments and executing supplier document reviews or on-site audits based on risk assessments. We actively maintain long-term cooperative relationships with suppliers to reduce costs, improve delivery time flexibility, enhance product competitiveness, maximize profits, and establish a win-win situation.



- New Supplier Selection Process:



Supplier Management Objectives

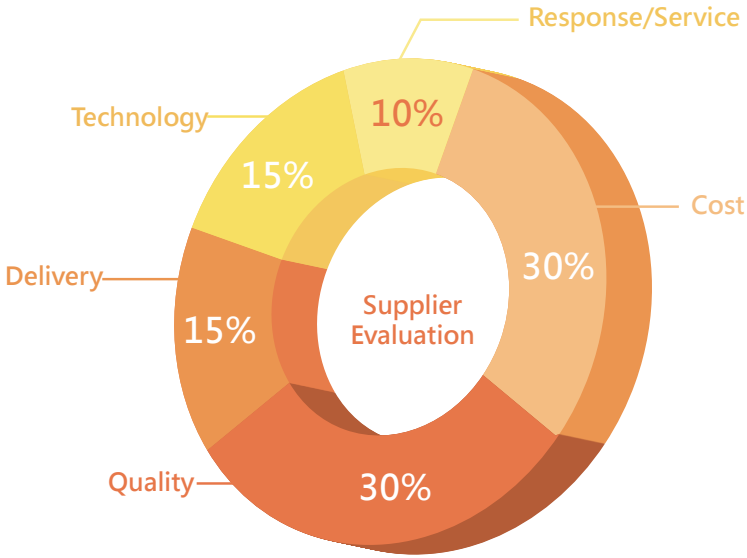
Supplier Evaluation (Assessment)

(1) Regular evaluations of key raw material suppliers.

(2) Evaluation criteria include quality, delivery time, cost, technology, and service.

(3) Suppliers failing to meet standards are required to submit improvement plans and verify their effectiveness.

(4) Scope of Evaluation: Each quarter, the top 10 suppliers by supply volume (including direct materials, key indirect materials, packaging materials, tools, and laboratories) undergo supplier assessments.





Grade	Score	Description
A	≧70	Very Good
B	60~69	Fair
C	<60	Poor

Qualified Supplier Audits:

Quality	Scoring Criteria	30%	Evaluation Unit	Quality Reliability Division
Price	Scoring Criteria	30%	Evaluation Unit	Logistic Department
Production Capacity and Delivery Schedule	Scoring Criteria	15%	Evaluation Unit	Logistic Department
Technology	Scoring Criteria	15%	Evaluation Unit	Test Engineering Division
Responsibility and Service	Scoring Criteria	10%	Evaluation Unit	Test Engineering Division/Quality Reliability Division /Logistic Department

Assessment Results Determination and Actions:

Grade A	Grade B	Grade C
Normal Transactions	Improvement within a Specified Period	Consideration to Cease Procurement
37 Suppliers	0 Suppliers	0 Suppliers

- Suppliers with a grade of B will be required to submit an improvement plan within two weeks.
- Suppliers with a grade of C will be placed under restricted transaction status. These suppliers must visit the company to review the assessment results with relevant personnel and provide a corrective and preventive action plan for improvement. If improvement is not achieved within the specified period, the supplier will be classified as non-compliant and will not be eligible for re-certification for six months.

Supplier Audits

(1) Conduct audits on key suppliers.

(2) Audit items include the quality system, environmental health and safety system, and prohibited substances requirements.

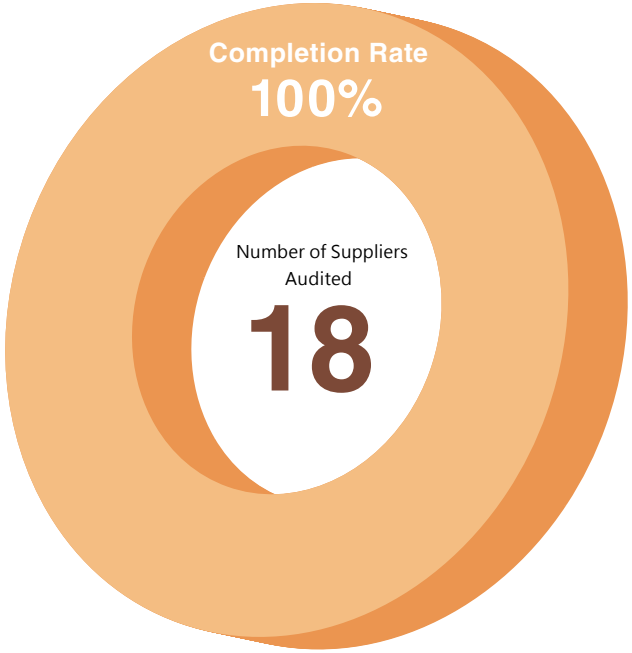
Raw material suppliers will be audited according to the needs and requirements outlined in the supplier audit checklist.

(3) If deficiencies are found during the audit, the supplier will be required to submit an improvement plan and confirm its effectiveness. Suppliers who do not make improvements will have their qualifications revoked.

(4) Audit Frequency: Conducted in accordance with the supplier management procedures.

Qualified Supplier Audit Operations

Audit activities will be determined based on risk assessments such as product safety/regulatory requirements, supplier performance, and QMS certification level. These factors will dictate the needs, types, frequencies, and scope of audits, with the supplier audit plan for the following year being drafted at the end of the current year.



Supplier Guidance and Training

Supplier Conferences were held to promote Quality/Environmental Health and Safety Policies, Prohibited Substances Requirements, and the Code of Conduct for the Responsible Business Alliance (RBA).

July 1, 2021	» Conducted online supplier conferences to promote the RBA Code of Conduct, Green Products, and the Green Supply Chain Management Platform.
November 1, 2021	» Official launch of the GPM system to effectively manage hazardous substances from suppliers.
November 24, 2022	» Conducted online supplier conferences to promote the RBA Code of Conduct, Green Product Management, Carbon Footprint Advocacy, and Supplier Information Security. » Effectively managed hazardous substances from suppliers, with records retained for 15 years.
2023	» Company website provides policies on hazardous substances requirements and the RBA Code of Conduct.

4.5 Supplier Sustainability Management

The company has established the Supplier Sustainability Development Code of Conduct based on the Responsible Business Alliance (RBA) guidelines, which serves as the fundamental value for managing the supply chain. This code includes labor, health and safety, environmental standards, business ethics, and management systems to ensure that suppliers provide a safe working environment, respect and dignify employees, and conduct environmentally friendly and ethical business operations. The company requires suppliers to avoid risks related to the environment, human rights/labor, corporate ethics, labor standards, and pre-emptively prevent production stoppages caused by strikes, thereby establishing a mutually beneficial relationship with suppliers.

Winstek requires new supplier partners to adhere to the RBA Code of Conduct and sign the "Supplier Sustainability Development Declaration," committing to conduct all activities in compliance with relevant laws and ethical standards. We communicate Winstek's sustainability management policy to suppliers and conduct regular audits to confirm that their sustainability performance meets the requirements of various management systems, ensuring continuous compliance with our expectations.

Supplier Sustainability Declaration 345 suppliers

- **Key Content**

  Compliance with the Supplier Sustainability Development Code of Conduct ensures the safety of the supply chain working environment, the respect and dignity of employees, and the implementation of environmentally and ethically compliant business activities. Business conduct related to labor, health and safety, the environment, business ethics, and management systems must fully comply with this code to protect labor rights and provide dignity and respect to employees.

  Establish a healthy and safe working environment; no child labor (minimum legal employment age in the country/region).

Supplier Sustainability Assessment 7 suppliers

- **Content design**

  Based on the key points listed in the Sustainability Development Code of Conduct; allows suppliers to self-assess against the labor, health and safety, environmental, ethical, and management system requirements outlined in the assessment form, with suppliers conducting self-assessments on compliance and improvement actions.

Supplier Sustainability Management Audits

Depending on the type and classification of suppliers, regular on-site or written audits are conducted. For any deficiencies found during the audit, suppliers are required to submit an improvement plan within a specified period, with Winstek's audit team confirming closure of the issue.

Key suppliers: An on-site audit of 10 suppliers is planned, including raw material suppliers and contractors with on-site personnel. Winstek successfully completed audits of 10 suppliers, achieving a 100% completion rate.

Supplier Implementation of Social Responsibility Self-Assessments

In addition to on-site audits, Winstek provides the Supplier Sustainability Development Management Assessment Form to overseas direct material suppliers. The assessment evaluates the supplier's proactive and specific regulations regarding environmental protection, labor rights and conditions, and occupational safety and health to fulfil corporate social responsibility.

- **2023 Supplier Sustainability Development Assessment Forms: Winstek completed assessments for 7 suppliers (4 of which are RBA members and do not need to complete the Supplier Sustainability Development Management Assessment Form).**

Number of Self-Assessments	Completed	Not Completed	Completion Rate
7 suppliers	7 suppliers	0 suppliers	100%

Supplier Environmental Protection, Social Responsibility Mechanism, and Delivery Management

Suppliers who enter Winstek's various factory premises for construction and maintenance must comply with procurement contract and order-related supplier regulations and requirements. Environmental safety personnel will conduct professional environmental audits based on the Contractor Management Operating Instructions.

New suppliers must guarantee that their factory management, product manufacturing processes, and the products or services provided do not violate relevant legal regulations. In procurement contracts, it is guaranteed that all stages of production, manufacturing, labelling, packaging, storage, handling, transportation, import/export, delivery, installation, commissioning, or service provision comply with all applicable legal regulations of the relevant country.

In social responsibility audits, reminders, guidance, and audit actions are taken regarding suppliers' labor/safety/environment/ethics/system items.

Green Supply Chain

Winstek is committed to developing green products and was awarded the SONY "Green Partner" certificate in 2010, officially becoming a partner in SONY's green supply chain.



1. Green Procurement

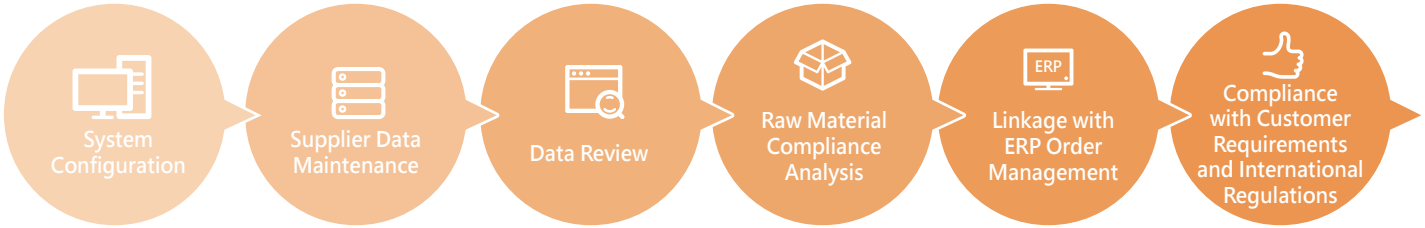
Winstek continues to promote "Green Procurement." Raw material suppliers must provide testing certification from third-party impartial organizations, such as EU RoHS and REACH, to ensure that their products do not contain environmentally harmful prohibited substances (in compliance with Winstek's document G-ES-018 Appendix 9.1 on environmental management substance regulations), ensuring that products meet customer and international legal requirements.

2. Green Certification Requirements

Winstek fully demonstrates its ability to manage hazardous substances by annually collecting relevant data, such as material test reports, to ensure that the materials provided by suppliers comply with customer and international legal requirements.

GPM Green Product Management System

Winstek launched the Green Product Management System (GPM) in 2021 to ensure that all provided products comply with green product regulations. By controlling raw materials from the source, procurement, and incoming inspection operations, the goal is to avoid purchasing or accepting raw materials that do not meet green product regulations. The concept diagram of the GPM system is as follows:

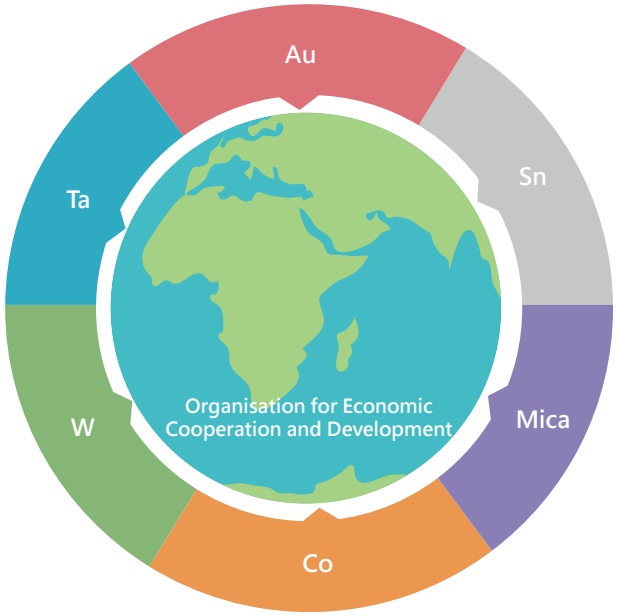


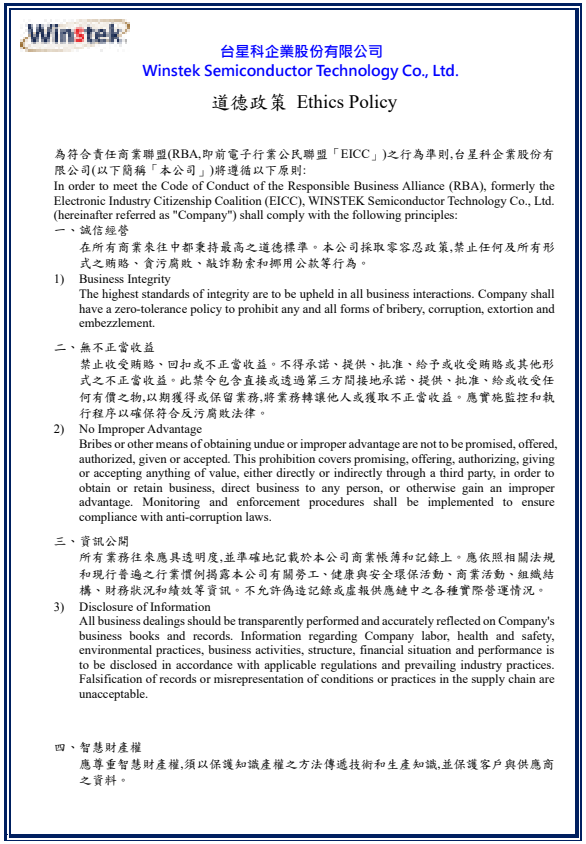
Corporate Social Responsibility Statement

- Winstek, as a global citizen, declares its adherence to social moral responsibility standards and international human rights principles, committing to comply with the RBA Code of Conduct (including environmental protection, employee health and occupational safety, labor rights, and ethics).
- Suppliers are required to sign and return the Supplier Sustainability Declaration.
- Winstek has implemented RBA-required audits on the next tier of suppliers and ensures the effective implementation of the RBA by suppliers.

4.6 Ethical Procurement-Conflict Minerals Management

Conflict Minerals refer to minerals extracted in conflict-affected and high-risk areas by armed forces through the exploitation of human rights. According to the EU Regulation (EU) 2017/821 on "Conflict Minerals," mandatory due diligence is required for information on 3T1G conflict minerals [Tungsten, Tin, Tantalum, Gold] within the EU as of January 1, 2021. As international attention increases, the range of minerals has expanded to include Cobalt and Mica, ensuring that the minerals originate from conflict-free areas and comply with the Organization for Economic Cooperation and Development (OECD) or equivalent recognized due diligence.





台星科企業股份有限公司
Winstek Semiconductor Technology Co., Ltd.

道德政策 Ethics Policy

為符合責任商業聯盟(RBA,即前電子行業公民聯盟「EICC」)之行為準則,台星科企業股份有限公司(以下簡稱「本公司」)將遵循以下原則:
In order to meet the Code of Conduct of the Responsible Business Alliance (RBA), formerly the Electronic Industry Citizenship Coalition (EICC), WINSTEK Semiconductor Technology Co., Ltd. (hereinafter referred as "Company") shall comply with the following principles:

一、誠信經營
在所有商業來往中都秉持最高之道德標準。本公司採取零容忍政策,禁止任何及所有形式之賄賂、貪污腐敗、敲詐勒索和挪用公款等行為。

1) Business Integrity
The highest standards of integrity are to be upheld in all business interactions. Company shall have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement.

二、無不正當收益
禁止收受賄賂、回扣或不正當收益。不得承諾、提供、批准、給予或收受賄賂或其他形式之不正當收益。此禁令包含直接或透過第三方間接地承諾、提供、批准、給或收受任何有價之物,以期獲得或保留業務,將業務轉讓他人或獲取不正當收益。應實施監控和執行程序以確保符合反污腐敗法律。

2) No Improper Advantage
Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given or accepted. This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. Monitoring and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

三、資訊公開
所有業務往來應具透明度,並準確地記載於本公司商業帳薄和記錄上。應依照相關法規和現行普遍之行業慣例揭露本公司有關勞工、健康與安全環保活動、商業活動、組織結構、財務狀況和績效等資訊。不允許偽造記錄或虛報供應鏈中之各種實際營運情況。

3) Disclosure of Information
All business dealings should be transparently performed and accurately reflected on Company's business books and records. Information regarding Company labor, health and safety, environmental practices, business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

四、智慧財產權
應尊重智慧財產權,須以保護知識產權之方法傳遞技術和生產知識,並保護客戶與供應商之資料。

4) Intellectual Property
Intellectual property rights are to be respected; transfer of technology and know- how is to be done in a manner that protects intellectual property rights; and, customer and supplier information is to be safeguarded.

五、公平業務、廣告發布和競爭
應秉持公平業務、廣告發布和競爭之標準。

5) Fair Business, Advertising and Competition
Standards of fair business, advertising and competition are to be upheld.

六、身份保護及不得報復
除非法律禁止,否則應制訂程序確保供應商和員工檢舉者之機密性、匿名性和提供保護。本公司應為其員工制訂溝通程序,使員工得以提出任何問題疑慮,而不擔心遭受打擊報復

6) Protection of Identity and Non-Retaliation
Programs that ensure the confidentiality, anonymity and protection of supplier and employee whistleblowers are to be maintained, unless prohibited by law. Company should have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

七、負責任的採購礦物
台星科已制定政策,對其製造的產品中含有鎢(Tungsten)、錫(Tin)、 鉭(Tantalum)、金(Gold)、鈷(Cobalt)與雲母 (Mica)的來源和產銷監管鏈進行盡職調查,以確保無衝突礦物存在於所使用的材料之中(例如:錫球、金線、基板和導線架),並確保其來源符合經濟合作暨發展組織(OECD)《受衝突影響地區和高風險地區礦產供應鏈的盡職調查指南》或同等公認的盡職調查。

7) Responsible Sourcing of Minerals
Winstek exercise due diligence on the source and chain of custody of Gold, Tantalum, Tin, Tungsten, Cobalt and Mica. In the materials used (for example, solder ball, gold wire, substrate and leadframe) to reasonably assure that they are sourced in a way consistent with the Organization for Economic Cooperation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or an equivalent and recognized due diligence framework.

八、隱私
本公司承諾保護所有業務往來者(包括供應商、客戶、消費者和員工)之個人資料合理隱私期待。本公司在收集、儲存、處理、傳輸和分享個人資料時,應遵守與隱私和資訊安全相關之法律和法規要求。

8) Privacy
Company commits to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers. consumers and employees. Company are to comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

總經理: 翁志立
General Manager

These are the ethical policy principles of Winstek's RBA.

Responsible Mineral Sourcing

Winstek adheres to the Responsible Business Alliance (RBA), committing not to procure or use minerals from conflict-affected and high-risk areas. The policy prohibiting conflict minerals is communicated to suppliers, requiring their commitment and compliance, tracing the sources of Tantalum, Tungsten, Tin, Gold, Cobalt, and Mica used in products. Suppliers are also required to pass this policy on to their upstream suppliers to fulfill corporate social responsibility. Winstek will publish the Non-Conflict Minerals Policy on its website and, through supplier management, require suppliers to sign the Conflict-Free Minerals Commitment annually, ensuring that all materials, products, or components delivered to Winstek do not directly or indirectly use conflict minerals.

- In 2023, 68 suppliers completed signing Conflict-Free Minerals Commitment.

Winstek

台星科企業股份有限公司
Winstek Semiconductor Technology Co., Ltd.

無使用衝突礦產政策 Non-Conflict Minerals policy

身為全球領先的半導體封裝設計、裝配、測試和佈局解決方案的服務供應商，在多樣化的終端市場應用，台星科致力於對社會負責任的商業行為，例如：
As a leading service provider of semiconductor packaging design, assembly, test and distribution solutions in diverse end market applications, Winstek is committed to Socially Responsible Business Practices such as

1.遵守責任商業聯盟（RBA）行為準則。
abiding by the Responsible Business Alliance (RBA) Code of Conduct.

2.確保我們在客戶的產品中所使用的礦物和材料來源符合經濟合作暨發展組織(OECD)《受衝突影響地區和高風險地區礦產供應鏈的盡職調查指南》或同等公認的盡職調查框架，也要求供應商遵循其衝突礦產政策。
Ensuring that the minerals and materials we use in our customers' products from the reasonably assure that they are sourced in a way consistent with the Organization for Economic Cooperation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or an equivalent and recognized due diligence framework.

- 負責任地採購礦物 Responsible Sourcing of Minerals

台星科已制定政策，對其製造的產品中含有鎢(Tungsten)、錫(Tin)、 鉭(Tantalum)、金(Gold)、鈷(Cobalt)與雲母 (Mica)的來源和產銷監管鏈進行盡職調查，以確保無衝突礦物存在於所使用的材料之中（例如：錫球、金線、基板和導線架），確保其來源符合經濟合作暨發展組織(OECD)《受衝突影響地區和高風險地區礦產供應鏈的盡職調查指南》或同等公認的盡職調查。
Winstek exercise due diligence on the source and chain of custody of Gold, Tantalum, Tin, Tungsten, Cobalt and Mica. In the materials used (for example, solder ball, gold wire, substrate and leadframe) to reasonably assure that they are sourced in a way consistent with the Organization for Economic Cooperation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or an equivalent and recognized due diligence framework.

總經理: 翁志立
General Manager

The above outlines Winstek's RBA Conflict-Free Minerals Policy Principles.

Compliance with Hazardous Substance Management Regulations

To maintain health and environmental safety, Winstek has obtained the SONY Green Partner Certification and complies with the EU RoHS Directive (2011/65/EU) and the EU REACH Regulation. We are also committed to complying with the chemical substance regulations of various countries and customers, requiring suppliers to adhere to regulations on restricted or banned hazardous chemical substances.



5

Green Production

· Climate Change

5.1 Greenhouse Gas Inventory and Carbon Management

5.2 Energy Management

5.3 Water Resource Management

5.4 Waste Management

5.5 Air Pollution Control

5.6 Environmental Expenditure



Climate Change

Climate change is one of the environmental issues currently of concern to the United Nations, governments, society, and the business community. In line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations set by the International Financial Stability Board in 2019, Winstek has established its governance, strategy, risk management, and metrics and targets as outlined in the table below:

Management Levels	Winstek's Response Measures
Governance	● The ESG Sustainability Development Committee identifies and ranks risks, formulates response strategies, and regularly reports to the Board of Directors and senior management to review the effectiveness of risk control, providing decision-making and guidance. ● The ESG Sustainability Development Committee, based on discussions or resolutions of the Board of Directors, formulates policies and improvement targets. The relevant responsible units are formed to make operational adjustments. The committee periodically or ad hoc reports the status of climate change issues to the Board of Directors as required by specific projects, enabling the Board to understand and manage the climate change risks faced by the company.
Strategy	● Assess, classify, and rank the physical risks of climate change to company assets, establishing response strategies, precise and rigorous preventive measures, and emergency response plans. In the event of a crisis or disaster, promptly implement the most appropriate response measures and recovery plans to minimize damage and instability. ● For transition risks, plan and purchase renewable energy and invest in green energy certificates in line with the trend of energy diversification.
Risk Management	● Identify climate risk issues using TCFD's framework through international reports, industry analysis, and relevant regulations. Use financial or strategic impact intensity and the probability of occurrence to determine risk values and prioritize risk issues.
Indicators and Targets	● Greenhouse Gas Emission Reduction ● Implementation of Energy-Saving and Carbon Reduction Projects ● Development of Renewable Energy (e.g., Solar Power) ● Enhancement of Corporate Resilience and Efficiency in Response to Climate Change

In response to climate change issues, Winstek has established the following short-, medium-, and long-term environmental management targets as shown in the table below:

	Short-term Indicators (2024)	Medium-term Indicators (2028)	Long-term Indicators (2029 and beyond)
Financial Impacts and Adaptation Approaches of Climate Change	Execution of Energy Saving and Carbon Reduction Projects: Energy Saving Rate: 1%	Energy Saving Rate: 1%	Energy Saving Rate: 1%
	Strengthened Climate Resilience: 0 days of production disruption due to climate-related disasters	0 days of production disruption due to climate-related disasters	0 days of production disruption due to climate-related disasters
	Greenhouse Gas Emission Reductions: ≥987.54 tons CO_2e (Scope 1 and 2, compared with base year 2022)	Greenhouse Gas Emission Reductions: ≥3,620.96 tons CO_2e (Scope 1 and 2, compared with base year 2022)	Greenhouse Gas Emission Reductions: ≥4,279.32 tons CO_2e (Scope 1 and 2, compared with base year 2022)
	Renewable Energy Ratio ≥ 3%	Renewable Energy Ratio ≥ 15%	Renewable Energy Ratio ≥ 15% Adjusted based on renewable energy supply
Air Pollution Control	Violations of Air Pollution Regulations: 0 cases	Violations of Air Pollution Regulations: 0 cases	Violations of Air Pollution Regulations: 0 cases
		VOCs Emission Intensity: ≤1.571 kg per million revenue	VOCs Emission Intensity: ≤1 kg per million revenue
Regulatory Compliance	Violations of Environmental Regulations: 0 cases	Violations of Environmental Regulations: 0 cases	Violations of Environmental Regulations: 0 cases

Material Topics, Goals, and Performance

Winstek is committed to fulfilling its environmental protection responsibilities and becoming a sustainable development enterprise. The company will continue to improve based on the above short-, medium-, and long-term energy-saving and carbon reduction targets and related implementation plans, aiming to achieve performance goals and completion rates over the past two years (as shown in the table below), to reduce potential impacts on society and the environment.

Financial Impacts and Adaptation Approaches of Climate Change

2024 Goals	2023 Goals	2023 Performance
Energy Saving Rate: 1%	Energy Saving Rate: 1%	1% → Achieved
0 days of production disruption due to climate-related disasters	0 days of production disruption due to climate-related disasters	0 day → Achieved
Greenhouse Gas Emission Reductions: ≥987.54 tons CO_2e (Scope 1 and 2, compared with base year 2022)	Greenhouse Gas Emission Reductions: ≥329.18 tons CO_2e (Scope 1 and 2, compared with base year 2022)	585.05 tons CO_2e → Achieved (Scope 1 and 2, compared with base year 2022)
Renewable Energy ratio ≥ 3%	Contract Signing	Completion of Signing

Air Pollutant Control

2024 Goals	2023 Goals	2023 Performance
Violations of Air Pollution Regulations: 0 cases	Violations of Air Pollution Regulations: 0 cases	0 cases → Achieved

Climate Change Risks, Potential Operational Impacts, and Adaptation Methods:

Types of Risks		Potential Operational Impacts	Adaptation Methods
Physical Risks	Earthquakes, floods, typhoons, wastewater discharge	● Affect production capacity, increase operating costs, and reduce revenue. ● Inability to deliver on time or delivery interruptions. ● Fines for regulatory violations.	● Establish a comprehensive water resource management system. ● Prepare water trucks to support water-scarce facilities. ● Regularly inspect and check production equipment in all plants. ● Implement wastewater management policies in compliance with environmental regulations.
	Drought, power outages, water supply interruptions, voltage drops		● Prepare Water Trucks to Support Water-Scarce Facilities. ● Install UPS systems in IT to support uninterrupted power supply. ● Automatically activate generators to supply partial production and emergency power needs.
	Rising temperatures	● Increased electricity consumption leads to higher greenhouse gas emissions.	● Promote energy-saving concepts and measures, and replace lights with energy-saving bulbs.
Transition Risks	Emission regulations	● Increased operating costs. ● Increased emissions.	● Replace old high-energy-consuming equipment (see section 5.6.2 on energy-saving activities and promotion). ● Evaluate and control hazardous gas emissions in the production process.
	Corporate image	● Negative feedback from stakeholders.	● Managed and improved by the ESG Sustainability Development Committee. ● Enhance green processes by implementing energy-saving and water-saving facilities.
Opportunity	Product transformation	● Develop green and sustainable products, and focus on calculating and reducing the product carbon footprint.	● Invest in equipment and capital to design green and sustainable product manufacturing processes and inspection methods. ● Launch product carbon footprint projects.

Environmental Risks

Control Measures

Energy Saving and Carbon Reduction

- The annual energy-saving goal is a 1% reduction, achieved through measures such as greening the factory area and equipment improvements.
- Reduction of single-use items by using reusable tableware.
- Plan to purchase equipment with better energy efficiency and carry out various improvement projects.

Water Resources

- Maximize water resource efficiency through recycling, water quality separation, and pollution prevention, with an annual recovery rate of over 2%.

Waste Management

- Total Waste Weight in 2023: 2,316.82 tons.
- Establish a "Category Waste Working Instruction" to regulate procedures for the classification, collection, storage, and treatment of business waste.
- Increase the proportion of recyclable waste and reduce the amount of non-recyclable waste incinerated.

Environmental Expenditure for 2023: NT$51,963 thousand (estimated expenditure for 2023). For details, please refer to page 90, 2023 Environmental Expenditure and Benefits Table.

Winstek is committed to preserving natural and healthy living environments by reducing the impact of production activities on the environment and employee safety. The company is dedicated to continuous improvement and pollution prevention, actively promoting waste reduction, prioritizing safety, and minimizing resource waste. Compliance with government regulations and standards is ensured by setting targets to demonstrate improvement performance, establishing an environmental management system, and achieving sustainable environmental goals through internal and external communication, operation review, and adherence to ISO 14001:2015. A dedicated unit is responsible for environmental management and maintenance.

In assessing the environmental impact across the product lifecycle, Winstek continuously improves its environmental management systems through internal management practices to minimize negative impacts, contributing to environmental protection. To address the risks associated with climate change and energy supply, Winstek actively identifies risks such as floods, droughts, typhoons, power outages, and water shortages brought on by climate change. The company regularly controls the operational impacts and damages caused by extreme weather and actively implements measures related to climate risk adaptation policies and solutions.


CERTIFICATE

dqs

This is to certify that

Winstek Semiconductor Co., Ltd.
Winstek Semiconductor Technology Co., Ltd.

No. 176-5, 6 Ling, Hsukung Chun, Chiang Lin
307 Hsin-Chu Hsien
Taiwan

has implemented and maintains an Environmental Management System.

Scope:
The environmental activities and supporting processes associated with the manufacture of integrated circuit assembly and the production testing, reliability test and failure analysis of integrated circuits in the form of wafer and package.

Through an audit, documented in a report, it was verified that the management system fulfills the requirements of the following standard:

ISO 14001 : 2015

Certificate registration no. 20002839 UM15
Date of revision 2024-03-19
Date of certification 2024-04-19
Valid until 2027-04-18

DQS Inc.

IQNET

Environmental Responsibility Personnel Setup

To effectively prevent and control environmental pollution amid rapid environmental changes, Winstek complies with the Ministry of Environment's requirements for dedicated personnel for various pollution prevention types. To minimize the impact of incidents on the environment and human health, dedicated personnel must possess expertise in pollution prevention and participate in training conducted by the Ministry of Environment. They are well-prepared for pollution control and equipment management.

Type	Required Personnel	Hsinchu Plant	Outcome
Wastewater	1 personnel (Dedicated Unit)	1 personnel	Compliance
Air Pollution	1 dedicated personnel	1 personnel	Compliance
Waste	1 dedicated personnel	1 personnel	Compliance

In 2023, Winstek had no incidents of environmental regulation violations resulting in fines by authorities.

5.1 Greenhouse Gas Inventory and Carbon Management

5.1.1 Climate Change

With the adoption of the Paris Agreement by the United Nations, climate change has become a critical issue that governments and businesses must prioritize. In response to the potential economic and social impacts of climate change, Winstek evaluates the environmental considerations across the product lifecycle and develops preventive measures to mitigate climate impacts and external costs.

Rising Temperatures: Continued global warming

The distinction between wet and dry seasons is becoming increasingly pronounced.

Extreme Weather

Climate Change Risk Considerations and Response Measures			
Year	Risk Considerations	Response Plan	Specific Actions
2023	Greenhouse Gas Inventory Reporting	Inventory of Greenhouse Gas Emissions and Current Energy Usage	Achievement Rate for Greenhouse Gas Inventory: 100%
	Production Interruptions Due to Natural Disasters	Development of Business Continuity and Emergency Response Procedures Disaster Response Capability Building	Compliance with Extreme Climate Design
	Supply Chain Strengthening	Enhancing Supply Chain Cooperation to Reduce Emissions	Regular Audits and Scoring of the Supply Chain

Reinforcement of Extreme Climate Design		
Year	Climate Risk	Adaptation Guidelines
2023	Power Outages	Emergency Power Outage Measures, Emergency Generators Provided to Supply Power During Power Restrictions.
	Water Shortages	Increase Process Recycling Rate.
	Strong Winds	Wastewater Measures, Enhanced Wind Resistance Standards for Air Pollution Control Equipment.

5.1.2 Greenhouse Gas Policy

The Earth's climate and environment have been significantly impacted by greenhouse gases, causing extreme global climate changes, frequent droughts and floods in both hemispheres, and an average global temperature rise of nearly 1 ° C, which has clearly affected economic development in various regions. As a global citizen, Winstek conducted a greenhouse gas emission inventory in 2023 following the ISO 14064-1:2018 standard and has planned energy-saving and carbon reduction sustainable development goals to monitor overall emissions as a basis for future improvement targets.

Winstek's 2023 greenhouse gas inventory was primarily conducted at the plant level, with 100% operational control set as the organizational boundary. The base year for greenhouse gas reduction was set to 2022, covering the seven major greenhouse gases: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulfur Hexafluoride (SF6), and Nitrogen Trifluoride (NF3). The fuels used in Scopes 1 and 2 during this inventory did not contain bio-based components.

Winstek reported the progress of greenhouse gas inventory verification to the Board of Directors quarterly in 2023, on March 6, April 25, July 31, and October 31.



5.1.3 Greenhouse Gas Inventory

All of Winstek plants conducted a greenhouse gas inventory and adopted energy-saving measures as part of their management strategy to achieve greenhouse gas reduction goals and minimize environmental impacts. This inventory has been verified by a third-party certification body, completing the ISO 14064-1 greenhouse gas verification. The quantified results of Winstek's greenhouse gas inventory for 2023 are as follows: Direct emissions amounted to 3,646.7989 tCO_2e, energy indirect emissions (excluding upstream emissions from power generation) were 28,685.9872 tCO_2e, and other indirect emissions were 7,614.3572 tCO_2e, with total emissions amounting to 39,947.143 tCO_2e.

(1) Direct Greenhouse Gas Emissions: Includes stationary equipment (such as generators), process emissions, mobile combustion sources for transportation (e.g., company vehicles, forklifts), and fugitive emissions, accounting for approximately 9.13% of total emissions.

(2) Indirect Energy Greenhouse Gas Emissions: The main source is purchased electricity, accounting for approximately 71.81% of total emissions.

Greenhouse Gas Emissions (tCO_2e)

Types of Greenhouse Gases / Year	Direct Emissions	Energy Indirect Emissions	Other Indirect Emissions	Total Emissions Equivalent
2021	3,918.8983	32,917.5638	2,675.0684	39,511.531
2022	3,154.1819	29,763.6570	7,337.6318	40,255.471
2023	3,646.7989	28,685.9872	7,614.3572	39,947.143

*Direct emissions: These originate from sources such as gasoline, diesel, and greenhouse gases used in manufacturing processes.
*Energy indirect emissions: These originate from purchased electricity.

5.2 Energy Management

Energy Management

	2022	2023
1. Natural Gas Consumption (m^3)	N/A	N/A
1-1. Energy Consumption (GJ)	N/A	N/A
2. Diesel Consumption (L)	5330.20	14137.41
2-1. Energy Consumption (GJ)	190.82	506.12
3. Gasoline Consumption (L)	8679.30	6963.30
3-1. Energy Consumption (GJ)	296.83	238.15
4. Electricity Consumption (GWh)	60.13	58.07
4-1. Energy Consumption (GJ)	216,462.96	209,047.68
5. Other Energy Consumption (GJ)	N/A	N/A
Total Energy Consumption (GJ)	**216,950.61**	**209,791.95**

Renewable Energy Targets

In response to greenhouse gas emission reduction management and to achieve carbon dioxide reduction goals, Winstek continued in 2023 to implement various energy-saving improvement projects and greening of factory areas, aiming to effectively control carbon emissions. In line with government policies, the company is committed to using renewable energy by 2050 and reducing the indirect carbon dioxide emissions from electricity use to realize a sustainable environmental future.

In response to regulations issued by the Ministry of Economic Affairs, which require power users with a certain contract capacity to install renewable energy generation equipment, Winstek plans to continuously invest in the renewable energy market each year. This is part of the company's strategy to achieve net-zero carbon emissions and sustainable environmental protection. To meet the 2050 renewable energy policy, Winstek will begin transforming its energy structure and plans to increase the proportion of renewable energy.

Winstek's overall carbon footprint primarily comes from purchased electricity. Therefore, the company is striving to increase the proportion of renewable energy to reduce the reliance on purchased electricity. Winstek continues to invest in green energy by purchasing green electricity and installing solar energy systems (please refer to section 5.6.2 Energy-Saving Activities and Promotion) to support the government's energy transition policies.

Renewable Energy Purchase

To support the government's renewable energy development policy, Winstek is committed to its corporate social responsibility by actively managing greenhouse gas emissions and invests annually in the renewable energy market, pursuing the goal of net-zero carbon emissions and sustainable environmental protection.

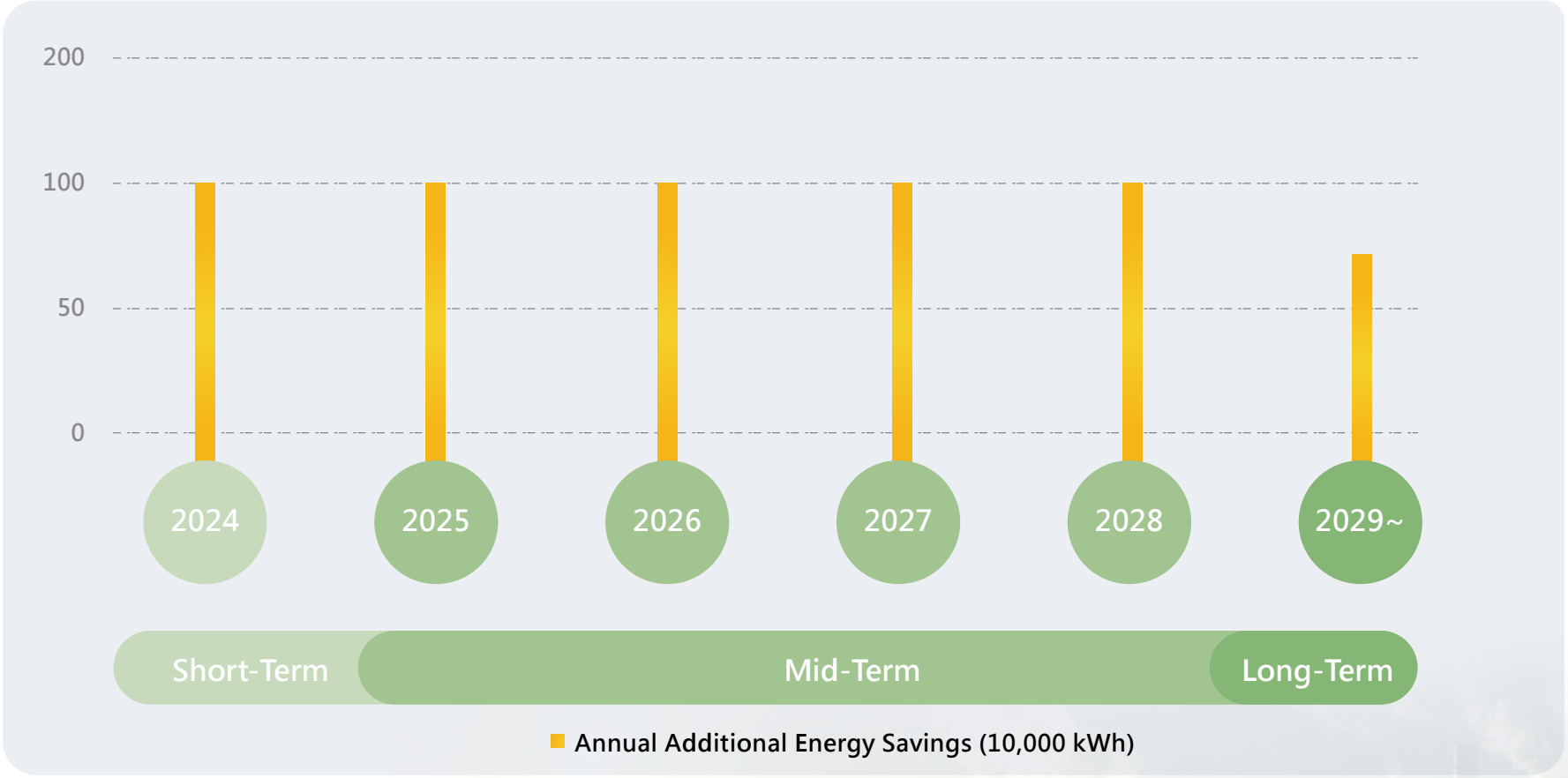
Renewable Energy Purchase			
Year	Renewable Energy Ratio	Transferred (kWh)	Renewable Energy Certificates (units)
2024	3%	1,800,000	1,800
2025	6%	3,600,000	3,600
2026	9%	5,400,000	5,400
2027	12%	7,200,000	7,200
2028	15%	9,000,000	9,000

Installation of photovoltaic generation system

To actively achieve carbon reduction goals and increase the proportion of renewable energy, Winstek's next development plan involves installing self-generated solar power on the rooftop of the Winstek facility. The project aims to reach 201.72 kW in Q2 2025, with an expected annual electricity generation benefit of 225 MWh.

Solar Power Equipment Installation		
Expected Benefits		Expected Time of Power Generation and Certificate Acquisition
Installed Capacity(kW)	Power Generation (MWh/year)	
201.72	225	Q2 2025

Energy Saving Goals



Energy Saving Goals	Short-Term	Mid-Term				Long-Term
	2024	2025	2026	2027	2028	2029~
Annual Additional Energy Savings (10,000 kWh)	100	100	100	100	100	70

5.3 Water Resource Management

In response to climate change and the increasing scarcity of water resources, all of facilities are progressively increasing the amount of recycled water used in processes and equipment to replace fresh water demand. This aims to conserve water and protect water resources, thereby reducing the impact on the natural environment.

5.3.1 Water Resource Risk Management

Water supply quantity and environmental discharge quality are key indicators used to identify water-related risks at facilities. Winstek has established comprehensive emergency response procedures and expanded regional water resource sources, as well as implemented the recycling and utilization of reclaimed water.

Water Resource Risks

Drought, flood risks, and the discharge of untreated wastewater.

Potential Operational Impacts

- Impacts on production capacity, increased operational costs, and decreased revenue.
- Inability to deliver products on schedule or disruptions in delivery.

Adaptation Methods

- Establish comprehensive water resource control.
- Provision of water trucks to support water-scarce facilities.
- Inspection of process equipment at all facilities.
- Installation of real-time wastewater monitoring systems and regular outsourced testing of discharge water quality to ensure compliance with environmental regulations.

Water Resource Usage

Winstek operates in a moderate water resource risk area, with water sources primarily from the Toucian River and Baoshan Reservoir. Daily water usage is approximately 1.08 million liters, with a total water consumption of 394 million liters in 2023. The water usage for the past two years is shown in the table below:

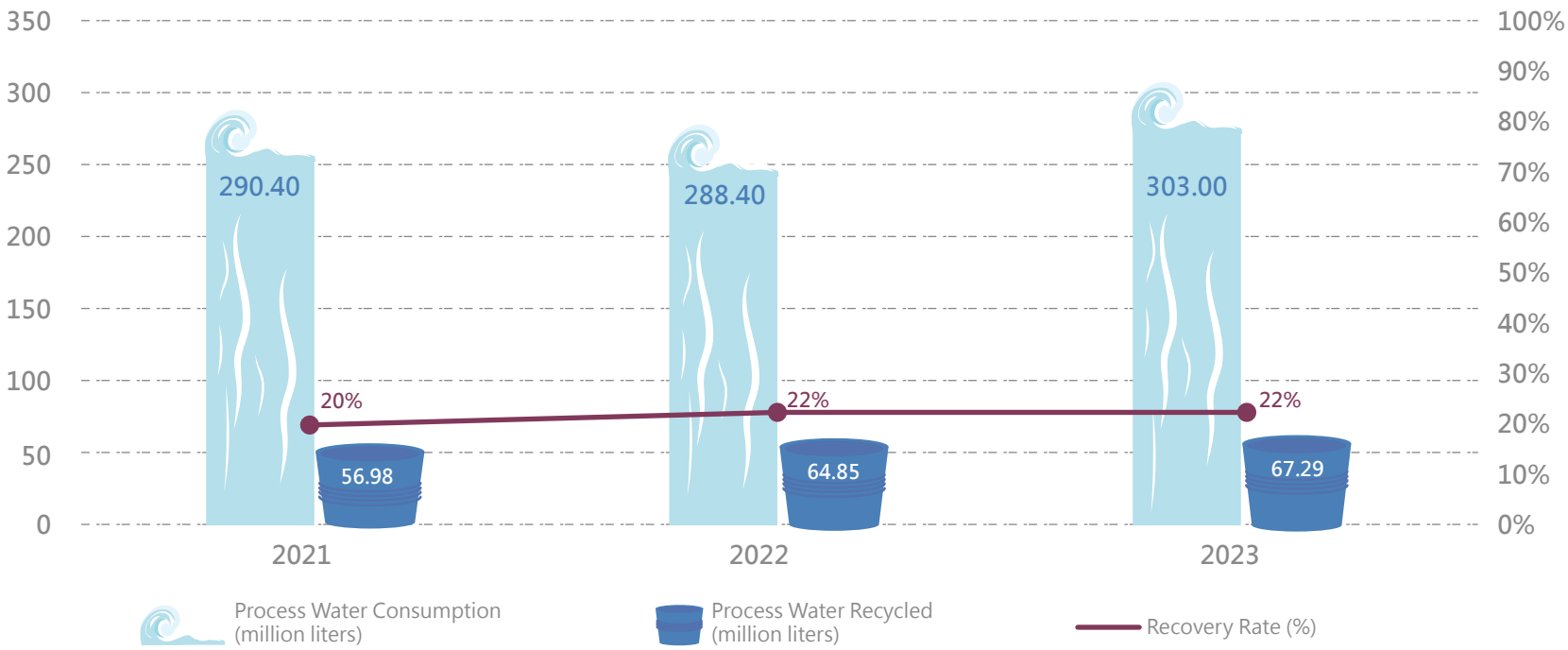
Unit: Million Liters

Facility	2022	2023
Groundwater Quantity	375	394
Daily Average Usage	1.03	1.08



5.3.2 Water Conservation Policies and Guidelines

All facilities focus on four main water conservation guidelines : "Reducing Process Water Usage," "Lowering Wastewater Discharge," "Improving System Recovery Rate," and "Conserving Domestic Water Usage." Winstek aims to annually reduce process water consumption and increase the process water recycled, continuously planning for reduced factory water demand. Winstek continue to innovate and take continuous improvement as our top priority. Winstek use water-saving measures to increase revenue and reduce expenditure, and also constantly seek new water-saving opportunities.



(1) Cooling Tower Management

- Increase the concentration cycles to save discharge volume.
- Monitor water quality and evaluate chemicals.
- Utilize RO concentrate water in cooling towers and scrubber towers to reduce source water use.

(2) Periodically promote water conservation concepts and information to employees.

Under the implementation of water-saving measures, continuous improvements have been made to processes and equipment annually. The company has shown stable improvement in operations from 2021 to 2023 and plans to continue enhancing equipment water use, with a target of achieving an 85% process water recovery rate.

	2021	2022	2023
Process Water Recovery Rate	20%	22%	22%

5.3.3 Wastewater Management Measures

After wastewater has been treated through various processes, Winstek ensures that both the quantity and quality of discharge water meet regulatory standards. The main protective measures include automatic control systems, real-time monitoring systems, surveillance systems, and personnel audits. Regular maintenance of wastewater treatment equipment, as well as analysis and monitoring of discharge water, are carried out. Additionally, strict monitoring and auditing of process chemicals are conducted.

Facilities regularly monitor wastewater, ensuring discharge water quality exceeds regulatory standards and closely follows domestic environmental regulations, staying informed of and complying with environmental regulations and trends. Industrial wastewater is sampled and analysed quarterly by qualified testing agencies as required by water pollution regulations, with wastewater testing reports submitted to local environmental authorities for approval. In 2023, there were no incidents of exceeding standards, and there was no environmental impact on surrounding areas.

At the facility discharge outlets, Winstek has installed real-time wastewater monitoring equipment, conducting daily self-inspections of discharge water quality and at least four outsourced tests annually. The real-time monitoring equipment is regularly calibrated and maintained monthly to ensure the stability and accuracy of monitoring data.

Wastewater Quality Testing Data Report:

Testing Frequency / Testing Item (Unit)	General Water Quality (Once/Three Months)				
	pH	Temperature (℃)	SS (mg/L)	COD (mg/L)	F^-(mg/L)
Environmental Protection Agency Discharge Standards	6~9	≦ 35	≦ 30	≦ 100	≦ 15
Facility Average Value	7.1	23.2	6.0	23.8	3.2

Note: The data in the above table is calculated based on the requirements of the Water Pollution Control Measures and Test Reporting Management Regulations, with a testing frequency set at once every three months for water quality items, and the average value is calculated to one decimal place.
Note: Items not listed in the above table are tested in accordance with the Water Pollution Control Measures and Testing Reporting Management Regulations and comply with the discharge standards for wafer manufacturing and the semiconductor industry.

- Winstek is committed to environmental protection and has completed the installation of 24-hour real-time monitoring of discharge water, providing the public with a platform for participating in environmental supervision and observing actual discharge conditions. Real-time monitoring data allows both internal and external stakeholders to track changes in water quality, fulfilling the responsibility of environmental supervision by all. (For related operations, please refer to Winstek's website - ESG Sustainability Development - Environmental Protection Section)

5.3.4 Water Pollution Prevention Measures

(1) Conduct rolling reviews and apply the PDCA management model to address pollution sources arising from process changes, reducing environmental impact.

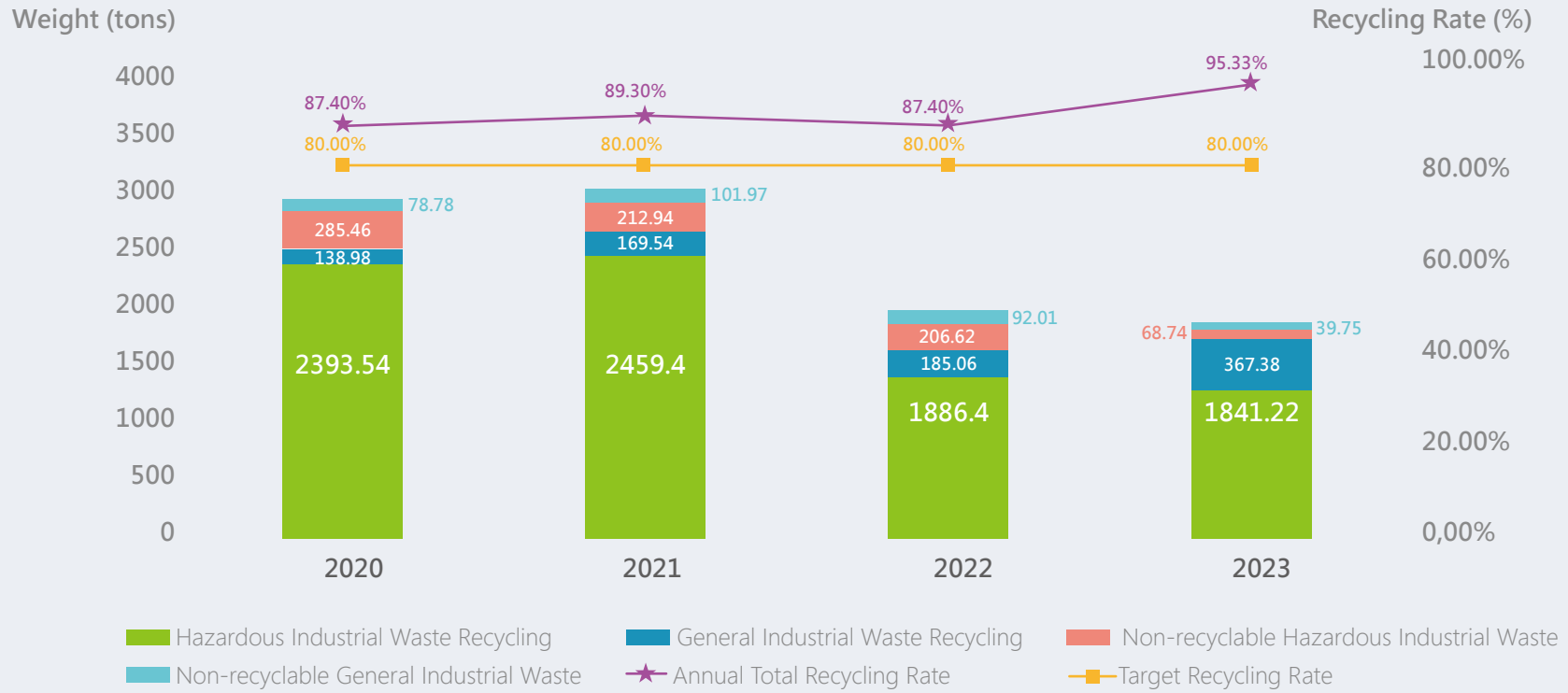
(2) All treatment equipment is designed using the N+1 method, ensuring stable operation 24 hours a day, 365 days a year, with real-time monitoring systems recording operational parameters. If values exceed preset thresholds, an immediate alarm is triggered.

5.4 Waste Management

Winstek has established the " Waste Classification Work Instruction" to regulate the classification, collection, storage, and treatment of industrial waste from the perspective of environmental considerations throughout the product lifecycle. The goal is to eliminate waste, improve environmental sanitation, and prevent an equivalent increase in waste generation that could pose environmental threats, even as production capacity continues to grow.

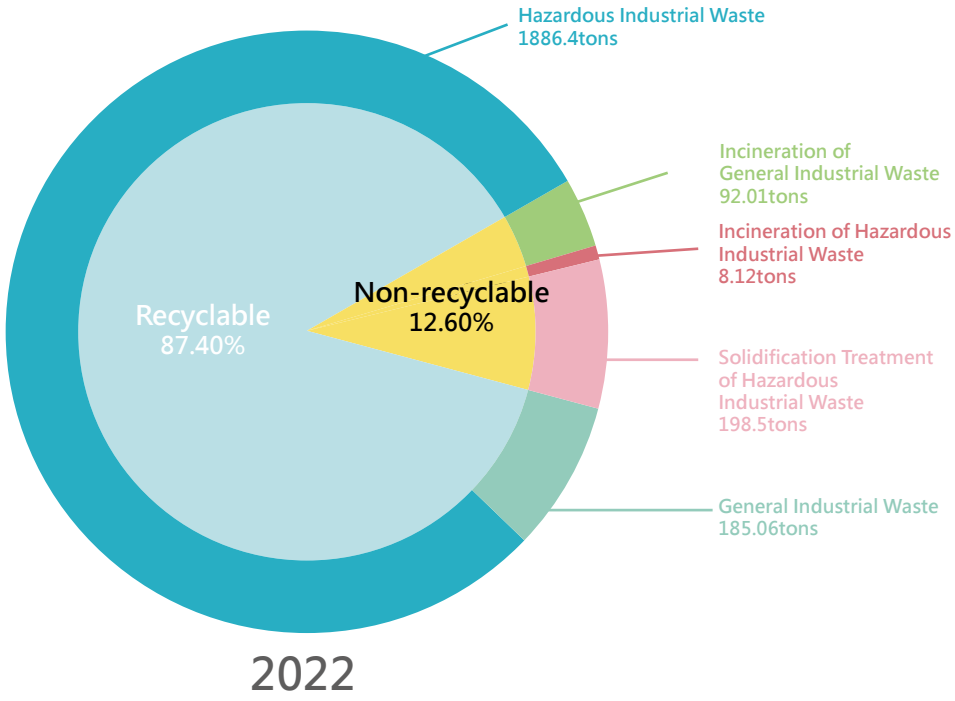
Requirements for Suppliers	Requirements for Production	Requirements for Employee	Requirements for Waste Treatment and Recycling
Use reusable packaging containers; non-reusable containers must be made of recyclable materials. Waste generated during the supply process must also be recyclable items or publicly recognized recyclable waste, fulfilling the shared responsibility of protecting the environment.	The use of materials in production processes is controlled at the source to avoid the use of raw materials or equipment materials that cannot be processed by current environmental technologies. The recycling and reuse of process raw materials/waste are regularly reviewed.	New employees must receive environmental, safety, and health (ESH) training. During daily mealtimes, employees are regularly reminded of waste sorting practices to enhance overall ESH awareness and literacy. Trash and recycling bins are placed at strategic points such as walking paths, break rooms, and near vending machines, ensuring that every employee can independently sort recyclable waste. Each location must maintain at least three types of waste sorting options to contribute to the sustainable management and protection of the Earth.	Waste treatment methods are reviewed annually to ensure appropriateness, adhering to the cradle-to-cradle concept to minimize the direct disposal of waste in incinerators or landfills, increasing the recyclability of waste. Additionally, some waste is repurposed into raw materials through collaboration with suppliers, achieving circular economy outcomes and actively moving toward the goal of zero waste. In 2023, Winstek generated a total of 2,316.82 tons of waste, all of which was properly disposed of and processed by certified vendors, with regular audits conducted. To increase the waste recycling rate, Winstek actively matches with treatment facilities that avoid incineration or solidification, aiming to reduce environmental burdens. Over the past four years, total waste generation has steadily decreased, and the waste recycling rate reached 95.33%, an improvement of 7.93% over the previous year. A total of 137.72 tons of waste was processed through circular economy methods, accounting for 5.9% of total waste.

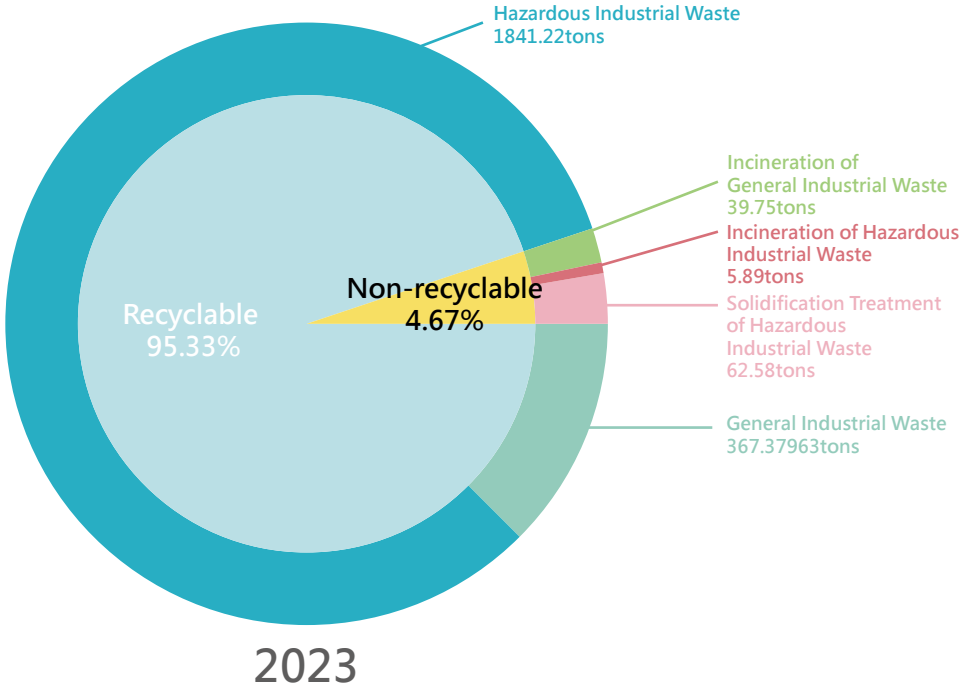



Weight (tons)
Recycling Rate (%)
4000
3500
3000
2500
2000
1500
1000
500
0
100.00%
80.00%
60.00%
40.00%
20.00%
0,00%
87.40%
89.30%
87.40%
95.33%
80.00%
80.00%
80.00%
80.00%
78.78
285.46
138.98
2393.54
101.97
212.94
169.54
2459.4
92.01
206.62
185.06
1886.4
68.74
39.75
367.38
1841.22
2020
2021
2022
2023
Hazardous Industrial Waste Recycling
General Industrial Waste Recycling
Non-recyclable Hazardous Industrial Waste
Non-recyclable General Industrial Waste
Annual Total Recycling Rate
Target Recycling Rate

In 2023, the waste recycling rate target was set at 80%. Starting from 2024, a five-year plan aims to increase the waste recycling rate to 85%. The types of waste to be recycled include recyclable waste (paper, plastics, pallets, aluminum and tin cans), hazardous waste (chemical waste liquids, sludge, empty barrels), electronic scrap, fluorescent tubes, and household garbage.

Recycling Targets		
Year	Waste Recycling Rate	Target
2021	89.30%	80%
2022	87.40%	80%
2023	95.33%	80%





The statistics for recyclable and non-recyclable waste over the past two years are as follows:

		2022			2023		
Waste Classification	Hazard Level	General Industrial Waste	Hazardous Industrial Waste	Proportion	General Industrial Waste	Hazardous Industrial Waste	Proportion
Final Treatment Method		Transportation Volume (tons)		%	Transportation Volume (tons)		%
Recyclable	Circular Reuse	0	125.39	5.29%	0	137.72	5.94%
	Recycling	131.51	0	6.35%	143	0	6.17%
	Reuse	53.54	1,761.01	87.60%	224.38	1,703.5	83.21%
	Subtotal	185.06	1886.4	87.40%	367.38	1841.22	95.33%
Non-recyclable	Incineration	92.01	8.12	4.22%	39.75	5.89	1.97%
	Solidification and Landfill	0	198.5	8.38%	0	62.58	2.7%
Total		**277.07**	**2093.02**	**100.0%**	**407.13**	**1,909.69**	**100%**

Notes:
1.Circular Reuse: Refers to waste generated by the company that is treated by a processing plant and then supplied back to the company for reuse through distributors.
2.Recycling: Refers to waste announced by the government as recyclable, which is removed and reused by resource recovery companies.
3.Reuse: Refers to waste sent by the company to a processing plant where valuable resources are recovered from the waste through chemical, physical, or thermal treatment for reuse.

Under Winstek's 2024 policy goal of "Resource Circular Reuse," the company aims to achieve a waste recycling rate of ≥85%.

5.5 Air Pollution Control

Air Pollution Management

In recent years, governments worldwide have increasingly focused on improving air quality, with air pollutants becoming a significant environmental issue of global concern. In response to this trend, Winstek has been planning and implementing air pollution control measures since the establishment of its facilities. Through internal audits and self-assessments, combined with preventive maintenance, training, and operations, Winstek has effectively managed pollution control and is committed to continuously improving pollution prevention and hazard mitigation. In 2023, Winstek had no fines for violations of air pollution control laws.

5.5.1 Air Pollution Control

The types of air pollutants emitted from Winstek's processes include waste acidic gases, waste alkaline gases, and volatile organic compounds (VOCs). Since there are no combustion processes and no combustion or thermal destruction air pollution control equipment, sulfuric oxides are not generated. Waste acidic and alkaline gases are primarily treated through scrubber systems, while VOCs are managed using fluidized bed reactors and adsorption towers. To ensure that exhaust emissions meet discharge standards, the primary protective measures include continuous monitoring systems, surveillance systems, and personnel audits. The functionality of exhaust gas treatment equipment is regularly maintained, and the process chemicals are strictly monitored and audited. Additionally, a budget is consistently allocated for exhaust gas treatment to maintain environmental quality.

Test Results of Air Pollutant Emission Concentration

Test Items	Permissible Concentration	Units	Test Results			Regulatory Compliance
			2021	2022	2023	
VOCs	14	ppm	Y	Y	Y	Compliance
HF	0.6	Kg/hr	Y	Y	Y	Compliance
F^-	10	Mg/Nm^3	Y	Y	Y	Compliance
NH_3	0.387	g/s	Y	Y	Y	Compliance
H_2SO_4	0.1	Kg/hr	Y	Y	Y	Compliance
HNO_3	0.6	Kg/hr	Y	Y	Y	Compliance






① ② ③ ④

① Adsorption Tower
② Fluidized Bed
③ Scrubber (Acid Discharge)
④ Scrubber (Alkaline Discharge)

5.5.2 Air Pollution Equipment Optimization

(1) Evaluate potential environmental hazards and pollutants in production processes in advance to minimize environmental impact.

(2) Install complete air pollution control systems including Fluidized Bed Carbon, Activated Carbon Adsorption Columns, and Wet Scrubbers to effectively prevent Odors and reduce pollutant emissions, thereby controlling air pollution.

(3) To ensure that pollution control equipment operates stably 24 throughout the year, all air pollution control equipment is equipped with at least one backup system (N+1 design). This aims to achieve zero failure in pollution control equipment management, ensuring continuous and stable monitoring of emissions.

5.6 Environmental Expenditure

Winstek continuously implements the following measures to reduce waste generation and decrease the use of virgin resources, promoting the concept of green circulation for environmental sustainability.

5.6.1 Environmental Management Policies

In recent years, rising environmental awareness has led to increasing demands for environmental management, alongside stricter pollutant discharge standards. To ensure that wastewater, air pollution emissions, and waste disposal comply with domestic standards and regulations, Winstek allocates an annual environmental budget primarily for improving and upgrading wastewater treatment, air pollution control, and waste management.

Since its establishment in 2000, Winstek has invested billions in purchasing pollution control equipment, replacing outdated equipment, and adopting energy-efficient equipment to fully support pollution control efforts and progress toward the goal of sustainable energy conservation and carbon reduction.

Winstek's 2023 Environmental Expenditure and Benefits:

Unit: NTD

Item	Facility	Benefit
Water Quality Testing	476,532	Includes testing of wastewater, rainwater, and drinking water to ensure compliance with water pollution laws and provide safe drinking water for employees, emphasizing their health.
Industrial Waste Disposal	31,317,624	Complies with regulations by properly disposing of industrial and employee-generated waste.
Air Pollution control	577,097	Maintains equipment operation to effectively improve air quality.
Water Pollution control	83,882	Regulatory Compliance: Reducing pollution of soil and groundwater.
Energy Equipment Improvement	19,000,000	Accelerates the replacement of old equipment, including a 250-horsepower screw compressor and two magnetic levitation chillers, effectively achieving energy and carbon reduction.
Management Costs	508,008	Achieves environmental sustainability KPIs through management system certification.
Total Environmental Expenditure	51,963,143	

5.6.2 Energy-Saving Activities and Promotion

- Promote the concept of energy conservation and carbon reduction among employees, and implement the following active energy-saving measures:



Lighting Energy Saving

① After lunch, from 12:30-13:00, area managers are responsible for turning off the lights in the office, with those needing individual workspaces directed to meeting rooms.

② After 18:00, area managers are responsible for turning off the lights in the office.



Air Conditioning Energy Saving

After 18:00, area managers are responsible for turning off the air conditioning in the office.



Computer Energy Saving

Employees are encouraged to turn off their computers after work, except for those requiring remote connections or production line needs.



Meeting Room Energy Saving

Turn off the air conditioning, lights, computers, and projectors after using the meeting room.

Energy-Saving Goal: Continuously reduce electricity consumption annually

Implement concrete energy-saving measures each year, such as replacing facility lighting with more energy-efficient LED lights, installing motion-activated lighting, adding variable frequency devices, and installing photovoltaic generation system as effective ways to save electricity. These measures aim to reduce carbon dioxide emissions and minimize environmental impact, achieving the goal of sustainable environmental protection.

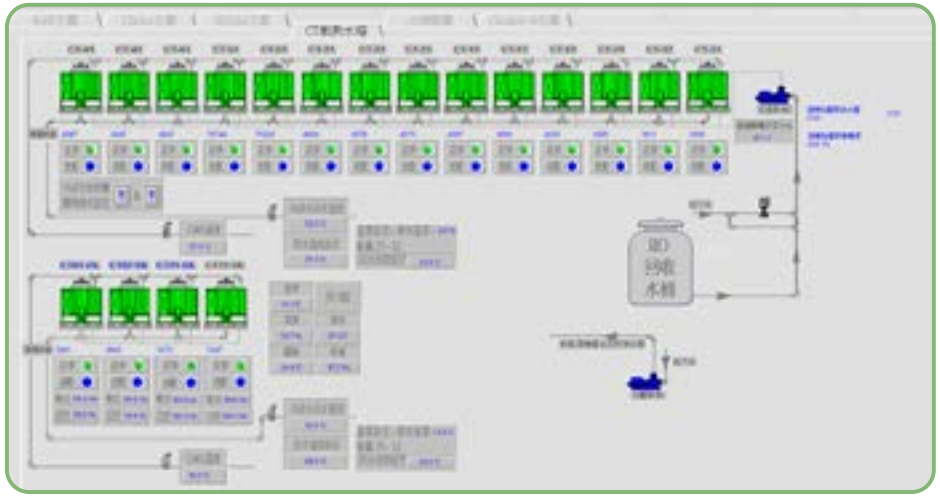
Year	Electricity Saving Projects	Electricity Savings (kWh)	Annual Carbon Reduction (tCO_2e)
2021	1. Factory Environment Energy Saving (1 item) 2. Water Saving (1 item) 3. Equipment Resource Energy Saving (2 items) 4. Investment in Energy-Saving Equipment (1 item)	707,652	355
2022	1. Investment in Energy-Saving Equipment (1 item) 2. Office Environment Energy Saving (2 items) 3. Investment in Energy-Saving Equipment (1 item)	566,110	280
2023	1. Equipment Resource Energy Saving (7 items) 2. Investment in Energy-Saving Equipment (5 items) 3. Office Environment Energy Saving (1 item) 4. Production Material Energy Saving (2 items) 5. Process Optimization (5 items) 6. Water-Saving (2 items) 7. System Optimization (3 items)	2,217,897	1,096



500RT Chiller Replacement Operations



Chilled Water Temperature Increase by 0.5°C



Cooling Tower Operation Adjustment



LED Light Replacement in BUMP Yellow Light Area

6

Friendly Workplace

6.1 Talent Policies and Commitments

6.2 Talent Development and Compensation & Benefits

6.3 Training and Development

6.4 Respect for Human Rights

6.5 Care and Communication

6.6 Occupational Safety and Health

6.7 Health Promotion



To build a sustainable enterprise, one of Winstek's key missions is to create a "Friendly Workplace." This includes the protection of human rights to promote harmonious labor relations, ensuring occupational safety and health, employee retention and development, focusing on workplace safety and health, and caring for and supporting employees. The short, medium, and long-term indicators for these material topics are outlined in the table below:

	Short-term Indicators (2023~2024)	Medium-term Indicators (2025~2028)	Long-term Indicators (2029 and beyond)
Talent Retention and Development, Labor Relations and Human Rights	Overall Turnover Rate <13%	Overall Turnover Rate <13%	Overall Turnover Rate <13%
	Retention Rate for New Hires of Taiwanese after 3 months: 75%	Retention Rate for New Hires of Taiwanese after 3 months: 78%	Retention Rate for New Hires of Taiwanese after 3 months: 80%
	Incidents of Workplace Harassment/Bullying: 0 cases	Incidents of Workplace Harassment/Bullying: 0 cases	Incidents of Workplace Harassment/Bullying: 0 cases
	Completion Rate of Employee Ethics Training: 100%	Completion Rate of Employee Ethics Training: 100%	Completion Rate of Employee Ethics Training: 100%
	Average Training Hours per Employee: 185 hours	Average Training Hours per Employee: 200 hours	Average Training Hours per Employee: 210 hours
	Completion Rate of New Employee Training Assessments: 100%	Completion Rate of New Employee Training Assessments: 100%	Completion Rate of New Employee Training Assessments: 100%
Occupational Safety and Health	Physical Check-up Participation Rate: ≥ 95%	Physical Check-up Participation Rate: ≥ 95%	Physical Check-up Participation Rate: ≥ 95%
	Number of Major Occupational Accidents (excluding fatalities): ≤ 0 cases	Number of Major Occupational Accidents (excluding fatalities): ≤ 0 cases	Number of Major Occupational Accidents (excluding fatalities): ≤ 0 cases
	Occupational Diseases Caused by Chemical Exposure: 0 cases	Occupational Diseases Caused by Chemical Exposure: 0 cases	Occupational Diseases Caused by Chemical Exposure: 0 cases
	Frequency-Severity Indicator (FSI) ≤0.09	Frequency-Severity Indicator (FSI) ≤0.08	Frequency-Severity Indicator (FSI) ≤0.07

Material Topics, Goals, and Performance

Winstek is committed to creating a friendly workplace by fostering an environment of care and support for employees, fulfilling our responsibility to select, cultivate, and retain talent as the cornerstone of sustainable business growth. Based on the material topics of labor relations, human rights protection, employee retention and development, and occupational safety and health, we have developed short-term indicators and relevant action plans. The performance targets and achievements over the past two years are shown in the table below. This ensures the retention of suitable, stable, and high-potential talent, thereby maintaining the company's competitive edge for sustainable development.

◆ Talent Retention and Development, Labor Relations and Human Rights

2024 Goals	2023 Goals	2023 Performance
Overall Turnover Rate <13%	Overall Turnover Rate <13%	9.3% → Achieved
Retention Rate for New Hires of Taiwanese after 3 months: 75%	Retention Rate for New Hires of Taiwanese after 3 months: 75%	86% → Achieved
Incidents of Workplace Harassment/Bullying: 0 cases	Incidents of Workplace Harassment/Bullying: 0 cases	0 cases → Achieved
Completion Rate of Employee Ethics Training: 100%	Completion Rate of Employee Ethics Training: 100%	100 % → Achieved
Average Training Hours per Employee: 185 hours	Average Training Hours per Employee: 185 hours	Average Training Hours: 188.72 hours → Achieved
Completion Rate of New Employee Training Assessments: 100%	Completion Rate of New Employee Training Assessments: 100%	100 % → Achieved

◆ Occupational Safety and Health

2024 Goals	2023 Goals	2023 Performance
Physical Check-up Participation Rate: ≥ 95%	Physical Check-up Participation Rate: ≥ 95%	99% → Achieved
Number of Major Occupational Accidents (excluding fatalities) 0 cases	Number of Major Occupational Accidents (excluding fatalities) 0 cases	0 cases → Achieved
Occupational Diseases Caused by Chemical Exposure: 0 cases	Occupational Diseases Caused by Chemical Exposure: 0 cases	0 cases → Achieved
Frequency-Severity Indicator (FSI) ≤0.09	Frequency-Severity Indicator (FSI) ≤0.09	0 → Achieved

Note: Frequency-Severity Indicator (FSI) = √ (Disabling Injury Frequency Rate ×Disabling Injury Severity Rate /1000)

6.1 Talent Policies and Commitments

Winstek adheres to labor-related laws and regulations by establishing the "Sexual Harassment Prevention and Handling Procedures," "Work Rules," "Employee Recruitment and Employment Management Measures," and "Occupational Safety and Health Work Guidelines and Safety and Health Organization and Staffing," all of which have been submitted to the relevant government authorities for approval. These measures legally safeguard labor conditions and the rights of employees to safety and health. We also follow the "Code of Conduct - Responsible Business Alliance (RBA)," providing a healthy and safe working environment, creating diverse and open channels for labor-management communication, offering fair compensation and promotion opportunities, a comprehensive training and development system, fostering employee ethics and the protection of business secrets, and building a welcoming and harmonious workplace atmosphere. Through transparent bonus incentives and profit-sharing systems, employees are encouraged to contribute their skills and performance, growing alongside the company and establishing a solid foundation for sustainable operations.

Corporate Sustainability Policy

Under the principle of integrity in business operations, Winstek's employees embody the management philosophy of "Innovation, Professionalism, Speed, and Flexibility." We are committed to implementing our sustainable development policy, which focuses on "Environmental Protection, Employee Care, Friendly Workplace, Social Prosperity, Integrity in Business, and Full Participation."

To enhance labor rights, we comply with Taiwan's "Labor Standards Act" and related regulations, clearly declaring the protection of employee rights, including compliance with legal requirements, freedom of employment, prohibition of child labor, no forced labor, humane treatment, and the prohibition of discrimination and sexual harassment. We respect employment freedom, ensuring that all work is voluntary, without slavery or human trafficking. Employees are not discriminated against based on skin colour, age, gender, sexual orientation, race, disability, pregnancy, beliefs, political affiliation, association membership, or marital status. We promote a friendly workplace by respecting oneself and others, preventing tangible or intangible sexual harassment behaviours, and providing dedicated sexual harassment prevention hotlines and email accounts for employee complaints. We also establish personal data protection mechanisms to prevent unfair treatment and maintain positive labor relations, implementing all aspects of personnel management related to a friendly workplace and employee care. Compliance with employee care and friendly workplace human rights policies is strictly observed.

List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes, and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

6.2 Talent Development and Compensation & Benefits

Labor Relations and Human Rights Policy: Establishing a friendly workplace as the foundation for sustainable business operations.

Management Policies

- **Goals and Targets:** To promote harmonious labor relations, attract and retain outstanding talent, provide competitive compensation and benefits, and ensure fair promotions, thereby fostering profitable growth and making employees partners in the company's sustainable development.
- **Commitment:** We employ due diligence and early warning communication methods to uphold human rights, maintain a robust training and development system, establish diverse and open labor-management communication channels, ensure a healthy and safe working environment, and cultivate a warm and harmonious workplace atmosphere.
- **Management Measures:**
  (1) Provide industry-competitive total compensation strategies, diverse benefits, and statutory retirement plans to attract and retain suitable talent, thereby strengthening Winstek employees' commitment to the company.
  (2) Offer equal employment, training, and advancement opportunities regardless of gender, religion, race, nationality, or political affiliation.
  (3) Foster a warm and harmonious workplace atmosphere to promote harmonious labor relations. Participate in labor insurance, health insurance, and allocate employee welfare funds for welfare activities.
  (4) Ensure fair compensation, benefits, and promotions, along with reasonable, objective performance evaluations and salary adjustments.
  (5) Emphasize human rights protection, legally safeguarding labor conditions and employee safety and health rights.
  (6) Establish employee grievance channels to promptly address and resolve employee concerns.
  (7) Attract and retain outstanding talent as a source of growth for the company's sustainable development.

With the increasing penetration of smartphones and the growing demand for higher camera specifications, Winstek continues to invest in research and innovation, expanding our R&D team and product range, striving to introduce new product lines and improve product quality and quantity.

Talent is a critical asset for the company, and Winstek is committed to creating a challenging, continuous learning, and enjoyable work environment. We recruit suitable and stable talent based on their academic background, professional knowledge, technical skills, and years of experience, offering industry-competitive total compensation strategies, talent development mechanisms, performance evaluations, promotions, diverse benefits, and statutory retirement plans.

Winstek provides reasonable compensation and benefits to create favorable economic conditions for employees, enabling them to grow alongside the company and enhance its competitiveness. The company adheres to government labor laws and regulations, regularly participates in salary surveys, evaluates industry salary levels and related indicators, and reviews employee salary standards based on company operational performance to maintain competitiveness. Employee compensation, including base salary, meal allowances, and special allowances, is adjusted based on the previous year's contributions, performance, and responsibilities, ensuring fairness and objectivity in the salary adjustment process. Gender, age, race, religion, politics, or marital status are not considered in compensation and benefit incentives, ensuring fairness and competitiveness in the talent market. To encourage and reward employees' efforts and dedication, Winstek allocates 0.1% to 15% of annual profits as employee compensation according to the company's charter. In 2023, the total amount allocated for employee compensation was NT$63,164,000.

According to the "Salary Information for Full-time Non-management Employees," Winstek's average salary for 2023 was NT$862,000, with a median salary of NT$675,000. (Source: Market Observation Post System / Salary Information for Full-time Non-management Employees https://mops.twse.com.tw/mops/web/t100sb15)

To ensure competitiveness in the labor market, Winstek has established a Compensation Committee (3 members), which meets twice a year to discuss and approve the distribution of director, supervisor, and employee compensation, and submits its resolutions to the Board of Directors for approval. Details on the operation of the Compensation Committee can be found in page 31-32, Winstek's 2023 Annual Report and the official website.

Each year, Winstek formulates its business plan, and each department assesses its manpower needs and direction for the upcoming year. Based on actual requirements, departments submit staffing requests to the Human Resources department. The HR department then announces job vacancies and facilitates internal transfers through various recruitment channels. Internal transfers are encouraged to enhance employees' professional skills, and an internal job vacancy section is established to support employees in aligning their career development plans with company opportunities.

2023 Talent Recruitment Channels: These include job banks, campus recruitment, employee referrals, government employment services, job fairs, headhunting firms, partnerships with universities, online recruitment, internal recruitment, and advertising billboards. The company continues to target top talent with relevant engineering or interdisciplinary integration skills, aiming to develop higher-specification products and technologies. Consequently, Winstek actively enhances production capacity and automation levels to drive profit growth.



- **As of December 2023, Winstek's workforce totalled 923 employees. The distribution of the workforce structure over the past two years is shown in the table below:**

Winstek recruits all personnel as full-time employees, with no dispatch or temporary worker classifications. We are committed to providing employees with a dignified and safe work environment, implementing diversity in hiring, and ensuring fairness in compensation and promotion opportunities. We guarantee that employees are not subject to discrimination, harassment, or unequal treatment based on race, gender, religion, age, political affiliation, or any other status protected by applicable laws. Consequently, newly hired employees immediately enjoy the same benefits as regular employees, with no differential treatment. Winstek treats all candidates equally during interviews, with no discrimination based on gender or physical disability. We value employee diversity, meeting quotas for the employment of persons with disabilities, and respecting the cultural customs of our foreign employees, ensuring no violations of their labor rights or human rights occur. Through diverse recruitment channels, we encourage more women and individuals with disabilities to join Winstek, enabling them to realize their potential and contribute to the company.

There were no significant operational changes in 2023. In the event of major operational changes, Winstek will comply with Article 16 of the Labor Standards Act, providing notice of such changes 10, 20, or 30 days in advance based on length of service.

Cat.	Item	2022				2023			
		Female		Male		Female		Male	
		Number of Employees	Percentage	Number of Employees	Percentage	Number of Employees	Percentage	Number of Employees	Percentage
Position Type	Direct	280	30.80%	57	6.30%	292	31.60%	58	6.30%
	Indirect	113	12.40%	267	29.30%	117	12.70%	271	29.40%
	Supervisor	63	6.90%	130	14.30%	62	6.70%	123	13.30%
Total		456	50.10%	454	49.90%	471	51.00%	452	49.00%
Grand Total		910 employees				923 employees			
Nationality	≤ 30 years old	65	7.14%	128	14.07%	63	6.83%	132	14.30%
	31-50 years old	200	21.98%	269	29.56%	199	21.56%	253	27.41%
	≥ 51 years old	31	3.40%	31	3.41%	35	3.79%	36	3.90%
Foreign	≤ 30 years old	81	8.90%	16	1.76%	97	10.51%	16	1.73%
	31-50 years old	79	8.68%	10	1.10%	77	8.34%	15	1.63%
	≥ 51 years old	0	0%	0	0%	0	0%	0	0%
Total:		456	50.10%	454	49.90%	471	51.03%	452	48.97%
Grand Total		910 employees				923 employees			

Remark:
1. Supervisor: This category includes all positions at the team leader level and above.
2. Age Distribution Calculation Method: The age distribution percentage for each job level is calculated as (Number of male and female employees in the specific age group / Total number of employees at that job level).
3. Non-employee Count for 2023: The total number of non-employees is 25, including catering, security, cleaning, coffee bar and labor brokerage of dormitory management outsourced personnel.
4. Direct Foreign Employees in 2023: Direct foreign employees constitute 21.8% of the total workforce. White-collar foreign employees constitute 0.4% of the total workforce.

- **Proportions of New Hires and Departures by Gender Over the Past Two Years**

To encourage diversity and promote an equitable employment environment, interview considerations are based solely on candidate qualifications and job fit, with no distinctions made based on gender, religion, race, nationality, or political affiliation. However, when segmented by age or gender, there are discrepancies in turnover rates, which may indicate the presence of unreasonable or potentially inequitable conditions in the workplace. Therefore, new hire and turnover rates are calculated based on the number of individuals within each category, facilitating comparisons across different groups. The table below outlines the proportions of new hires and departures by gender:

Cat. Item	Year	2022				2023			
	Item	Male-to-Female Ratio				Male-to-Female Ratio			
		Female	Percentage	Male	Percentage	Female	Percentage	Male	Percentage
New Hires (Local)	≤ 30 years old	28	18.10%	52	35.50%	16	17.02%	45	47.87%
	31-50 years old	29	18.70%	40	25.80%	19	20.21%	13	13.84%
	≥ 51 years old	4	2.60%	2	1.30%	0	0%	1	1.06%
Subtotal		61	39.40%	94	60.60%	35	37.23%	59	62.77%
Grand Total		155 employees(100%)				94 employees (100%)			
New Hires as a Proportion of Total Employees: 17.0 %						10.2 %			
Departures (Local)	≤ 30 years old	14	15.22%	32	34.78%	9	10.59%	23	27.06%
	31-50 years old	13	14.13%	27	29.35%	19	22.35%	31	36.47%
	≥ 51 years old	4	4.35%	2	2.17%	2	2.35%	1	1.18%
Subtotal		31	33.70%	61	66.30%	30	35.29%	55	64.71%
Total Employees		92 employees(100%)				85 employees(100%)			
Departures as a Proportion of Total Employees: 10.1 %						9.2%			

Remark:
1. New Employees: Defined as employees who joined in 2023 and have been employed for at least 3 months.
2. New Employee Age Distribution Calculation: For example, the proportion of new employees under 30 is calculated as (Number of new employees under 30 / Total number of employees of the same gender in that age group for the year).
3. Age Distribution of Departed Employees: For example, the proportion of employees under 30 who left the company is calculated as (Number of departed employees under 30 / Total number of employees of the same gender in that age group for the year).
4. Gender Subtotal Proportion Calculation: For example, the proportion of new male or female employees is calculated as (Total number of new male or female employees for the year / Total number of male or female employees for the year).
5. New or Departed Employee Rate by Gender Calculation: For example, the new or departed rate for male or female employees is calculated as (Number of new or departed male or female employees for the year / Total number of male or female employees for the year).
6. Total Proportion Calculation: For example, the proportion of new employees is calculated as (Total number of new employees for the year / Total number of employees for the year).

Employment of Persons with Disabilities

In compliance with Taiwan's "People with Disabilities Rights Protection Act," the number of employees with disabilities hired by enterprises must not be less than 1% of the total workforce. If the weighted total does not meet the standard, the company is required to regularly pay a "supplementary fee" to the Disabled Employment Fund of the labor authorities.

Winstek provides full-time opportunities to persons with disabilities, employing 8 individuals with disabilities as of 2023, achieving a weighted ratio of 1% of the total workforce. The company adopts a humane management approach, fostering a win-win concept between labor and management and maintaining harmonious labor relations.

In 2023, there were no labor disputes resulting in losses.

6.2.1 Compensation and Benefits

Talent is Winstek's most valuable asset. The company offers industry-competitive total compensation strategies to attract and retain outstanding talent, serving as a growth driver for sustainable development. To balance industry competitiveness, macroeconomic conditions, and corporate culture sustainability, the company has established a "Compensation and Benefits System," providing competitive compensation and benefits to attract and retain talent. In addition to salary adjustments upon promotion, individual performance is assessed annually, with appropriate salary adjustments of around 3% to maintain overall competitiveness. According to the Corporate Charters, 0.1% to 15% of operating profits are allocated as employee compensation to attract and retain top talent, reward high contributors, boost morale, and enhance work efficiency.

Compensation Policy for Top Governance and Senior Management

(1) The company pays compensation to directors, the general manager, and deputy general managers in accordance with the company's charter and the salary standards for managers, which are reviewed by the Compensation Committee and approved by the Board of Directors.

(2) Director and manager compensation is handled according to Article 28 of the company's charter. If the company is profitable in the current year, 0.1% to 15% will be allocated for employee compensation, and up to 3% for director compensation. The compensation determination process considers the company's overall operating performance, future industry risks, and development trends, as well as individual roles, responsibilities, performance achievement, contributions, and involvement in company operations. It also includes considerations of core value implementation, operational management ability (e.g., ethical conduct), leadership skills, communication and coordination abilities, and comprehensive management indicators to ensure reasonable remuneration. Performance evaluations and compensation fairness are regularly reviewed by the Compensation Committee and the Board of Directors, with adjustments made as necessary in accordance with actual operating conditions and relevant laws.

(3) For detailed compensation information, please refer to the page 16~19, 2023 Annual Report.

Summary of Employee Compensation System:

(1) The company provides a stable salary structure based on its Compensation and Benefits System.

(2) Contributions to the Employee Welfare Fund are made in accordance with the "Employee Welfare Fund Act" for the administration of welfare activities.

(3) Performance evaluations support the development of a robust human resources system, fostering and developing employee capabilities.

The compensation structure includes: salary, allowances, bonuses (three major holidays, quarterly bonuses, and long-service bonuses). The average salary and number of full-time non-supervisory employees over the past three years are as shown in the table below:

	Average Salary (NT$/employee)	Median Salary (NT$/employee)	Number of Full-time Non-supervisory Employees
2021	849,000	712,000	307
2022	972,000	768,000	335
2023	862,000	675,000	366

Comparison of Gender and Monthly/Annual Salaries is shown in the table below:

Female Male Ratio

2022		2023	
Monthly Salary Ratio	Annual Salary Ratio	Monthly Salary Ratio	Annual Salary Ratio
1:1.38	1:1.74	1:1.31	1:1.80

Note:
1: Male employees generally have higher educational and experiential backgrounds than female employees, leading to differences in salary ratios.
2: Differences in job responsibilities, performance achievement, and contributions have not been statistically accounted for in the highest salary-to-median salary ratio.

Employee Benefits

The company allocates employee welfare funds according to the "Employee Welfare Fund Act," and the Employee Welfare Committee handles welfare matters. Insurance benefits provide employees with various insurance rights according to relevant laws: statutory insurance includes labor insurance, national health insurance, cancer insurance, and medical insurance. Additionally, the company offers accident insurance and group insurance.

- **Health Care for Employees:** The company hires on-site nurses according to regulations to provide immediate nursing resources. Comprehensive plans covering health checks and health promotion are provided annually with a free labor health check to detect and treat health issues early, preventing and controlling diseases. Monthly on-site doctor visits offer professional health guidance and management advice. Occupational injury and illness leave are evaluated for reallocation plans in a timely manner. Contracted hospitals or Qionglin Health Center provide smoking cessation, health lectures, preventive care, and cancer screenings.
- **Friendly Childcare Measures:** All plants have nursing rooms and dedicated parking spaces for pregnant employees. Agreements with 22 nearby childcare institutions offer diverse childcare solutions for employees.
- **Emergency Assistance:** According to Winstek's emergency assistance policy, employees facing significant illnesses, family long-term care needs, or property damage that prevent attendance and cause financial difficulty can apply for emergency assistance funds to ensure basic living needs.

In 2023, there were no significant injuries or illnesses preventing attendance and causing family difficulties.

Other Employee Benefits

Statutory Benefits

- National Health Insurance, Labor Insurance, Unemployment Insurance, Health Checks, Minimum Wage, Pension, Severance Pay, Occupational Accident Compensation, Sick Leave, Bereavement, Employee Welfare Fund.
- Regular Leave, Vacation, Maternity Leave, Parental Leave, Paternity Leave, Menstrual Leave, Family Care Leave, Public Leave, Personal Leave.
- Services related to the Employee Welfare Committee.

Subsidies and Allowances

- Meal and Travel Allowances
- Birth Allowance, Marriage Allowance
- Birthday Gift Money, Three Festivals Bonus, Labor Day Gift Money
- Hospitalization Subsidies, Funeral Condolence Payments

Other Benefits

- Family Day, Meal Subsidies
- Convenience Store Discounts, Partnered Stores
- Free Parking



Employee Pension

The pension system is planned in accordance with the "Labor Standards Act" and the "Labor Pension Act" to safeguard employees' rights to receive future pension benefits.

- **Retirement Eligibility**
  Employees may voluntarily retire under the following conditions:
  (1) Completion of 15 years of service and reaching the age of 55.
  (2) Completion of 25 years of service.
  The company may enforce mandatory retirement under the following conditions:
  (1) Reaching the age of 65.
  (2) Mental incapacity or physical disability that renders the employee unable to perform their duties.
- **Pension Benefits (Old Pension System)**
  (1) For up to fifteen years of service, employees receive two base units for each year of service. For service beyond fifteen years, employees receive one base unit for each additional year, with a maximum limit of forty-five base units.
  (2) For service periods of less than six months, the calculation is based on half a year; for six months or more, it is counted as one full year.
  (3) For employees subject to mandatory retirement due to mental incapacity or physical disability caused by performing their duties, an additional twenty percent of the pension benefit is granted according to the provisions of the first two points.
- **Base Unit Calculation (Old Pension System)**
  The base unit for calculating the pension is determined by the average wage of the six months preceding the approved retirement date.
- **Pension Payment Timing**
  When an employee meets the voluntary retirement criteria, the pension is paid in full within thirty days of the retirement date. If full payment is not possible, instalments may be made with the approval of the relevant authorities.
- **Other Provisions**
  Employees must submit a retirement application form, which must be approved. For mandatory retirement, the respective unit will submit the approval, and the employee will be notified to complete the retirement process. The right to claim the pension lapses if not exercised within five years from the month following retirement.
- **New Pension System Contributions**
  The company contributes six percent of each employee's monthly salary to their individual pension account at the Bureau of Labor Insurance according to the contribution schedule.
- **Number of Retirees in the Last Three Years**
  In 2021, 0 employees applied for retirement; in 2022, 3 employees applied for retirement; in 2023, 4 employees applied for retirement.

Parental Leave Without Pay

Winstek adheres to government regulations, allowing employees to apply for leave without pay regardless of gender, as long as they meet the eligibility criteria.

The number of employees who returned to work in 2022 and 2023 is detailed in the table below:

Category Items	2022			2023		
	Female	Male	Total	Female	Male	Total
Eligible for Parental Leave (A)	23	32	55	13	27	40
Actual Applicants (B)	7	0	7	5	0	5
Application Rate (B/A) (%)	30.4	0	12.7	38.5	0	12.5
Number Due to Return to Work (C)	12	0	12	8	0	8
Actual Returnees (D)	4	0	4	4	0	4
Return Rate (D/C) (%)	33.3	0	33.3	50	0	50
Previous Year Returnees (E)	2	0	2	4	0	4
Retained for One Year (F)	2	0	2	3	0	3
Retention Rate (F/E) (%)	100	0	100	75	0	75

Note: According to Article 16 of the Gender Equality in Employment Act, employees may apply for parental leave without pay until each child reaches the age of three.
Number of employees eligible for parental leave in 2021: Those with children born between 2018 and 2021
Number of employees eligible for parental leave in 2022: Those with children born between 2019 and 2022
Number of employees eligible for parental leave in 2023: Those with children born between 2020 and 2023

6.3 Training and Development

Material Topic: Talent Retention and Development: Establishing a workplace education and training system as the foundation for sustainable business operations.

Management Policies

- **Goals and Targets:** Attract and retain outstanding talent, offer competitive compensation and benefits, and provide fair promotions, making employees partners in the company's sustainable development.
- **Commitment:** Employ due diligence and early warning communication methods to build a robust training and development system, foster a continuously growing work environment, and create a warm and harmonious workplace atmosphere.
- **Management Measures:**
  (1) Strategic talent development to showcase diverse talent values.
  (2) Internal talent development to deepen and expand on-the-job professional skills.



To equip employees with the necessary job skills, each department may independently organize educational training or participate in external training courses, with flexible adjustments based on individual needs, offering effective career development programs. Additionally, professional instructors are irregularly invited to conduct specialized and technical training sessions.



Further Education and Training System

Each year, in accordance with the company's operational plan, an annual training plan and system are established, as shown in the diagram. This includes training for new hires, pre-employment professional training, and professional certification training. The courses cover company history, organization, business philosophy, corporate culture, ethical standards, labor and human rights laws, regulations, policies, green environmental concepts, quality systems, occupational safety and health, an overview of manufacturing processes, as well as company environment and welfare. This helps employees become familiar with the environment and systems. After employees are hired, mandatory general and professional competency courses are set according to different positions and levels to enhance the functional development of employees at all levels. The training system tracks and manages the progress of training courses, creating tangible training benefits and cultivating talent that meets organizational development needs, ensuring sustainable corporate growth.

Average Training Hours per Employee

2021: Total employee training hours: 110,459 hours; average annual training hours per employee: 132.4 hours; 2022: Total employee training hours: 181,789 hours; average annual training hours per employee: 199.77 hours. The table below summarizes the average employee training hours over the past two years:

Gender	2022			2023		
	Total Hours	Total Participants	Average Hours	Total Hours	Total Participants	Average Hours
Male	121,448.40	11,628	10.44	114,260.10	13,997	8.16
Female	60,340.90	10,899	5.54	59,925.00	12,611	4.75
Annual Subtotal	181,789.30	22,527	8.07	174,185.10	26,608	6.55
Annual Average Hours	199.77 hours			188.72 hours		

Note: Annual Average Hours = Annual Subtotal Total Hours / Number of Employees at Year-End

Performance Management and Employee Development

Employee Career Development

Performance evaluations contribute to the improvement of the company's human resources system and further enhance the overall management structure. New employees at Winstek undergo an assessment after three months, guiding supervisors and colleagues to understand the company's expectations in terms of behaviour, outcomes, and personal traits, moving towards common goals.

Supervisors carry out fair, reasonable, and objective performance evaluations according to operational standards, ensuring that every team member clearly understands their role and strives to meet the performance requirements of their position. Employees are provided with clear work objectives and future performance improvement plans, aiming to achieve the overall business goals.

In 2023, 94 new hires of Taiwanese were scheduled for evaluation, with a total of 829 employees participating in the annual performance evaluations, without any gender-based differences. The purpose of the system is not only to emphasize consensus on work objectives between employees and supervisors but also to optimize the system for "employee development as the primary focus, with performance evaluation as a secondary focus." This approach aims to balance assessment and development objectives, fostering the growth and development of employees' personal skills, enabling them to proficiently manage their tasks, become indispensable to supervisors, and serve as pillars of the company. This ultimately enhances the company's competitiveness and overall organizational effectiveness. Additionally, internal recommendations are used to appoint necessary management personnel, ensuring that promoted individuals are well-suited for their roles.

The number of performance evaluations for new hires of Taiwanese over the past three years is shown in the table below:

Annual Assessment / Position Cat.	2021 New Hires of Taiwanese: 146				2022 New Hires of Taiwanese: 155				2023 New Hires of Taiwanese: 94			
	Assessed Employee		Percentage		Assessed Employee		Percentage		Assessed Employee		Percentage	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Direct Employees	15	26	10.3%	17.8%	10	31	6.4%	20.0%	8	16	8.5%	17.0%
Indirect Employees	86	19	58.9%	13.0%	84	30	54.2%	19.4%	51	19	54.3%	20.2%
Total	101	45	69.2%	30.8%	94	61	60.6%	39.4%	59	35	62.8%	37.2%

The company conducts performance evaluations annually or quarterly, depending on the job title. Based on supervisor evaluations, attendance, and individual performance, supervisors nominate employees with outstanding work performance:

2021

54 employees were promoted,

15% from direct positions and 85% from indirect positions.

2022

51 employees were promoted,

22% from direct positions and 78% from indirect positions.

2023

52 employees were promoted,

27% from direct positions and 73% from indirect positions.

6.4 Respect for Human Rights

Material Topic: Labor Relations and Human Rights
Policy: Diversity, Equality, and Human Rights Protection

Management Policies

- **Goals and Targets:** Create a challenging, sustainable, and enjoyable work environment and management culture that emphasizes diversity, equality, and human rights protection.
- **Commitment:** Employ due diligence and early warning communication methods to cultivate a harmonious work environment that promotes gender equality, respects diversity, and protects human rights.
- **Management Measures:**
  (1) Provide fair employment opportunities regardless of gender, religion, race, nationality, or political affiliation.
  (2) Allocate employee welfare funds according to the "Enforcement Regulations of the Employees' Welfare Funds Act" and participate in labor insurance and health insurance.
  (3) Implement fair, reasonable, and objective performance evaluations.

The company complies with labor laws and has established foreign worker management procedures to protect the labor rights and interests of employees.

The company is committed to 100% compliance with relevant labor regulations. Management measures include a Labor and Human Rights Protection Code and regular assessments of forced labor risks.

Winstek adheres to international labor conventions and the Code of Conduct of the Responsible Business Alliance (RBA), as well as Taiwan's labor-related laws. The company's policies cover working hours, wages, humane treatment, non-discrimination, anti-bullying, and freedom of association. Additionally, these policies include measures to prevent involuntary labor, sexual harassment, protect maternal rights in the workplace, and prevent unlawful harm during the performance of duties.

Indicators	Human Rights Indicators	Goals	Implementation in 2023
Avoidance of Child labor	No use of child labor. Workers under 18 (young workers) shall not engage in work that may jeopardize their health or safety, including night shifts or overtime.	1. No employment of child labor. 2. No night shifts or overtime for young workers.	No employment of child labor or young workers.
Non-Discrimination	Number of discrimination disputes and complaints.	No incidents of discrimination.	No incidents of discrimination.
Freedom of Association	Respect for employees' freedom of association and collective bargaining rights, identifying major risks that could harm these rights.	No restrictions on freedom of association.	No restrictions on freedom of association.
Prevention of Forced Labor	Prohibition of any form of forced labor, identifying major risks of disputes arising from forced or compulsory labor, and measures to help eliminate forced or compulsory labor.	No major incidents of forced or compulsory labor.	No major incidents of forced or compulsory labor.
Prevention of Workplace Violence and Illegal Infringements	Prohibition of any form of discrimination, harassment, and retaliation.	No incidents of infringements.	1. All management personnel completed self-check forms. 2. All employees received training and education. 3. No incidents of infringements.

The "Recruitment and Employment Management Measures" explicitly prohibit the employment of child labor and outline protections for adolescent workers regarding night work. For foreign workers, in addition to complying with labor laws, specific regulations have been established for cross-border labor agency management and the management of foreign employees' living conditions to safeguard their labor rights. The Human Resources Department regularly assesses the risk of forced labor, and if violations occur, the information is disclosed to the relevant department supervisors as a reminder to prevent similar incidents from happening in the future.

	Prohibition of Forced Labor	Prohibition and Protection of Child Labor and Juvenile Workers	Elimination of Unlawful Discrimination	Safety and Health Environment	Work-Life Balance
Risk Assessment	Internal control of working hours.	Verification of interviewees' age through ID to ensure they are at least 18 years old.	In accordance with Taiwan's labor laws, non-discrimination principles are emphasized during interviews, employee training, compensation, and promotions.	Hazard identification and risk assessment are conducted, with high-risk job positions being closely monitored. Occupational disease prevention is implemented to promote employees' physical and mental health.	Encouraging participation in leisure activities to enhance interpersonal interactions among colleagues.
Objective	Ensure that no unwilling individuals are forced or coerced into performing labor.	Prohibit child labor; if juvenile workers are employed, they must be protected according to the law.	During interviews, no questions unrelated to work are asked, and verbal discrimination between colleagues or from supervisors is prohibited.	A company culture of health and safety is established, along with a friendly work environment.	Increasing employee participation rates.
Control Measures	Working hours management. Monitoring consecutive attendance and attendance on rest days. Providing channels for feedback.	For juvenile workers, manage working hours. Prohibit consecutive attendance, night shifts, and attendance on rest days. Providing channels for feedback.	Regular reviews are conducted to ensure compliance with legal regulations and internal management systems.	Personal safety and workplace environment protection measures are established. Medical assistance is provided to promote physical and mental health balance. Personnel are educated and trained on these matters.	Enhancing internal promotion by the welfare committee to increase participation. Distributing surveys to provide directions for improvement.

The Human Resource Department, which is responsible for human rights, ensures that all employees fully understand labor rights and corporate social responsibility policies and measures. This is achieved through employee training effectiveness tests on labor rights for new hires. In 2023, Winstek conducted human rights protection training, including one health promotion course and two general courses on a friendly workplace, with a total of 1,845 participants completing the training. The cumulative total training hours for the year was 934 hours, with a 100% completion rate.

(1) **Instruction:** On the day of reporting, new employees receive a 30-minute briefing on corporate social responsibility and labor rights policies. This is done through videos, presentations, and explanations to help employees gain a deeper understanding of human rights laws and their rights and grievance channels.

(2) **Testing:** To ensure that employees fully absorb the training content, a written test is conducted after the training. Employees must pass the test to be considered qualified. Those who do not meet the standard are scheduled for additional training to ensure they fully understand labor rights and other entitlements.

(3) **Training Pass Rate:** As shown in the right table below.(The test consists of 40 questions, with a passing score of 80 points.)
We aim for all employees to fully understand labor rights.

Year	Number of Trainees (New hires of Taiwanese)	Training Pass Rate
2021	146	100%
2022	155	100%
2023	94	100%

6.5 Care and Communication

Winstek provides various communication channels to facilitate dialogue and coordination between labor and management, gaining a deeper understanding of employee satisfaction with management and welfare systems, and continuously improving harmonious labor relations. Since the company's establishment, labor relations have been harmonious, with no losses resulting from labor disputes, and the likelihood of future losses due to labor disputes is considered extremely low.

Additionally, through employee representatives in labor-management meetings, employees' suggestions and opinions on specific issues are communicated. Discussions during these meetings help the company reach consensus, ensuring smooth communication channels. The company has also established, in accordance with the law, the Employee Welfare Committee, Occupational Safety and Health Committee, and Labor Pension Fund Supervisory Committee, which operate formally after being approved by the relevant authorities. Currently, labor-management meetings are held quarterly, with the Employee Welfare Committee and Occupational Safety and Health Committee also meeting regularly. These labor-management communication organizations each perform their duties, addressing various issues to promote harmonious and mutually beneficial labor relations.

Winstek has established comprehensive, diverse, and open two-way feedback mechanisms to ensure that employee voices are effectively addressed and responded to. The company resolves employee concerns through a fair, confidential, and swift process, thereby fostering positive labor relations.

Diversified Labor-Management Communication Channels

Winstek respects the legal right of employees to freedom of assembly and association, neither opposing nor obstructing such activities. In addition to labor-management meetings, the company has also established, in accordance with the law, the Occupational Safety and Health Committee, Employee Welfare Committee, an Labor Pension Fund Supervisory Committee. In these labor-management communication organizations, except for the labor-management meeting and the Labor Pension Fund Supervisory Committee, employee representatives outnumber employer representatives. The number of labor and management representatives in labor-management communication organizations in 2023 is as follows:

Communication Organization Name	Labor Representatives	Management Representatives
Labor-Management Meeting	5	5
Occupational Safety and Health Committee	11	5
Employee Welfare Committee	7	1
Labor Pension Fund Supervisory Committee	2	5

Employee Feedback

- Installation of surveillance cameras at emergency exits to reduce blind spots and enhance workplace safety.
- Improvement of the environment and signage in the waste storage area to enhance safety and hygiene.
- Improvement of traffic flow markings and traffic control measures to enhance driving safety within the facility.
- Increased noise monitoring at the facility's boundary with proactive measures to reduce noise levels.
- Other improvements.

Handling of Employee Feedback in Labor-Management Meetings

The company designates five management representatives and five labor representatives to participate in labor-management meetings. The labor representatives are directly elected by all employees, with the top five vote-getters serving as representatives, ensuring that both male and female employees and foreign workers have a voice. The labor-management meeting serves as a consultation system to coordinate labor relations, promote labor-management cooperation, and prevent potential labor issues. The fundamental principle is to encourage voluntary consultation and cooperation between labor and management, enhancing communication, reducing conflicts, and building consensus to collectively implement decisions.



Discussion Topics in Labor-Management Meetings

Achievement bonuses based on sales targets.	Distribution of bonuses for the three major holidays.	Company shareholders' meeting.	Employee annual health check-ups and health consultation services.
Distribution of employee compensation.	Organization of the annual year-end party and related employee activities.	Distribution of year-end bonuses.	Establishment of a social media official website to enhance two-way communication with employees.

Employee Suggestion Box

The company has placed employee suggestion boxes in visible locations at workplaces and dormitories, as well as in some discreet locations, allowing employees to express suggestions and opinions. While employees are encouraged to use the normal management system and channels to report issues, the "suggestion box" can be used for the following:

- Issues that cannot or have not been addressed through normal channels.
- Discovery of illegal or unethical behaviour within the company.
- Significant suggestions for company operations that cannot be raised through normal channels.
- Recognition of colleagues' outstanding contributions.
- Other issues that require direct reporting to department managers or higher.

The "suggestion box" can be used to address, but is not limited to, the following issues:

- Anti-discrimination, anti-harassment, and prevention of abuse.
- Prevention of forced labor involving involuntary workers.
- Management of recruitment agencies and protection of foreign workers.
- Prevention of child labor, protection of juvenile workers, and protection of student workers.
- Working hours, wages, benefits, and labor contracts.
- Freedom of association and collective bargaining.
- Occupational health and safety management, accident management, and emergency preparedness and response.
- Dormitory and cafeteria management.
- Management of hazardous waste, wastewater, stormwater, emissions, and boundary noise.

Employees or potential employees, acting in good faith, may raise any questions, suggestions, complaints, or grievances to supervisors or management or participate in any related investigations or resolutions. Such employees will not face dismissal, blacklisting, discrimination, harassment, intimidation, retaliation, or any other adverse employment decisions.

In 2023, a total of 15 feedback items were received, all of which were resolved on time, with the results communicated to the individuals involved or announced publicly (in the case of anonymous submissions).

	Number of Reported Cases	Number of Resolved Cases
2021	3	3
2022	11	11
2023	15	15

6.6 Occupational Safety and Health

Material Topic: Occupational Safety and Health
Safety and Health Policy: Zero Occupational Accidents - A Healthy and Safe Quality Work Environment

Management Policies

- **Goals and Targets:** Assess risks and opportunities, improve safety systems, and enhance occupational safety and health performance.
- **Commitment:**Utilize due diligence and early warning communication methods to provide employees with a safe, healthy, and quality workplace, while also ensuring the safety of contractors and visitors.
- **Management Measures:**
  (1) Based on the "ISO 45001 Occupational Health and Safety Management System" and the "Occupational Safety and Health Act."
  (2) Comply with occupational safety and health laws and other requirements, establish hazard identification, and reduce occupational safety and health risks.
  (3) Implement an occupational safety and health system with self-inspections and management.
  (4) Conduct occupational safety and health education and training, emergency response and drills, and workplace environment assessments.

Winstek is committed to providing a safe, healthy, and quality workplace for employees while ensuring the safety of contractors and visitors. Based on the "ISO 45001 Occupational Health and Safety Management System" and the "Occupational Safety and Health Act," the company has established occupational safety and health guidelines to help departments identify operational hazards, establish safe work standards, and prevent potential incidents.

The company evaluates and controls risks and opportunities to enhance occupational safety and health performance and reduce risks.

Winstek obtained OHSAS 18001 certification for occupational health and safety management in 2006 and completed the transition to ISO 45001 on March 8, 2021, receiving third-party certification. Winstek continues to monitor safety inspections and implement safety policies. Through the Plan-Do-Check-Act (PDCA) cycle, along with regular safety education training and fire drills, the company continually improves employees' emergency response and safety management capabilities, enhancing safety and health management performance.

Winstek's Occupational Safety and Health Policy and Measures:

» Implement the ISO 45001 Occupational Health and Safety Management System to provide a safe and healthy work environment and personal safety protection.

» Comply with occupational safety and health laws and other requirements, establish hazard identification, and reduce safety and health risks.

» Promote good safety, health, and care practices and participate in consultation and communication channels.

Winstek Environmental and Safety Policy

Winstek is committed to fulfilling its environmental protection responsibilities, becoming a sustainable enterprise through continuous improvement, and achieving the following:

Compliance Obligations	To ensure minimal environmental impact during operations, the best technologies for health and hazard control are used, and there is a commitment to comply with relevant laws and high standards of safe operations, meeting all environmental and safety standards and other requirements.
Sustainable Environmental Protection	Set environmental goals, and through internal and external communication, advocacy, and operational review, achieve and implement comprehensive management programs to prevent workplace hazards and reduce environmental impact.
Continuous Improvement	Continually evaluate, review, and improve our environmental, safety, and health performance, reducing the impact of production activities on the environment and personnel safety, while striving for environmental protection and accident prevention.
Safety Focus	Anticipate risks, implement self-inspection systems to achieve the goal of zero accidents.
Consultation and Communication Participation	Establish communication channels to enhance interaction among personnel, suppliers, contractors, surrounding communities, and stakeholders, conveying environmental and safety policies and related requirements.

In 2023, Winstek conducted 159 environmental and safety-related training courses for employees, with a total of 2,553 participants completing the courses, accumulating a total of 976.5 training hours for the year, achieving a 100% completion rate.

Certified Safety and Health Professionals

When constructing new facilities or renovating existing ones, relevant departments (manufacturing, management, IT, and safety) conduct safety and health risk assessments.

The Occupational Safety and Health Office assigns sufficient personnel, and the number of certified safety and health professionals in 2023 is as follows:

Safety and Health Manager 1 Employees	Safety and Health Administrator (Class B Technician) 4 Employees	Occupational Health Service Nurse 1 Employees	Safety and Health Operations Supervisor (Class A) 2 Employees
Fire Safety Manager 2 Employees	First Aid Personnel 38 Employees	Security Supervisor 3 Employees	Forklift Operator (over 1 ton) 25 Employees
Radiation Protection Personnel 18 Employees	Supervisor for Specific Chemical Substances Operations 12 Employees	Supervisor for Organic Solvent Operations 13 Employees	High-Altitude Work Platform Operator 4 Employees
Supervisor for Oxygen Deficiency Operations 3 Employees	Supervisor for Lead Operations 2 Employees	High-Pressure Gas Specific Equipment Operator 2 Employees	

The number of certified safety and health professionals listed above complies with the relevant occupational safety laws.

Occupational Safety and Health System with Self-inspection and Management

Winstek has established an "Occupational Safety and Health System" in accordance with the law, which includes: safety management systems and training, self-inspection of production equipment, workplace environment assessments, internal safety and health inspections, health checks and medical care, emergency response and drills, occupational accident management, statutory reporting, contractor management, and construction inspection.

Self-management measures for occupational safety include pre-employment training, on-the-job training, and certification training. Potential hazards are identified and controlled through risk grading, and safety operation standards for machinery and equipment are established to reduce operational risks. Necessary protective measures or personal protective equipment are provided, and workplace environment assessments, emergency response, and evacuation drills are conducted regularly. Health checks are scheduled, with proactive care provided based on risk levels. In the event of an accident, timely medical care, occupational accident management, and internal safety and health inspections are carried out to prevent on-site accidents and reduce risks. Continuous improvement of safety and health measures is a priority.

For hardware facilities, planning, design, and construction are carried out according to various regulations, international standards, and company policies. The Occupational Safety and Health Office is responsible for safety and health management, inspections, and improvements, ensuring efficient and effective safety measures.

Operational Safety and Health Management includes high-risk operation control, contractor entry control and construction safety management, chemical safety management, and analysis and statistics of occupational accidents. Additionally, careful planning is conducted for workplace environment assessments, disaster emergency response procedures, and regular fire drills. In the event of a disaster, these measures aim to minimize damage and impact on company assets, personnel, society, and the environment.

The Occupational Safety and Health Office and supervisors at all levels regularly and irregularly inspect the work environment of employees, providing recommendations for improvements to reduce workplace risks.

Audit Content	Audit Frequency
Regular Safety Inspections	Daily
Contractor Construction Inspections	Daily
Internal Workplace Audits	Weekly
Internal Environmental and Safety Management System Audits	Monthly

Occupational Safety and Health Education and Training

To ensure that new employees are familiar with relevant operations as soon as possible, occupational safety and health education training is arranged for them upon reporting. The training includes assessments based on course content to enhance awareness of safety and health protection and operational procedures. Participation in safety and health education training sessions, number of participants, and training hours are as follows:

Annual Training Hours / Training Categories	2022			2023		
	Sessions	Participants	Total Hours	Sessions	Participants	Total Hours
New Employee Safety and Health Education Training	123	761	1,522	76	581	1,162
In-Service Employee Safety and Health Education Training	415	976	918	77	77	824
Emergency Response Education Training	3	1,775	1,919	6	1,895	1,963.5
Total	541	3,512	4,359	159	2,553	3,949.5
Average Education Training Hours	4.79			4.28		

Remark:
1. Occupational Health and Safety Training for on-duty employees is conducted once every three years.
2. Average Training Hours = Total Training Hours for the Year / Number of Employees at the End of the Year.

Automated Inspections and Workplace Environment Monitoring

Winstek provides facilities, equipment, and machinery that undergo routine inspections by employees and internal and external audits by relevant departments. Additionally, third-party impartial organizations are commissioned to conduct safety inspections and verifications, including elevators, drinking water, workplace environments, high- and low-voltage electrical equipment, specific high-pressure gas equipment, buildings, and fire safety equipment. The company has established an "Industrial Safety Hygiene Management Procedure" to manage these related operations.

Winstek's hazardous equipment—including one high-pressure gas specific equipment (nitrogen tank) and two hazardous machines (forklifts)—undergo regular inspections according to the "Safety Inspection Rules for Hazardous Machines and Equipment" to ensure the safety of machinery and equipment.

For workplace environment management, the "Environment Measurement Management Procedure" is established to monitor the actual conditions of the labor environment and assess exposure to physical and chemical factors. This includes planning, sampling, monitoring, and analysis, with workplace environment assessments conducted twice annually as required by law to ensure a safe and comfortable working environment.

1. Internal Inspections:
   Employees perform daily, monthly, and annual routine inspections and maintenance as required.

2. External Inspections:
   External inspection agencies are commissioned to conduct inspections and maintenance on a monthly, quarterly, and annual basis.

Inspection Area	Inspection Frequency	Inspection Items	Regulatory Compliance
Elevators	Monthly/ Annual	Structure, performance, load, safety devices	Compliant
Drinking Water Testing	Quarterly	Coliform, arsenic, nitrate nitrogen	Compliant
Workplace Environment Monitoring	Per six months	Noise, illumination, CO_2, physical and chemical factors (organic solvents), lead, nickel, radiation, ammonia, sulfuric acid, sodium hydroxide, hydrogen chloride	Compliant
High and Low Voltage Electrical Equipment	Annual	Pressure insulation, circuit breakers, transformers	Compliant
Specific High-Pressure Gas Equipment	Annual	Tank settlement, safety valves	Compliant

To ensure workplace safety, semi-annual workplace environment assessments are conducted to understand the actual exposure to workplace hazards. The exposure levels within the facility are monitored, and if abnormal results are found, engineering controls and administrative improvements are implemented in the affected areas.

In 2023, two rounds of workplace environment assessments were conducted at the facility, with two rounds each in 2021 and 2022, all showing no abnormalities.

2021	2022	2023
2 Rounds	2 Rounds	2 Rounds

Emergency Response and Drills

Employees are the company's most valuable asset. To minimize the impact of disasters, a self-defense firefighting team is established, and a "Disaster Emergency Response Operating Procedure" is formulated. Fire and chemical spill drills are conducted irregularly every six months, and civil defense team, emergency rescue, and ERT (Emergency Response Team) training and drills are held annually. These drills include regional evacuations and disaster prevention exercises, with the local fire department invited to provide guidance. The effectiveness of the emergency response is observed, and comprehensive reviews are conducted to address any shortcomings. Regular traffic safety awareness campaigns are held to increase employee participation and implementation, minimizing the impact of disasters on employees and the company.

Emergency Response Center Facilities:

- **Response Information:** Plant layout, evacuation route maps, emergency response management procedures.
- **Fire and Life-Support Monitoring:** Fire system, gas monitoring system, emergency smoke exhaust system, surveillance and recording system, emergency chemical supply shutdown system, PA system, etc.
- **Response Equipment:** Protective clothing, personal protective equipment, respiratory protection, spill response equipment, warning devices, etc. Simpler response equipment is placed in accessible locations with sufficient information to continue emergency operations if the emergency response center is affected by a disaster.
- **Rescue Equipment:** Based on emergency rescue practice recommendations, AEDs, emergency showers, eye wash stations, first aid kits, etc., are provided in the workplace.

From December 11 to 13, 2023, Winstek conducted an internal earthquake evacuation drill to strengthen employees' disaster response capabilities through regular drills and training. This enhances the company's early warning, timely response, and effective evacuation guidance capabilities.

Winstek's Emergency Response Protection:







Fire Evacuation Drill
2023/6/12~6/14



Fire Extinguisher Operation Training 2023/8/10



Emergency First Aid Training
2023/8/10



Traffic Safety Awareness Campaign 2023/8/10



Chemical Spill Response Drill
2023/8/29



SCBA (Self-Contained Breathing Apparatus) Training 2023/9/25



Fire Alarm Control Panel Operation Training
2023/12/4



Earthquake Evacuation Drill
2023/12/11~12/13

For the Past Ten Years, Winstek Has Received "Excellence" and "Outstanding" Awards from the Hsinchu County Civil Defense Corps, Recognizing the Effectiveness of Its Training Programs.

Occupational Accident Management

Winstek places great emphasis on understanding the causes of every occupational accident. To effectively manage these incidents, we have established an "Accident Handling and Investigation Guidelines." When an incident occurs, it must be reported and handled according to the procedure. The Occupational Safety and Health Office, along with the labor representative and the supervisor of the unit, conducts an investigation and analysis of the incident, reviews the root causes, clarifies the correlation between the incident and the work content, and develops corrective and preventive measures. If the incident recurs, the effectiveness of the countermeasures is reassessed. Additionally, the Occupational Safety and Health Office collabourates with all departments through work observations, education and training, workplace inspections, and internal/external audits to reduce potential operational hazards and environmental risks, enhancing overall safety awareness among personnel.

In addition to managing risks within the workplace, the company also prioritizes the safety of employees during their commute. Through irregular unit meetings and by using bulletin boards and electronic displays that employees pass by daily, Winstek promotes traffic safety and defensive driving, increasing employees' awareness and reducing the likelihood of traffic accidents.

2023 Occupational Accident Reports: 0 Cases, FR = 0, SR = 0, FSI = 0.

Occupational Injury Rates/Indices	2021	2022	2023
Number of Reported Cases	0	0	0
Disabling Injury Frequency Rate (FR)	0	0	0
Disabling Injury Severity Rate (SR)	0	0	0
Frequency-Severity Indicator (FSI)	0	0	0
Fatality Rate due to Occupational Injuries	0	0	0

Note: Occupational accident statistics exclude traffic accidents.
Disabling Injury Frequency Rate (FR) = Total Number of Disabling Injuries/Working Hours × 1,000,000
Disabling Injury Severity Rate (SR) = Total Lost Workdays Due to Disabling Injuries (Excluding Fatalities)/Working Hours × 1,000,000
Frequency-Severity Indicator (FSI) = √ (Disabling Injury Frequency Rate ×Disabling Injury Severity Rate /1000)
Fatality Rate due to Occupational Injuries = Number of Fatalities due to Occupational Injuries/Working Hours × 1,000,000



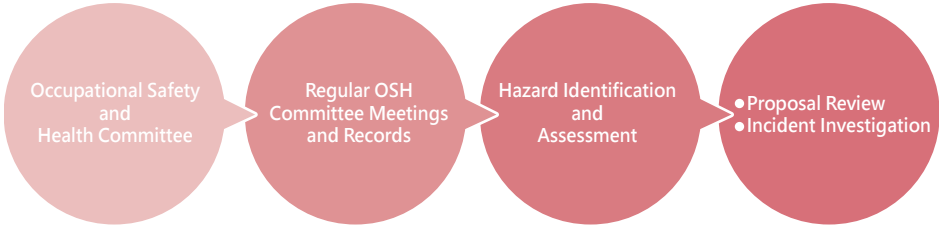
Internal Audits of the Environmental and Safety Management System

To ensure personnel conduct internal automated inspections of machinery, equipment, and safety and health matters, thereby eliminating potential operational hazards, the Occupational Safety and Health Office focuses on five major audit areas: chemicals, machinery and equipment, site environment, fire safety equipment, and waste disposal.

- 2021: Audits conducted on 9 site departments within the company, identifying a total of 293 deficiencies. The top three categories were chemicals (54.6%), site environment (20.8%), and fire safety equipment (14.0%). Guidance and follow-up were provided to the units, achieving a 100% correction rate.
- 2022: Audits conducted on 9 site departments within the company, identifying a total of 96 deficiencies. The top three categories were chemicals (36.5%), fire safety equipment (24.6%), and others (21.9%), with other categories including deficiencies in protective equipment and first aid kits. Guidance and follow-up were provided to the units, achieving a 100% correction rate.
- 2023: Audits conducted on 9 site departments within the company, identifying a total of 72 deficiencies. The top three categories were machinery and equipment site environment (82%), fire safety equipment (9%), and chemicals (8%), with other categories including deficiencies in protective equipment and first aid kits. Guidance and follow-up were provided to the units, achieving a 100% correction rate.

Year	Number of Audited Site Departments	Deficiencies	Deficiency Categories			
			Chemicals	Machinery and Equipment Site Environment	Fire Safety Equipment	Others
2021	9	293	54.6%	20.8%	14.0%	10.6%
2022	9	96	36.5%	17.0%	24.6%	21.9%
2023	9	72	8.0%	82.0%	9.0%	1.0%

Internal Participation in Consultation and Communication Channels



Occupational Safety and Health Committee

Winstek and Winstek's associates have established Occupational Safety and Health Committees, with the General Manager serving as the Chairman. In accordance with the law, employee representatives are elected to provide a formal channel for face-to-face communication between management and employees on environmental safety and health issues. Quarterly meetings are held to discuss matters related to environmental safety and health, with timely reviews and adjustments made to implementation measures. In 2023, a total of 19 labor representatives and 9 management representatives participated in the regular meetings of the Occupational Safety and Health Committee.

Hazard Identification, Opportunity, and Risk Assessment

Departments have established hazard identification teams to identify potential routine and non-routine hazards related to operations, areas, equipment, and the physical and mental well-being of personnel. These teams conduct risk assessments to serve as the basis for risk control, incident prevention, and continuous improvement within the occupational safety and health system. In 2023, a total of 16 departments participated, identifying 248 hazard factors, and corresponding control measures were developed.



6.7 Health Promotion

Workplace Health Promotion

Work items include health care and medical support, ergonomic hazard assessment and management, abnormal workload prevention, workplace violence prevention, and maternal health protection and management.

The company actively promotes workplace health, not only meeting relevant labor safety and health care regulations but also investing effort and resources into health awareness, health activities, healthy eating, and health management. The health promotion measures are detailed in the table below.

Health Awareness	Health Activities	Healthy Diets	Health Management
(1) Announcement of preventive education for epidemic diseases. (2) Promotion of epidemic prevention concepts and response measures. (3) Promotion of screening for the four major cancers. (4) Arrangement of COVID-19 and influenza vaccinations.	(1) Weekly fitness exercise classes and healthy eating seminars. (2) Establishment and subsidy of clubs for badminton, hiking, camping, cycling, etc. (3) Annual walking events. (4) Company anniversary events. (5) Family Day.	(1) Ingredients, seasoning, and oils meet national certification standards. (2) No use of flavour enhancers. (3) Low in oil, sugar, and sodium. (4) Calorie labelling. (5) Use of environmentally friendly tableware. (6) Provision of healthy meal options.	(1) Employee health checks. (2) Special operations health checks. (3) Prevention and improvement of ergonomic hazards. (4) Maternal health protection management. (5) Management of abnormal work load hazard assessment. (6) Suitability assessment management for middle-aged and elderly workers. (7) Health classification management and health guidance.

Health Care and Medical Support

Health Examinations: The company exceeds regulatory requirements by providing free annual health check-ups for employees, as well as special health examinations for those engaged in operations that pose significant health risks. Health examination results are statistically analysed to identify potential disease-causing factors. Health risk management is implemented through a tiered system, tracking high-risk health groups, promoting workplace health initiatives, and preventing occupational diseases, thereby offering comprehensive medical care services to employees.

The categories of health examinations and the number of participants over the past two years are detailed in the table below:

Item \ Year	2021		2022		2023	
	Examination Items	Number of Participants	Examination Items	Number of Participants	Examination Items	Number of Participants
General Health Examination	In accordance with the Labor Health Protection Regulations	0 (Due to the pandemic)	In accordance with the Labor Health Protection Regulations	496	In accordance with the Labor Health Protection Regulations	607
Special Health Examination (Noise, Lead Operations, Nickel Operations, Ionizing Radiation)		30		45		54

Through regular on-site doctor services, the company proactively arranges professional medical consultations for employees with abnormal health check results, maternal health needs, abnormal workload concerns, and those involved in occupational accidents. For employees classified under Level 2 management or higher, doctors comprehensively assess their health status and job nature to provide appropriate job placement recommendations. The number of participants in health consultation services over the past two years is shown in the table below:

Health Consultation Services

2022	2023
Number of Participants **325**	Number of Participants **387**

Management Classification for Special Hazardous Health Work

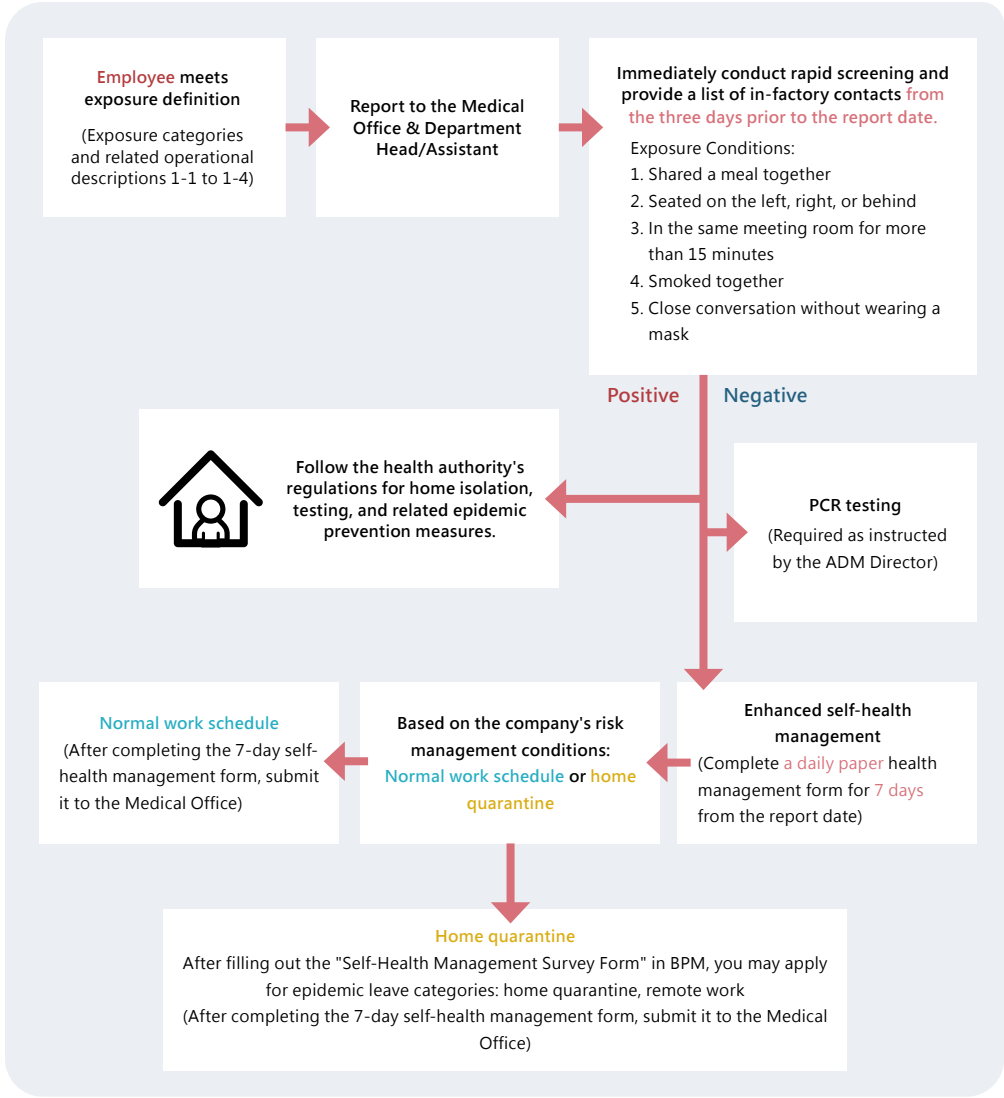
Level 1 Management: 44 employees	Level 2 Management: 10 employees	Level 3 Management: 0 employees	Level 4 Management: 0 employees
1.Physician's comprehensive evaluation: No abnormalities. 2.Provide individual health guidance to employees.	1.Physician's comprehensive evaluation: Abnormal, but unrelated to work. 2.The physician should indicate the work activities the employee is not suited for and other matters that require attention and handling. 3.Provide individual health guidance to employees.	1.Physician's comprehensive evaluation: Abnormal, but the relationship to work cannot be determined. Further evaluation by an occupational medicine specialist is required. 2.The occupational medicine specialist should reclassify based on the evaluation and complete the report within 30 days of follow-up examination.	1.Physician's comprehensive evaluation: Abnormal, and work-related. 2.If the occupational medicine specialist determines that there are still exposure risks at the workplace, hazard control and relevant management measures should be implemented.

Sustainable Healthcare Partnerships

The company has established partnerships with two contracted medical institutions, collaborating with professional medical facilities to provide discounted medical fees and comprehensive medical services. This partnership helps employees receive proper care, alleviate life pressures, and maintain a positive doctor-patient relationship.

Attention to Statutory Infectious Diseases

In response to the seasonal flu (e.g., H1N1, H3N2, etc.) and other infectious disease outbreaks, which still pose an annual risk, the company takes careful precautions. Each year, in cooperation with local health units, we arrange for medical personnel to come on-site to administer flu vaccines to employees. We continue to manage workplace risks associated with various infectious diseases, learning from each experience to avoid over- or under-reaction and improve routine pandemic prevention capabilities. Preventative health knowledge is also posted on bulletin boards to raise employees' awareness of maintaining their health. The following is the process flow of Winstek's disease prevention and control measures:



Ergonomic Hazard Assessment and Management

For the design of production equipment and material handling operations, the company ensures safety from the source by providing ergonomic safety education and training for employees. We establish correct safety awareness and conduct ergonomic assessments and improvement projects, such as evaluating and improving ergonomic factors in machine maintenance operations by providing lifting devices, scissor lift carts, and jigs for part replacement.

We review the use of fully and semi-automated auxiliary equipment to reduce work hazards. For work scheduling, we introduce MES boards to assign tasks and ensure rotation for workers in physically demanding roles. For employees who need to use microscopes for visual inspections over long periods, we gradually introduce image-assisted inspection equipment to reduce manual operations and track the visual health of these employees during annual health check-ups. To prevent musculoskeletal disorders triggered by repetitive tasks, labor health service personnel plan to conduct annual health checks, including surveys on pain in various body parts and the impact on work, identifying high-risk groups. In addition to individual case management, we work with unit supervisors and the Occupational Safety & Health Office to conduct site visits, identify ergonomic risks, and develop improvement plans.

Maternal Health Protection and Management

In addition to providing seven days of prenatal leave, eight weeks of maternity leave, and seven days of paternity leave under the "Gender Equality in Employment Act," both parents can apply for unpaid parental leave if needed. The company has also established breastfeeding rooms, allowing female employees who return to work after childbirth to nurse or pump breast milk as required by law, with storage facilities available to take the milk home after work.

To prevent female employees from being exposed to occupational hazards that could affect maternal health, the OSH team has developed maternal health protection and management procedures, including qualitative and quantitative risk assessments and the exclusion of tasks that may pose a risk to maternal health. Based on individual differences, these procedures are categorized into general and graded management measures for practical implementation. After a comprehensive evaluation by contracted occupational medicine specialists, measures such as graded management and on-site improvements are adopted to ensure the health of female employees.

In addition to arranging doctor evaluations, the company provides parking spaces for pregnant employees and partners with stores that offer maternity-related services. We also distribute regular questionnaires to understand their needs and provide pregnancy and childcare information before maternity leave.









- Employee Participation in Activities

Fitness Exercise Courses



Weekly fitness exercise courses are provided for senior management, with external fitness instructors invited to guide them. These courses help adjust physical and mental stress during work and cultivate good exercise habits, effectively promoting physical health.









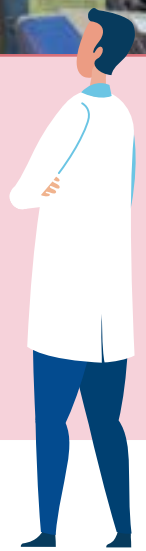
Health Clinic

Occupational doctors provide monthly on-site services, offering employees personal health care and consultations to address health issues, protect their health, and promote a healthy lifestyle, achieving a balance between health and work. Approximately 30 employee consultations are conducted in health clinics.

Occupational doctors also conduct annual workplace risk assessments and on-site visits to prevent abnormal workloads and occupational diseases.









Tiered Health Management

In addition to annual health check-ups, professional doctors are invited to the site to provide health guidance based on abnormal health check results, helping employees understand their health status. Professional advice is given based on individual circumstances to prevent diseases or intervene early, with follow-up as needed. Employees are also encouraged to manage their health independently, raising health awareness among colleagues.

Health e-Newsletter Stand Up to Workplace Harassment!

A nutritionist from the Hsinchu City Health Bureau was invited to conduct a seminar on "Preventing Metabolic Syndrome," attended by 23 participants. The seminar aimed to increase employees' health knowledge, understand the main causes, diagnosis, and improvement methods of metabolic syndrome. Since 50% of metabolic syndrome is related to lifestyle habits, effective prevention includes dietary management, maintaining exercise routines, appropriate stress management, and regular check-ups, thereby reducing the risk of chronic diseases.



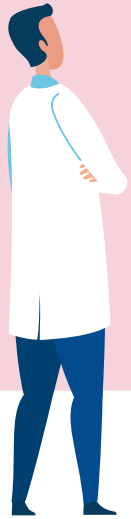


Health Seminar Preventing Metabolic Syndrome

An email was sent to employees to promote awareness of sexual harassment prevention, providing information on various forms of harassment and workplace violence, enhancing the ability to recognize potential harmful situations, and reducing workplace violence. The goal is to create a gender-equal workplace that respects diversity, promotes gender equality policies, and allows everyone to develop to their full potential.







7

Social Prosperity

7.1 Policies and Management Systems

7.2 Participation in External Organizations

7.3 Social Welfare Activities and Community Engagement



7.1 Policies and Management Systems

Winstek, committed to its corporate social responsibility, promotes various social responsibility activities based on the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and the standards of the "Responsible Business Alliance (RBA) Code of Conduct. "This includes establishing the "ESG Sustainability Development Committee" and showcasing the performance data of sustainability-related social responsibility implementation in the sustainability report.

● ESG Sustainability Development Committee's Corporate Social Responsibility Initiatives:

The organization, members, responsibilities, and discussion items are outlined as follows:

Category	Actual Annual Operational Projects
Chairman	Convener
Committee Members	Representatives from various departments
Responsibilities	● Formulate ESG policies. ● Review the operation of the ESG management system. ● Review the goals, strategies, and action plans of ESG policies, and track the progress of each plan. ● Supervise stakeholder communication plans.
Discussion Items	Meetings are held as needed annually or periodically to jointly plan and promote corporate sustainability-related topics and business initiatives. Report annual execution results to the Board of Directors each year.

● Corporate Social Responsibility Policy

Winstek's overall ESG-social responsibility policy is divided into four key areas: "Implementing Corporate Governance, Developing a Sustainable Environment, Promoting Social Welfare, and Enhancing Sustainability Information Disclosure."

(1) Implementing Corporate Governance

- Compliance with Relevant Regulations and Standards: Winstek adheres to the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," and the "Sample Code of Ethical Conduct for TWSE/TPEx Listed Companies" to strengthen corporate governance.
- Effective Governance Structure: To strengthen the management of sustainable development, Winstek establishes an effective governance structure and related ethical standards. The ESG Sustainability Committee promotes sustainable development by formulating specific policies, systems, management guidelines, and action plans on economic, environmental, and social issues arising from operational activities, and actively implementing them.
- Board Supervision and Oversight: The ESG Sustainability Committee reports to the Board of Directors at least once a year on stakeholder communication and sustainability development promotion. The Board reviews the direction and progress of sustainability issues, ensuring timely review of implementation effectiveness and continuous improvement, with feedback and oversight to achieve corporate sustainability.
- Considering Stakeholder Interests: Winstek respects the rights of stakeholders, identifies stakeholders, and establishes a stakeholder section on the company website. Through appropriate communication methods, Winstek understands the reasonable expectations and needs of stakeholders and responds appropriately to important sustainability issues they are concerned about. In the future, Winstek will continue to focus on human rights protection issues, promote related education and training, and enhance human rights protection awareness to reduce the likelihood of related risks.
- Responsibility to Customers and Marketing Ethics: With the core philosophy of creating value for customers, Winstek continuously communicates with customers to understand their needs and build trust. Winstek also complies with relevant regulations and international guidelines, including fairness and integrity in contracting, duty of care and loyalty, truthful advertising, suitability of goods or services, disclosure and transparency, balanced remuneration and performance, grievance protections, and the professionalism of sales personnel. Winstek ensures transparency and safety of product and service information throughout the R&D, procurement, production, operation, and service processes, implementing these principles in operational activities to protect customers' rights, health, and safety.

Winstek complies with all relevant government regulations and has no records of violations of economic or social regulations or any incidents of fines.

(2) Developing a Sustainable Environment

- Compliance with Environmental Regulations and International Standards: Winstek complies with environmental regulations and relevant international standards to ensure that its operational activities meet environmental protection requirements.
- Enhancing Resource Utilization Efficiency: Winstek is committed to improving resource utilization efficiency and using environmentally friendly recycled materials to achieve sustainable resource use.
- Establishing an Environmental Management System: Based on industry characteristics, Winstek establishes an appropriate environmental management system, including measures to assess the environmental impact of operational activities and set environmental sustainability goals.
- Focusing on Environmental Protection: Winstek actively promotes factory greening and energy-saving and carbon reduction projects to ensure environmentally friendly production processes. The company uses green and non-hazardous materials and adopts legal waste disposal measures to minimize negative impacts on the Earth's environment.

In 2023, Winstek completed 25 energy-saving and carbon reduction projects, including equipment resource energy efficiency, system optimization, investment in energy-saving equipment, water-saving initiatives, production material efficiency, and process optimization. The estimated annual reduction in electricity consumption from operational projects is approximately 180,000 kWh, with a carbon reduction of about 248 tons. Facility projects are estimated to reduce annual electricity consumption by approximately 2.03 million kWh, with a carbon reduction of about 1,020 tons.

(3) Maintaining Social Prosperity

- Compliance with Relevant Regulations and International Human Rights Conventions: Winstek complies with relevant regulations and international human rights conventions, protecting labor rights, prohibiting discrimination, and ensuring that human resource policies are free from discriminatory practices. Winstek implements supply chain management and social responsibility-related systems, promoting character education and making improvement suggestions. In 2023, there were no incidents of child labour, discrimination, forced labour, or rights violations.
- Caring for the Community and Disadvantaged Groups: Winstek participates in public welfare activities to express care for socially disadvantaged groups.
- Continuous Communication and Engagement with Internal and External Stakeholders: Winstek regularly conducts educational training programs to build employee consensus and ensure compliance with relevant corporate social responsibility standards, encouraging active participation in the company's social responsibility initiatives.

As of 2023, Winstek held eight events, including the bread charity sales for the Children Are Us Foundation and Families, the "You Have a Care" fund-raising by the Huashan Foundation, and micro-donations by the Genesis Social Welfare Foundation.

(4) Enhancing Sustainability Information Disclosure

- Information Disclosure Conducted in Accordance with Regulations: Information disclosure is conducted in accordance with relevant regulations and the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies to enhance transparency.
- Full Disclosure of Sustainability-Related Information: Winstek discloses relevant and reliable information on sustainability, including policies, systems, plans, and performance.
- Preparation of Sustainability Reports: Winstek prepares sustainability reports to disclose the company's progress in promoting sustainability, understand stakeholders' concerns, and increase the reliability and transparency of information.

7.2 Participation in External Organizations

To effectively leverage industry power and stay abreast of industry developments, Winstek joins domestic industry associations as a member and actively participates in forums and seminars hosted by these associations, engaging closely with industry peers to collaboratively plan for industry prosperity.

Organization Name	Role
Wuhua Industrial Park Manufacturers Association	Member
IC Packaging and Testing HR Managers Association	Member
Taiwan Computer Emergency Response Team / Coordination Center	Member
Xiu Lake Civil Defense Consultant	Member
Hualong Village Community Development Association	Member
Hsinchu County Chamber of Commerce	Member

7.3 Social Welfare Activities and Community Engagement

- Operation Direction and Promotion Measures in Social Public Welfare Activities

Unit: NTD

Year	Cat.	Projects	Performance
2022	Public Welfare	Donated to underprivileged families in Qionglin Township, providing warmth in the winter, with the award presented by Qionglin Township Mayor Cheng-Piao Huang.	Donation Amount in the current year: NTD 100,000. Benefited approximately 50 households in the current year. Ongoing for 3 years, with a total donation of NTD 300,000, benefiting approximately 150 households.
		"Bread charity sales": Children Are Us Foundation	Charity Sale Proceeds Donated in the current year: NTD 74,178. Employee participation in the current year: 618 instances. Ongoing for 6 years, with a total donation of NTD 177,492.
		"Love Through Pomelos": Genesis Social Welfare Foundation Hsinchu Branch	Charity Sale Proceeds Donated in the current year: NTD 28,540. Employee participation in the current year: 27 instances. Ongoing for 6 years, with a total donation of NTD 193,400.
		"Sharing Knowledge and Love": Hsinchu County Government Social Education Section or Slow Flying Children's Shelter	Books Donated in the current year: Approximately 191 various books. Employee participation in the current year: 38 instances. Ongoing for 3 times, with a total donation of 1,091 books.
		"Hot-Blood Public Welfare": Hsinchu Blood Donation Center	Total donations of 102 bags. Annual employee participation: 102.

Year	Cat.	Projects	Performance
2022	Community	Provided scholarships for students from disadvantaged families at Wulong Elementary School.	Wulong Elementary School became the 9th experimental school in Hsinchu County this year. Annual Donation Amount in the current year: NTD 50,000. Benefited approximately 12 individuals in the current year. Ongoing for 3 years, with a total donation of NTD 100,000 and 10 Kirby robots, benefiting all students.
		Winter relief: Gaoshi Church in Pingtung and Fengguang Church in Taichung.	Donated second-hand warm clothing and blankets, with 15 employees participating in the current year. Benefited approximately 36 households.
		Winter relief: Qionglin Township Office.	Donated a batch of rice. Benefited 857 families, with 857 bags of rice donated in the current year.
		Adopted and maintained streetlights and the environment along Zhulin Road (Route 26) within the village.	Annual road environment maintenance and cleaning.
		Wulong Village Community Park maintenance.	Adopted and maintained the community park environment.
2023	Public Welfare	"Bread charity sales": Children Are Us Foundation	Charity Sale Proceeds Donated in the current year: NTD 47,053. Employee participation in the current year: 392 instances. Sustained for 7 years, with a total donation of NTD 224,545.
		"Love Through Pomelos": Genesis Social Welfare Foundation Hsinchu Branch	Charity Sale Proceeds Donated: NTD 20,250. Employee participation in the current year: 18 instances. Sustained for 7 years, with a total donation of NTD 213,650.
		"Christmas Charity Sale": Joint charity sale by Childern-Are-Us, Genesis, WuoWuo, Eden, and the Visually Impaired Union	Charity Sale Proceeds Donated: NTD 49,343. Employee participation in the current year: 328 instances. Sustained for 9 years, with a total donation of NTD 417,393.
		"Charity Donation": Genesis - charity coin box and invoice box	Total Donations: NTD 23,085 and 2,437 invoices. Sustained for 5 years, with a total donation of NTD 108,113 and 28,445 invoices.

Year	Cat.	Projects	Performance
2023	Community	Provided scholarships for students from disadvantaged families at Wulong Elementary School.	Annual Donation Amount in the current year: NTD 50,000. Benefited approximately 12 individuals in the current year. Sustained for 4 years, with a total donation of NTD 150,000 and 10 Kirby robots, benefiting all students.
		Cared for underprivileged families in Qionglin Township.	Annual Donation Amount: NTD 100,000. Benefited approximately 50 households in the current year. Sustained for 4 years, with a total donation of NTD 400,000, benefiting approximately 200 households.
		Signed a community disaster prevention drill cooperation agreement, adopting or establishing shelters to strengthen autonomous disaster prevention capabilities.	Qionglin Township Office invited companies to participate in disaster prevention and rescue work to enhance community disaster prevention awareness and corporate cohesion. On June 26, 2023, a "Corporate Participation in Disaster Prevention Work Seminar" was held, where corporate experiences were shared to understand the role and tasks of companies in disaster prevention. On October 6, 2023, Winstek signed a "Disaster Prevention Cooperation Memorandum" with Hualong Village, becoming a good partner in disaster prevention drills.
		Adopted and maintained streetlights and the environment along Zhulin Road (Route 26) within the village.	Winstek has adopted 20 streetlights in Guangming Road, Qionglin Township, focusing on the Zhulin Interchange and Hualong Village Luliaokeng area. This initiative aims to illuminate every inch of land, making the way home safer and contributing to local development.
		Wulong Village Community Park maintenance and cleaning.	Regularly participates in the annual community clean-up and donates NTD 132,000 annually to support community cleaning and maintenance, improving community image and helping create a balanced and comfortable living environment.

Public Welfare: Supporting charitable organizations to help those in need receive assistance and care, fostering a more harmonious and warm society.
Community: Through donations, assist in funding various activities for the neighbourhood, allowing community residents to enjoy festive events while also demonstrating care and support for the community's development and progress.

Charitable Donation Activities





In 2022 and 2023, donations were made, and a certificate of appreciation was personally awarded by Mr. Cheng-Piao Huang, the Mayor of Qionglin Township.



2023: Donation of proceeds from grapefruit sales to the Genesis Social Welfare Foundation, Hsinchu Branch.









2023: Held a bread charity sale for the Children Are Us Foundation.

Neighborhood Donation Activities









2022: Donation of books to the Hsinchu County Government Social Education Section or the Man FairSheltered Workshop.







2022: Winter relief donations to Gaoshi Church in Pingtung and Fengguang Church in Taichung.

Campus Recruitment Activities

2023 Campus Job Fair Sessions 6 Participants : 250

2023 Career Exploration Lectures Sessions 2 Participants : 100

Campus Job Fair



Yunlin University of Science and Technology Campus Recruitment Event

Career Exploration Lectures



Huwei University of Science and Technology Industry-Academia Cooperation Sharing Lecture

Industry-Academia Collaboration

Since 2022, Winstek has collaborated with the Department of Mechanical Design Engineering at National Formosa University. To cultivate practical talent, both parties have jointly promoted internship collaboration and professional practical training based on the principle of mutual benefit. An internship training program has been established, with Winstek responsible for training and guiding students during their internships. Additionally, Winstek and the university have co-organized a series of career and industry expert seminars titled "Industry Development Trends and Interview Techniques," sharing insights on resume writing, interview skills, and trends in the semiconductor industry, thereby enhancing students' self-marketing abilities for their future careers.



Interview Selection - Interns of Huwei University of Science and Technology Mechanical Design



Visit by teachers from Huwei University of Science and Technology Mechanical Design with interns

Providing Employment Opportunities for Neighbours

Winstek provided employment for 674 people from nearby areas, promoting local economic development and helping to build good relationships between the community and the company, achieving a win-win situation.

Area	Zhubei City	Beipu Township	Hengshan Township	Xinpu Township	Guanxi Township	Zhudong Township	Qionglin Township	Emei Township
Number of Employees	44	13	58	11	17	195	277	5
Area	Jianshi and Wufeng	Hukou Township	Xinfeng Township	Baoshan Township	Hsinchu City			
Number of Employees	9	2	4	2	37			

Employee Participation in Organized Activities

Clubs

Badminton, Hiking, Camping, Cycling, etc.

To encourage employees to actively participate in company-organized clubs that promote physical and mental well-being through group leisure activities, the company provides an annual subsidy of NT$15,000 per club for expenses such as instructor fees, training materials, and venue fees. Currently, there are four major clubs: Hiking Club (12 members), Camping Club (27 members), Badminton Club (35 members), and Cycling Club (28 members). Each club holds at least two activities annually, enhancing cross-departmental communication and promoting leisure activities outside of work.

















Annual Walking Event

Who knew there was such a beautiful green space near the company? We invited around 400 day-shift employees to take a break in the afternoon to go for a walk and enjoy this hidden gem. This activity allows colleagues to unwind outdoors, turning off lights and computers for the afternoon while strolling amidst greenery, leaving behind their worries. The purpose is to remind employees to stay active for their physical and mental health! Of course, the company also prepared a delightful afternoon tea and snacks to replenish energy for those who completed the walk!













Company Anniversary Celebration

April 26th is Winstek's birthday! The annual company anniversary celebration is a lively event featuring team building activities, walking events, performance competitions, quizzes with prizes, and group photo booths. Each year, the catering varies, with options ranging from five-star hotel buffets to a diverse selection of food trucks, all provided with free meal vouchers for employees. It's a day where colleagues can have fun and enjoy great food!











Family Day

Every August, the company hosts a Family Day, typically held around Father's Day. Employees are invited to bring their children to learn about their parents' work environment. The event includes parent-child competitions, brain-teasing challenges, DIY activities, fitness dance sessions, and physical fitness challenges. Each session attracts about 40 participants, featuring warm-up dances for kids, storytelling, crafts, and most importantly, a parent-child teamwork challenge! Everyone gives their best effort to win for their team, making these experiences truly memorable!














Earth Day Parent-Child Drawing Competition

In celebration of Earth Day and to promote environmental awareness and sustainable development, Winstek organized a parent-child drawing competition focused on themes such as tree planting, water conservation, waste clean-up, and environmental protection. The goal is to pass on sustainable values and practices, encouraging actions like beach clean-ups, cycling to reduce carbon emissions, waste sorting, and turning off lights. Over 40 submissions were received, and after a month of employee voting, three winners were selected from each category: elementary school, middle/high school, and adult. These artworks have added beautiful colours to Winstek's corridors.



















Autumn Beach
Clean-up Activity

After the summer break, the company's Welfare Committee led approximately 25 volunteers from the factory to participate in Hsinchu City's autumn beach cleanup event. While the amount of trash collected was significant, the activity helped raise awareness about the importance of protecting marine resources and conveyed the message that everyone is responsible for environmental stewardship. Beach cleanups are not the end of the battle against pollution but the best starting point for fostering a love and protection for the ocean.











Appendix

Appendix 1: GRI Standards Index

Appendix 2: SASB Standards Index



Global Reporting Initiative (GRI) 2021 Content Index

Statement of Use	Winstek reports with reference to the GRI Standards for the period from January 1, 2023, to December 31, 2023.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	None

General Disclosures

GRI Standards	Information disclosed	Section	Page
GRI 2: General Disclosures 2021	2-1 Organizational Details	2.1 Company Profile	27
	2-2 Entities Included in the Organization's Sustainability Report	0. Report Overview and Scope	5
	2-3 Reporting Period, Frequency and Contact Point	0. Report Overview and Scope	5
	2-4 Restatements of Information	The company issued its first sustainability report this year.	-
	2-5 External Assurance	The company's first sustainability report does not have a verification plan.	-
	2-6 Activities, Value Chain and Other Business Relationships	3.1 Operational Products and Services	50
	2-7 Employees	6.2 Talent Development and Compensation & Benefits	94
	2-8 Workers Who Are Not Employees	6.2 Talent Development and Compensation & Benefits	94
	2-9 Governance Structure and Composition	2.2 Corporate Governance	30
	2-10 Nomination and Selection of the Highest Governance Body	2.2 Corporate Governance	30
	2-11 Chair of the Highest Governance Body	2.2 Corporate Governance	30
	2-12 Role of the Highest Governance Body in Overseeing the Management of Impact	2.2 Corporate Governance	30
	2-13 Delegation of Responsibility for Managing Impacts	1.1 ESG Organization and Stakeholder Identification	7
	2-14 Role of the Highest Governance Body in Sustainability Reporting	1.1 ESG Organization and Stakeholder Identification-1.1.1 ESG Organization and Responsibilities	7

	2-15 Conflicts of Interest	2.2 Corporate Governance	30
	2-16 Communication of Critical Concerns	1.2 Communication and Analysis of Stakeholder Concerns	10
	2-17 Collective Knowledge of the Highest Governance Body	2.2 Corporate Governance	30
	2-18 Evaluation of the Performance of the Highest Governance Body	2.2 Corporate Governance	30
	2-19 Remuneration Policies	2.2 Corporate Governance	30
	2-20 Process to Determine Remuneration	6.2.1 Compensation and Benefits	98
	2-21 Annual Total Compensation Ratio	Not Yet Disclosed	-
	2-22 Statement on Sustainable Development Strategy	Message from the Management	3
	2-23 Policy Commitments	6.1 Talent Policies and Commitments	94
	2-24 Embedding Policy Commitments	6.1 Talent Policies and Commitments	94
	2-25 Processes to Remediate Negative Impacts	1.4 Impact of Sustainable Business Practices	19
	2-26 Mechanisms for Seeking Advice and Raising Concerns	2.3 Integrity Management	35
	2-27 Compliance with Laws and Regulations	2.4 Management Philosophy, Business Ethics, and Regulatory Compliance	37
	2-28 Membership Associations	7.2 Participation in External Organizations	121
	2-29 Approach to Stakeholder Engagement	1.2 Communication and Analysis of Stakeholder Concerns	10
	2-30 Collective Bargaining Agreements	The company does not have a labor union formed by employees.	-

Material Topics

GRI Standards	Information disclosed	Section	Page
GRI 3: Material Topics 2021	3-1 Process to Determine Material Topics	1.1 ESG Organization and Stakeholder Identification	7
	3-2 List of Material Topics	1.3 Prioritization and Response to Materiality Issues	14
1. Regulatory Compliance			
GRI 3: Material Topics 2021	3-3 Management of Material Topics	1.2 Communication and Analysis of Stakeholder Concerns	10
GRI 2-27 Compliance with Laws and Regulations	2-27 Compliance with Laws and Regulations	2.4 Management Philosophy, Business Ethics, and Regulatory Compliance	37
2. Operational Performance/Operating Conditions			
GRI 3: Material Topics 2021	3-3 Management of Material Topics	1.2 Communication and Analysis of Stakeholder Concerns	10
GRI 201: Economic Performance	201-1 Direct Economic Value Generated and Distributed	3.2 Financial Statements and Tax Policy	53
3. Air Pollutant Control			
GRI 3: Material Topics 2021	3-3 Management of Material Topics	1.2 Communication and Analysis of Stakeholder Concerns	10
GRI 2-27 Compliance with Laws and Regulations	2-27 Compliance with Laws and Regulations	5.5 Air Pollutant Control	89
GRI 305: Emissions	305-7 Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions	5.5 Air Pollutant Control	89
4. Talent Retention and Development, Labor Relations and Human Rights			
GRI 3: Material Topics 2021	3-3 Management of Material Topics	1.2 Communication and Analysis of Stakeholder Concerns	10
GRI 401 Employment	401-1 New Employee Hires and Employee Turnover	6.2 Talent Development and Compensation & Benefits	94
	401-2 Benefits Provided to Full-Time Employees That Are Not Provided to Temporary or Part-Time Employees	6.2 Talent Development and Compensation & Benefits	94
GRI 402 Labor/ Management Relations	402-1 Minimum Notice Periods Regarding Operational Changes	6.2 Talent Development and Compensation & Benefits	94
GRI 404 Training and Education	404-1 Average Hours of Training Per Year Per Employee	6.3 Training and Development	101

	404-2 Programs for Upgrading Employee Skills and Transition Assistance Programs	6.3 Training and Development	101
	404-3 Percentage of Employees Receiving Regular Performance and Career Development Reviews	6.3 Training and Development	101
GRI 405 Diversity and Equal Opportunity	405-2 Ratio of Basic Salary and Remuneration of Women to Men	6.2 Talent Development and Compensation & Benefits	94
5. Occupational Safety and Health			
GRI 3: Material Topics 2021	3-3 Management of Material Topics	1.2 Communication and Analysis of Stakeholder Concerns	10
GRI 403 Occupational Safety and Health	403-1 Occupational Safety and Health Management System	6.6 Occupational Safety and Health	107
	403-2 Hazard Identification, Risk Assessment, and Incident Investigation	6.6 Occupational Safety and Health	107
	403-3 Occupational Health Services	6.7 Health Promotion	114
	403-4 Worker Participation, Consultation, and Communication on Occupational Health and Safety	6.5 Care and Communication	105
	403-5 Worker Training on Occupational Health and Safety	6.6 Occupational Safety and Health	107
	403-6 Promotion of Worker Health	6.7 Health Promotion	114
	403-7 Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	6.7 Health Promotion	114
	403-8 Workers Covered by an Occupational Health and Safety Management System	6.7 Health Promotion	114
	403-9 Work-Related Injuries	6.6 Occupational Safety and Health	107
	403-10 Work-Related Ill Health	6.7 Health Promotion	114
6. Risk Management			
GRI 3: Material Topics 2021	3-3 Management of Material Topics	1.2 Communication and Analysis of Stakeholder Concerns	10
GRI 2-12 Role of the Highest Governance Body in Overseeing the Management of Impacts	2-12 Role of the Highest Governance Body in Overseeing the Management of Impacts	2.2 Corporate Governance	30

7. Product Responsibility			
GRI 3: Material Topics 2021	3-3 Management of Material Topics	1.2 Communication and Analysis of Stakeholder Concerns	10
GRI 417 Marketing and Labeling	GRI 417-2 Incidents of Non-Compliance Concerning Product and Service Information and Labeling	2.4 Management Philosophy, Business Ethics, and Regulatory Compliance	37
8. Financial Impacts and Adaptation Approaches of Climate Change			
GRI 3: Material Topics 2021	3-3 Management of Material Topics	1.2 Communication and Analysis of Stakeholder Concerns	10
GRI 305 Emissions	305-1 Direct (Scope 1) GHG Emissions	5.1 Greenhouse Gas Inventory and Carbon Management	78
	305-2 Energy Indirect (Scope 2) GHG Emissions	5.1 Greenhouse Gas Inventory and Carbon Management	78
	305-3 Other Indirect (Scope 3) GHG Emissions	5.1 Greenhouse Gas Inventory and Carbon Management	78
	305-4 GHG Emissions Intensity	5.1 Greenhouse Gas Inventory and Carbon Management	78
	305-5 Reduction of GHG Emissions	5.6 Environmental Expenditure	90
GRI 201 Economic Performance	201-2 Financial Implications and Other Risks and Opportunities Due to Climate Change	5. Green Production	74
9. Information Security			
GRI 3: Material Topics 2021	3-3 Management of Material Topics	1.2 Communication and Analysis of Stakeholder Concerns	10
Voluntary Disclosure	Voluntary Disclosure	2.6 Information Security Management	43

Sustainability Accounting Standards Board (SASB) Index: Semiconductors

Topic	SASB Code	Accounting Metric	Nature	Page	Content Description
Greenhouse Gas Emissions	TC-SC-110a.1	Gross global Scope 1 emissions	Quantitative	79	Scope 1: 3,646.7989 (tCO2e)
		Amount of total emissions from perfluorinated compounds		-	PFCs Emissions: 0
	TC-SC-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Qualitative	75	Using 2022 as the baseline year, the expected reduction is 329.18 tons CO_2e in 2023, 987.54 tons CO_2e in 2024, 3,620.96 tons CO_2e in 2028, and ≥4,279.32 tons CO_2e in 2029 compared to the baseline year.
Energy Management in Manufacturing	TC-SC-130a.1	Total energy consumed	Quantitative	80	209,791.95 gigajoules (GJ)
		Percentage grid electricity		81	100%
		Percentage renewable		80	0%
Water Management	TC-SC-140a.1	Total water withdrawn, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	82	394,000 cubic meters
				-	Currently, no sites are located in high water-stress areas. The percentage of water withdrawal from high water-stress areas: 0%
Waste Management	TC-SC-150a.1	Amount of hazardous waste from manufacturing, percentage recycled	Quantitative	87	Hazardous Waste: 1,909.69 tons
				87	Recycling Rate: 95.33%
Employee Health and Safety	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	Qualitative	107	Please refer to the relevant sections on Occupational Safety and Health.
	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee safety and health violations	Quantitative	-	The company has no significant legal incidents related to employee health and safety.
Recruiting & Managing a Global & Skilled Workforce	TC-SC-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Quantitative	96	Direct Foreign Employees: 21.8% White-Collar Overseas Employees: 0.4%

Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	-	The company does not have products containing IEC 62474 substances.
	TC-SC-410a.2	Processor energy efficiency at a system level for: (1) servers, (2) desktops, and (3) laptops	Quantitative	-	The company's products are not applicable to the terminal product areas listed in the indicators.
Materials Sourcing	TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	Qualitative	67	The raw materials currently used by the company have sufficient supply. Please refer to the description in the Supplier Management section.
Intellectual Property Protection & Competitive Behavior	TC-SC-520a.1	Total monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	-	None.




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