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2022 WIWYNN CORPORATION SUSTAINABILITY REPORT



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Social

inclusion

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Messages from the Chair

The year 2022 was a year of rapid market upheaval. We were fortunate to continue achieving record-breaking revenue and profits, thanks to the collective efforts of our employees' teamwork and the unwavering support of our supply chain partners. The Company's remarkable performance, ranking third among all listed companies, with revenue reaching NT\$292.9 billion and EPS of NT\$81.07, fully demonstrated the resilience and agility of Wiwynn's workforce.

2022 also marked the tenth anniversary of Wiwynn's establishment. We embody a vision of "Unleash the Power of Digitalization, Ignite the Innovation of Sustainability", and envision all the employees embracing this belief as we navigate a shifting market landscape, standing resolute and progressing together.

Despite being a young company, we have always been actively engaged in the global ESG trend. Since 2019, we have voluntarily taken the initiative to prepare the ESG sustainable development report, continuously refining our approach as we implement it. Our unwavering commitment to sustainable development propels us forward on this path.

In terms of environment, our Taipei Headquarters have successfully transitioned to using entirely green electricity and received approval from the SBTi (Science Based Targets initiative), aligning with the international pathway for carbon decarbonization. As we move into 2023, we remain committed to supporting the global carbon reduction movement and have established two major long-term goals: achieving 100% utilization of green energy by 2030 and reaching net zero emissions by 2040.

In 2022, we continued and extended the Ocean Hugs program, planting 6000 tree saplings in the Qigu Lagoon to contribute to the protection of lagoons and coastlines. In 2023, we will further expand our tree planting efforts in Taiwan and Malaysia. Our objective extends beyond the reduction of carbon emission in our production and operational processes. We also aim to harness the natural cycles through the trees planted by Wiwynn, seeking natural carbon capture solutions for the environment while providing habitats and protection for diverse organism. By doing so, we actively contribute to the mitigation of global warming and conservation of biodiversity.

To reduce carbon emissions in scope 3, we also conducted carbon questionnaire surveys and provided training to 214 suppliers in the upstream of the supply chain, aiming to enhance their recognition and understanding of carbon issues. In 2023, we will further integrate supply chain carbon data through a carbon platform, enabling more efficient management of carbon emission through automated and digital processes. This will lay the foundation for achieving net-zero carbon emissions in the future.

We also firmly believe that corporate governance is the cornerstone of corporate sustainable development. We strive to implement it with the concept of ethical management and have been recognized by being selected as a component stock for the "Taiwan Sustainability Index" and a component stock for "TWSE Corporate Governance 100 Index".

In 2022, we established a cross-departmental highest-level information security committee and appointed a Chief Information Security Officer. We have also maintained an advanced rating in third-party information security assessments, surpassing the industry average in the technology sector.

Wiwynn empowers diverse digital visions with infinite possibilities. With innovation, we'll drive digital development while prioritizing environmental sustainability. To achieve the common good, let's create mutual benefits for both society and the environment.





Social inclusion

D Sustainability recognition and performance ۱ ا

Sustainability recognition and honor

bsi.	$\mathbf{\nabla}$	TAIWAN STOCK EXCHANGE	TCSA
2022 Sustainability Resilience Outstanding Award	2022 Taiwan Best-in-Class 100	Тор 5 %	Gold Medal
Awarded by British Standards Institution (BSI)	Awarded by Taiwan Institute of Directors	Corporate Governance Evaluation	Awarded by TCSA
TRJPS 企業減碳温度計	OSH SDGs 健康勞動力	\mathbf{Q}	Taiwan Index Plus
Excellent performance	Certification of Healthy Workplace An Excellent Enterprise with Top 10% of Occupational Health and Safety Index	First successful completion of a sustainable finance loan	Taiwan Corporate Governance 100 Index Taiwan Sustainability Index
TRIPs	Awarded by Occupational Safety and Health Administration, Ministry of Labor	Green Finance Action Plan 3.0	Listed as a component stock



Sustainability performance

ENVIRONMENT

SBTi carbon reduction targets

Passed the review of carbon reduction targets by SBTi to link with international decarbonization pathways.

27.73

Global renewable energy utilization rate in 2022.

Green electricity transfer in the whole area

HQ full area achieves renewable energy switching.

1.7 Forest Parks

The environmental benefits of the product are equivalent to the carbon absorption of approximately 1.7 Forest Parks.

91.2% Percentage of the types of halogen-free components on new products.

94.42% Waste recycling and reutilization rate.

62.89%

The ratio of the amount of employee compensation distribution increased compared to that in 2021.

More than NT\$10 million

The amount of money invested in social participation.

136,961.8 hours

Learning hours through the global online learning platform.

NT\$7.65 million

Total amount of money spent in employee training.

5.52%

Voluntary turnover rate reduced 5.52% compared to that in 2021.

7 days Vitality holidays.

GOVERNANCE

NT\$81.07 Earnings per share hit a record high.

NT\$3.5 billion

Amount of money invested in R&D.

24.1%

The ratio of global total number of approved patents increased compared to that in 2021.

Level A Obtained TIPS certification.

External evaluation of the performance of the Board of Directors

Strengthening the operation of the Board of Directors.

100%

Signing rate of the global employee code of conduct.



Wiwynn Corporation Basic

Information

Social

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About Wiwynn Corporation

Vision

Unleash the Power of Digitalization, Ignite the innovation of Sustainability



Mission Providing the best TCO, workload and Energy Optimized IT Solutions from Edge to Cloud



Ŵ) Wiwynn wiwynn [°] Corporation	
ঙ্	Paid-in capital in 2022 NT\$1.748 billion	
®	Address of the operation HQ 8F, No. 90, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei C	
Ջ	Chairman Simon Lin	Note
እ	Vice Chairman and CEO Emily Hong	Note
Ω	President Sunlai Chang	Note
000000000000000000000000000000000000000	Date established 2012/03/03	
ኇዯ	IPO date 2019/03/27 (Stock Code : 66	69)
ħ	Quantity of plants 3	
THE DESIGN OF TH	Plant area 587,581.15 square feet	
£ 3	Number of employees 6,768 persons (up to December 31, 2022)	

Core businesses and services

The main products are cloud servers with high-efficiency and high-quality computing and storage as well as integrated rack solutions. We offer cloud service providers a variety of customized products and services of system integration. With optimal solutions, we provide data centers with the best workload and total cost of ownership (TCO) to assist them using IT resources more efficiently and flexibly.

The Company actively invests in new technology to satisfy the demands of data centers of the next generation. In terms of product strategy, the Company invites partners of key technology to work closely with global famous software manufacturers to speed up the commercialization of platforms for CPU and GPU products and respond to customers' demands in cloud computing and large scale of AI training and application. In terms of technical R&D, power supply and cool technology have always been essential for data center customers to reduce their overall application cost. Other than investing R&D resources on innovative design of technical products to develop energy-saving and modular products, we also enhance the added value to our products through high system integration and testing capability to provide our customers comprehensive solutions. As a platinum member of COP (Open Compute Project) and solution supplier, the Company also actively implements OCP design concept to the whole series of products. We assist data centers possessing the advantages of high-power efficiency, simplification, and easy to maintain and satisfy their demands in computing efficiency, energy saving, and easy to maintain.

As for the development of edge computing products, our Company develops edge computing platforms and servers. They can be flexibly arranged and are applicable to diverse edge computing. On the one hand, we assist telecommunications operators to construct new-generation Open RAN and central offices with a flexible and highefficiency structure. On the other hand, we help cloud service suppliers to expand their services, moving from cloud to edge computing in order to satisfy different edge computing demands towards low latency and big data processing in the age of 5G. Through virtual network and new deconstruction technology, it will bring better scalability, flexibility, reliability, and agility to 5G network as well as speed up the development of product interoperability between businesses in the same trade within the industrial ecological chain.

Note: On May 29, 2023, a complete board re-election took place, with Chairman Simon Lin stepping down and Emily Hong assuming the position of Chairman and Chief Strategy Officer. Sunlai chang took 04 over as CEO and President.



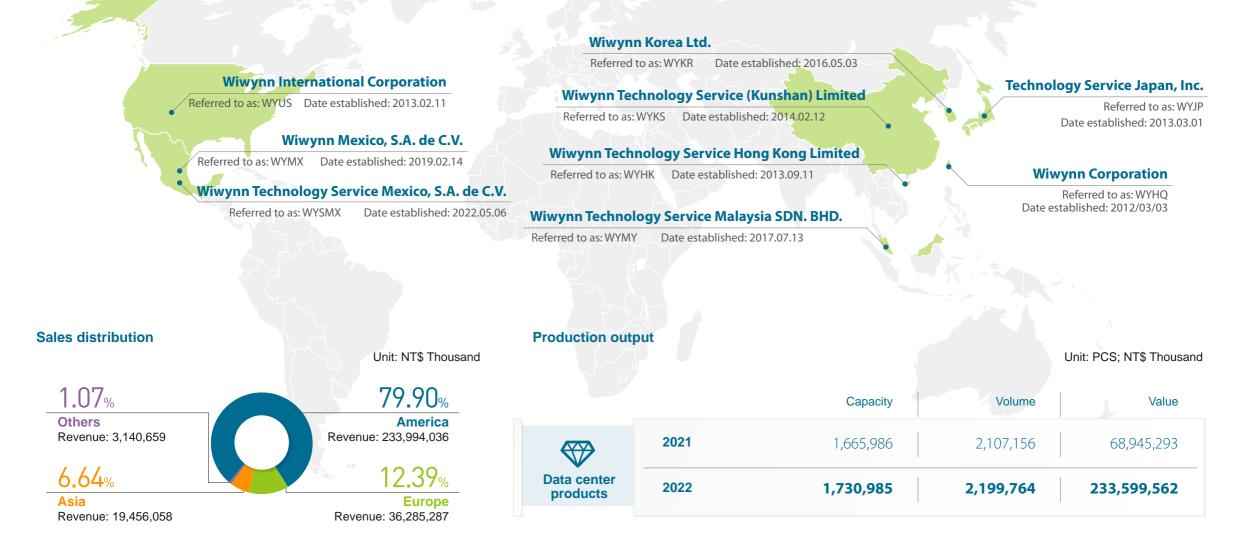
Environmental

protection

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Layout of operation locations

To provide solutions with a complete service process from product design, integration, optimization to after-sales service, Wiwynn has strategically deployed operating locations around the world. With cooperation of different locations through division of labor and support, assistances, creation of maximum synergy in sales and services, we provide customers with accurate, fast, and close-to-need solutions.



Innovative Envir value pro

Environmental Social protection inclusion

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Appendix

Financial performance



Committed to creating the value for value-adding of the Company and sharing it with society, the environment, and our stakeholders to form a positive cycle.

Management strategy

The Company provides products of information equipment and system solutions to large-scale data centers. With our abundant experience in the industry and the excellent R&D team, we service world-class cloud service providers with innovative business models.

Financial performance

In 2022, the consolidated revenue was NT\$292.876 billion, an annual increase of 52.0%. The annual gross profit margin increased 0.1% and achieved 8.2%; the annual operating profit margin increased 0.2% and achieved 6.1%; net income was NT\$14.175 billion; the annual net income margin increased 0.3% and achieved 4.8%; basic earnings per share was NT\$81.07.

Profitability in the two most recent years		
2021	2022	
8.11	8.19	
4.49	4.84	
628.92	1,023.63	
12.81	17.15	
33.34	42.85	
49.46	81.07	
	2021 8.11 4.49 628.92 12.81 33.34	



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Unit: NT\$ Thousand

	Item	n Financial performance in the two most recent years			ltem	Financial performance in the two most recent years		
		2021	2022				2021	2022
30	Operating revenue	192,625,942	292,876,040	8	Personnel expe	nse	2,990,773	4,914,662
Ś	Operating costs	177,004,761	268,896,763	Я	Employee bonu	S	574,000	935,000
\$	Gross profit from operations	15,621,181	23,979,277	Ś	Cash dividend		4,371,019	8,742,039
盦	Operating expense	4,234,105	6,144,997	~~~	Stock dividend		-	-
+ - × =	Operating income	11,387,076	17,834,280	俞	Payment to	Income tax	2,348,057	3,722,574
:6;	Income before tax	10,996,069	17,897,283		government	Others (customs duty, penalty)	186,165 ^{Note1}	195,901 ^{Note2}
	Net income	8,648,012	14,174,709		Community inve	estment	17,118	23,339
	Retained earnings	17,235,258	27,039,558		Political donation	on	0	0

Note 1: Revised figures.

Note 2: It included a penalty of NT\$50,000 in total in 2022 for the violation of Labor Standards Act.



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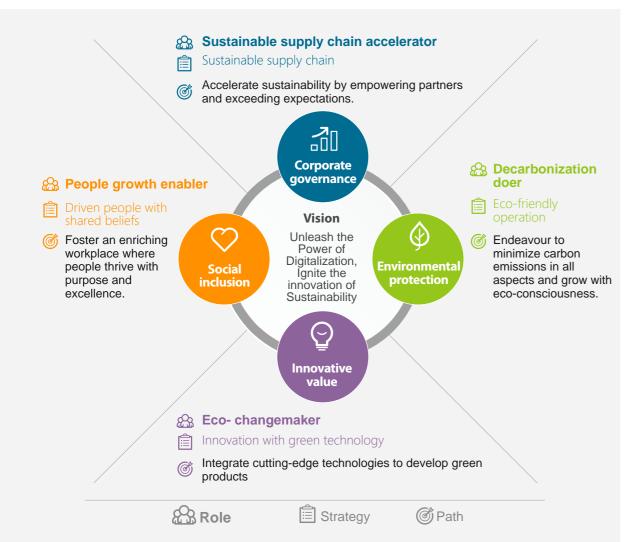
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\cdot Materiality analysis and engagement	11
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Social

inclusion

ESG implementation framework

Wiwynn focuses on environmental protection, co-prosperity with the society, corporate governance, and innovative value to establish development strategies and execution direction. We clearly define the role of Wiwynn in promoting each strategy, set up short-term (2025), medium-term (2028), and long-term (2030) goals, and work hard to fulfill the vision of "Unleash the Power of Digitalization, Ignite the innovation of Sustainability".



Important events of sustainability in Wiwynn Corporation

Í 2023/01

Passed the review of carbon reduction goals by SBTi to link with international decarbonization pathways.

We promise to use year 2021 as the base year and achieve at least 25% of reduction for Scope 1 and Scope 2 and 12.3% for Scope 3.

Linked ESG performance with remuneration to deepen ESG management.



2022/12

Milestone of renewable energy utilization

he self-owned electricity meters in Taipei Operation HQ were all completed renewable electricity transfer. The approach of "single meter multiple users" was adopted for non-self-owned electricity meters to hugely increase ratio of renewable electricity transfer and actively fulfill the commitment to renewable energy made by Wiwynn.

2021/10 **I**

Launched Ocean Hugs

Launched Ocean Hugs. It focuses on ocean to implement corporate social responsibility, realize circular economy with responsible production and consumption, and deposit sand & plant trees to protect coastal line in order to share the sustainable good with the ecology.

2021/04

Enhanced information quality

Sustainability Report has obtained the third-party independent assurance statement as well as Level-5 excellence grade of TCFD Third-Party Independent Conformity Verification Statement.

2021/03 8

Established functional committees

Established "Regulations for Corporate Sustainability Committee" and announced publicly to the external parties of the establishment of Corporate Sustainability Committee in our Company through public disclosure. It shall hold at least two meetings every year and submit a report to the board at least once a year.

2020/11 റ്റ്റ

Amended "Sustainable Development BestPractices" and established "Corporate Sustainability Committee" with CEO of the Company taking the role of chief chairperson and one Independent Director responsible for supervision

2020/06

Published the first Wiwynn Corporation Sustainability Report.

2019 8

Established "Wiwynn Corporation Corporate Social Responsibility Report Preparation Work Group".



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Highest supervision unit **Board of Directors** Supervising implementation direction Strategy directing unit **Corporate Sustainability Committee** Reviewing and discussing stakeholders, material topics, Chairperson Emily Hong and the borders Stipulating direction and goals for Member Sunlai Chang, Steven Lu, Cathy Han (Independent Director) sustainable development Reviewing and discussing management guidelines and actual promotion plans Coordinating unit Sustainable Development Office Promoting and managing Tracking implementation results Harry Chen Chief Sustainability Officer · Reporting the result of stakeholder engagement and material topics to the Board of Director Note **ESG Promotion Group Corporate Governance** \heartsuit Social inclusion Sustainable supply chain management Talent attraction and cultivation Corporate governance Human rights management Risk management · Health and safety Information security Co-organizing unit Social welfare Taxation Finance, legal, Audit Office, Information Human resources, Marketing Collecting topics and Digital Technology, Information Communications, OSH Committee, . Identifying stakeholders and Security Office, Information Security **RBA Management Committee** risks Committee, Supply Chain Management Formulating management Environmental Protection Innovative Value guidelines and promotion plans

 Climate change Innovation and service Energymanagement Environmental management

Pioneering & Excellence Office,

Engineering Quality, Business Division, Marketing Communications

Sustainable Energy and Environment Workgroup, Pioneering & Excellence Manufacturing Management, Engineering Technology, Office, Engineering Technology, Engineering Quality, Supply Chain Management, General affairs.Marketing Communications

The main points of the motions that Corporate Sustainable Development Committee reported to the Board of Directors

Implementation results in 2022

- Passed the review of carbon reduction goals by SBTi to link with international decarbonization pathways.
- Activated actions of supply chain carbon reduction engagement and obtained A- in the item of CDP climate change- supply chain engagement.
- All self-owned electricity meters in Taipei Operation HQ have completed the transfer to renewable electricity. For non-self-owned electricity meters, a single electricity meter multiple usersapproach was adopted to increase the utilization of renewable electricity.
- Engaged with customers for the full implementation of recycled plastic materials on the current projects.
- · Engaged with the supply chain to enhance the ratio of packaging materials PCR (Post-Consumer Recycled) to 25%.
- Strengthen communication and policy promotion according to the results of human rights due diligence.
- Obtained level-A verification by Taiwan Intellectual Property Management System (TIPS).
- · Strengthen information security management, assigned Chief Information Security Officer, and established Information Security Office.
- Integrated global risks with ESG impact topics to establish management plans.
- Activities of Ocean Hugs and shared good with ecology: Completed the plantation of 6,800 trees and implemented workplace renovation plans; enhanced employees' recognition of recycling in 22.3% and the correct rate of classification was increased 53.9%.

Development direction for 2023

Mechanisms for carbon reduction and environmental management.

- Introducing a carbon platform to create 4A (Auto Integration, Auto Reflash, Auto Calculate, and Auto Generate Report).
- Integration of supply chain carbon data management.
- Innovating product manufacturing process to enhance environmental efficiency.
- Evaluating diverse carbon reduction models.
- Green building certification.
- Employee empowerment and organizational identification.
- · Providing incentives to invention proposal combining with ESG topics to stimulate employees' innovative ideas.
- Strengthening information security drills.
- Continuing the implementation of activities of Ocean Hugs and shared good with the ecology.

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Appendix

Materiality analysis and engagement

Materiality analysis is the foundation of the sustainability report. Wiwynn followed GRI 2021 standards to carry out systematic methods and analyses and identify material topics on sustainability to further established management guidelines as the basis of sustainability promotion. Through the process of evaluating material topics of sustainability, we gather internal mutual agreement, enhance competitiveness and resilience, and implement the vision of "releasing digital capabilities and lightening up sustainable innovation".

1.2.1 Stakeholder engagement

Through the five principles (dependency, responsibility, impact, multiple viewpoints, and tension) of AA1000 Stakeholder Engagement standard (SES), Wiwynn Corporation identified six categories of major stakeholders. We consider the topics that stakeholders concern and the purpose of engagement to understand the topics and demands from stakeholders in each category. We implement effective communication with stakeholders through proper and applicable channels and report the communication situation with stakeholders and material topics to the Board of Directors regularly every year. The latest date of submission to the Board of Directors was February 22, 2023.

Importance to Wiwynn	Topics concerned	Communication channel/ frequency	Communication effect
Employees are important partners of Wiwynn Corporation as well as the cornerstone for Wiwynn to maintain stability and create continuous value.	 Salary and welfare Human rights Occupational safety Healthcare Learning and promotion opportunities Grievance channels 	 Employee Relationship Promotion Committee/ every quarter OSH Meeting/ every quarter Employee Welfare Committee/ every quarter New Employee Forum/ every quarter Performance interview and assessment/ every half a year Communication and work meetings/ irregularly Employee questionnaire survey/ irregularly Internal network and physical electronic bulletin/ permanently Employee grievance hotline and email/ permanently Company website/ permanently 	 Learning resources were provided through diverse channels. The number of people participated in online learning was 10,036 persons with the total 136,961.8 hours of learning. The number of employees who submitted global internal transfer application was 673 persons. Among them, 11 persons applied cross-area transfer. It helped diverse career development of employees. Internal trainer development,knowledge, and experience transfer. In 2022, HR organized a total of 35 courses facilitated by 10 internal trainers. The average training hours for global employees were 31.65 hours, and the average training cost for each employee was more than NT\$1101. Established "Stalking and Harassment Prevention Regulations" and included it into prevention plans for unlawful infringement in the performance of duties. Trained nearly 40 peer counselors for the sensitivity towards unreasonable behaviors, and carried 113 sessions of internal educational training, Peer Coach, through the peer counselors to create a friendly workplace. In 2022, the number of employees who completed the training was 1,305 persons; the completion rate was 99%. Training outcome: 88% of the interviewed employees understood the internal suggestions and complaints channels. The satisfaction rate enhanced 10% compared to that in the previous year. 95% of the interviewed employees confirmed that they know how to propose suggestions or report any complaint they have in the workplace. Delivered 48 times of health promotion and offered courses of stretching exercise for sitting for a long time. The satisfaction rate was 91%.
Customer Recognition and support from customers are the key to continuous growth of Wiwynn Corporation.	 Innovation management Product quality and service Safety of use by customers Customer privacy Corporate integrity Risk management Non-hazardous substance and conflict minerals management Strategies of plastics reduction and carbon reduction RBA compliance 	 Industrial technology seminar and exhibition/every year QBR(Quarterly Business Review)/every half a year Business meetings/ irregularly Customer audit/ irregularly Customer service hotline and business contact/ permanently Company website/ permanently 	 The percentage of halogen-free materials used in all new products in the three most recent years increased every year from 80.6% to 91.2%. Through circuit board design and wire integration, the conversion efficiency of overall board power was enhanced effectively and achieve 91% or above. It further reduced the total power consumption of the system, and the conversion efficiency was better than the requirement or 90% from customers. Recycled plastic materials have been fully introduced to new products. The total consumption of plastic materials was 545.9 tons. Among that, the accumulated usage of recycled plastic materials was 191.8 tons. Around 35% of plastic parts adopted recycled plastic materials. Compared with only virgin materials used, it reduced around 209.1 tons of CO₂e emissions. The goals of carbon reduction passed the review by SBTi. In 2022, the utilization rate of renewable energy achieved 27.73%. Established BCM (business continuity management) and various BCP management plans to effectively control the risks of operation interruption. Components recycled and reutilization plans.



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Importance to Wiwynn	Topics concerned	Communication channel/ frequency	Communication effect
Supplier Suppliers are important long-term partners. We maintain strategic alliance relationship of long-term cooperation to ensure stable supply source and quality as well as rapid implementation of latest technology to respond to the fast-growing market demands.	 Company integrity Status of operation Production strategies Raw material requirements Supply chain sustainability management 	 Supplier assessment/ every year Supplier conference/ every year On-site supervision and audit/ irregularly Supplier questionnaire survey/ irregularly Company website/ permanently 	 Wiwynn continues requesting suppliers to achieve 100% survey and use minerals from 100% qualified smelters. Continuously encouraged suppliers to obtain international standard verification. Trained procurement personnel with capabilities in implementing sustainable supply chain management and engaged supply chain to create shared good. In the early of 2023, we held educational training for greenhouse gas verification and carbon questionnaire survey. There were 200 suppliers participated in the training. Except inviting professional lecturers to deliver educational training in carbon-related issues, we also invited benchmark enterprises to share their experience of related topics. Introduced the carbon management platform and launched supply chain carbon reduction management plans.
Government agency	 Ethical management Corporate governance Status of regulatory compliance Taxation policy Information security management Intellectual property rights management Labor-management relationship Workplace safety Waste disposal Carbon emission data management 	 Official letters/ irregularly Seminar/ Conference/ irregularly Competent authority audit/ irregularly Market Observation Post System/ irregularly Company website/ permanently 	 There was no event of material violation in 2022. Completed relevant declaration regularly according to government and legal requirement Ranked top 5% in the 9th Corporate Governance Evaluation. Supported government tax policies in enterprise innovation, research and development, and economic growth. Provided diverse communication platforms and communication channels to gather mutual agreement with employees to achieve harmonious labor-management relationship. Entrusted qualified clearance and disposal institutions to handle waste disposal to ensure the waste generated during the operation of the Company meets the handling procedures for environment, safety, and health. Participated in "5G Industry Rising Stars Sailing Project" to cultivate key talents for 5G.
Investor/ financial institution Effective two-way communication with investors and providing them the rights of fully inquiry and understanding of information related to the Company's financial business to effectively evaluate the true value of the Company are helpful for stable management and maintenance of fair value of stock price. In addition, financial services provides flexible fund allocation for enterprise in terms of their management strategies. To respond to green financial action plan 3.0, transparent disclosure of ESG performance helps to increase the interaction with financial institutions and enhance the foundation of mutual trust.	 Economic performance Risk management Product R&D Corporate governance Company integrity Climate issues Ethical management Status of regulatory compliance ESG performance 	 Shareholders' Meeting/ every year Investor Conference/ every half a year Annual report/ financial statements/ sustainability report/ regularly Market Observation Post System/ irregularly IR mailbox/ permanently Company website/ permanently Cooperation visit meetings/ irregularly 	 Earnings per share of NT\$81.07 hit a record high. Dividend payout ratio in 2022 was 61.67%. Listed as a component stock in "Taiwan Sustainability Index" and "TWSE Corporate Governance 100 Index". Completed the first sustainability financial Ioan, focused on the topics concerned by stakeholders, introduced an independent third-party expert audit, established goals of sustainability performance, and fulfill the responsibility to the environment and the society through the encouragement and supervision of financial institutions to implement the commitment and determination to sustainable development.
Community (including union, association, and media) Wiwynn devotes to crate added values, give back to the society, and share with the society.	 Public welfare promotion Local participation Industry-academia cooperation 	 Sustainability Report/ regularly Project cooperation and visit/ irregularly Employee relationship and contact of the welfare committee/ permanently. Company website/ permanently 	 In 2022, we spent more than NT\$10 million in talent cultivation, cultural concern, nature protection, and environmental education. Devoted to talent incubation by participating in intern programs and 5G key talent cultivation. In 2022, we worked with Taiwan Foundation for the Blind for the purchase of public welfare to assist the vulnerable groups to stand firm independently. Sponsored Nanke International Experimental High School to participated in FRC (FIRST Robotics Competition) and become the support for young students to fulfill their dreams. Worked with Rethink and Tse-Xin Foundation to enhance cultural literacy and promote nature protection and environmental education.

1.2.2 Process for determining materiality topics

Wiwynn implements materiality analysis process regularly every year. Following GRI:3 Material Topics 2021 requirement. This process incorporates the economy, environment, and social (including human rights) impacts. Through a three-stage identification and analysis process, which also considers the results of ERM risk assessment (refer to the chapter of "2.2.1 Risk Governance" section), Wiwynn determines the sustainability material topics that have significant impacts on the company, high operational influence, and are of high concern to stakeholders. These defined topics are considered as Wiwynn's major sustainability issues.

Stage 1

Understanding organizational context and identification

The main purpose of the stage is to identify the main stakeholders of Wiwynn Corporation and collect and choose sustainability topics. In terms of identifying stakeholders, six categories of key stakeholders were identified according to GRI Standards and Stakeholder Engagement Standard AA1000 SES, including employee, investor and financial institution, customer, supplier, government agency, and community. As for sustainability topics, we focused on the four dimensions in "governance", "innovation", "environment", and "social inclusion" for sustainable development as well as accommodate internal and external viewpoints, such as international sustainability regulations and standards, industrial specific topics, sustainability rating, stakeholder communication, and goals of internal operation to re-define and summarize 23 sustainability topics.

Stage 2

Evaluating impacts

Other than investigation the level of attention from the six categories of key stakeholders through online questionnaires, we also introduced the concept of double materiality promoted by EU to evaluate the importance of sustainability topics from the "operational impact" that affects the Company's growth and financial performance and the external impacts to the "sustainable development" of the economy, environment, and people. For "operational impacts", we considered the level of impact by each topic on Wiwynn's income, cost, customer satisfaction, employee cohesion, and social influence. In terms of "sustainable development impacts", we determined the impact significance of sustainability topics through the evaluation of impacts on economy, environment, and people (including their human rights) caused by the Company's operational activities, including competitive behaviors of industrial technology development, production value created by procurement practices, environmental effects of products, and impacts to the ecology.

Stage 3

Ranking and Confirmation

Appendix

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According to the analysis results in the stage 2 and through the discussion of the 19 senior managers and confirmation by the Board of Directors, 15 of the 23 sustainability topics above were confirmed as material topics while the rest 8 were potential sustainability topics. We adopted the demonstration of value chain to help stakeholders understand the impact stages and influences caused to the value chain by different topics. It can also be used as the accordance for the Company to strengthen its sustainable governance.

Identified 6 categories of key stakeholders

Screeded out 23 sustainability topics

Issued **42** copies of questionnaires for attention

Conducted 19 copies of questionnaire survey on operational impacts

Conducted **19** copies of questionnaire survey on sustainability impacts

Determined **15** material topics

Confirmed **22** material topics



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Materiality analysis process

ັ ເ <u>ຕີ</u> ງ Uno	derstanding ntext and ide	organizational entification	Stage 3 Evaluating impacts	Stage 3						
Identified 6 ca	ategories of ke	ev stakeholders	Issued 42 copies of questionnaires for attention	Determined 15 material topics						
A 1000 SES (stał vas adopted to ide takeholders, inclu	A 1000 SES (stakeholder engagement standard) as adopted to identify six categories of key akeholders, including employee, investor and ancial institution, customer, supplier, government ency, and community, for the collection and alvsis of sustainability topics as well as carried out		Questionnaire survey was implemented based on the six categories of key stakeholders to analyze the topics concerned by each group of stakeholders. The	After being discussed by senior managers, 15 material topics and impact stage of value cha						
gency, and comm	s adopted to identify six categories of key keholders, including employee, investor and ncial institution, customer, supplier, government ncy, and community, for the collection and lysis of sustainability topics as well as carried ou munication and engagement.	lection and	nent questionnaires included 18 copies to employees, 3 copies to investors and financial institutions, 3 copies		Confi	rmed 22 material topics				
•	alysis of sustainability topics as well as carried our nmunication and engagement.		to customers, 8 copies to suppliers, 4 copies to government agencies, and 6 copies to communities.	The 15 material topics	Corporate Governance	2021	2022 ESG strategy and vision (new			
	~	_	Conducted 19 copies of questionnaire survey on operational impacts To understand the impacts on Wiwynn operation	corresponded to 22 topics in	Governance	 Corporate governance 	Loo strategy and vision (new			
	\square	Ś		GRI		Ethical management	Ethical management			
	\checkmark			Standards		* Economic performance				
Employee	Supplier	financial institution		and 2 specific topics		Taxation management				
				exclusive to		 ★ Risk management 				
俞			caused by sustainability topics, 19 senior managers	Wiwynn respectively		 Regulatory and voluntary compliance 				
Government	0		caused by sustainability topics, 19 senior managers assisted to evaluate operational impacts from five key factors, including income, cost, customer satisfaction,	were used as the main basis		Customer privacy and information security	Information security and customer privacy			
	Customer	Community	employee cohesion, and social influence, and	for the Report.		Supply chain management	Sustainable supply chain management			
			conducted analysis to understand key topics linked by different operating factors.	In 2022, there were 13		Product and service R&D and innovation	Product and service R&D ar innovation			
Screeded ou	ut 23 sustaina	ability topics		material topics	¥ Value	Intellectual property rights	Intellectual property rights			
				the same as the topics		Sustainable product	Sustainable product			
	•	•	Conducted 19 copies of questionnaire survey on sustainability impacts	identified in 2021. The			Customer relationship management (new)			
		-		difference is provided		Customer health and safety	Customer health and safety			
diverse channels to collect and summarize 23 topics related to sustainability, including stakeholder			To understand sustainability impacts caused by the Company's operating activities to the economy,	below:	Environment Protection	Climate change strategies and energy management	Climate change strategies and energy management			
communication channels, international sustainability rends and standards (GRI Standards, SBSC, SDGs,	onal sustainability	environment, and people (including human rights), 19	+ Matorial tanica		Waste management	Waste management				
	ds, SBSC, SDGs,	senior managers conducted evaluation of positive	 Material topics management 	C Social	Talent attraction and retention	Talent attraction and retenti				
BA, and SASB), sustainability rating (DJSI, CDP, CFD, ESG Ratings) concerned by investment istitutions, and the internal goals of the organization.		ing (DJSI, CDP,	and negative impacts to analyze and identify the	guidelines for 2021 and target setup	\checkmark Inclusion	Human capital development	Human capital developmen			
			significant level of impacts caused by each	were re-organized and summarized in 2022 Material Topics		Employee care and human rights management	Employee care and human rights management			
stitutions, and the internal goals of th		sustainability topic.	Disclosure.		Occupational safety and health	Occupational safety and he				

Environment

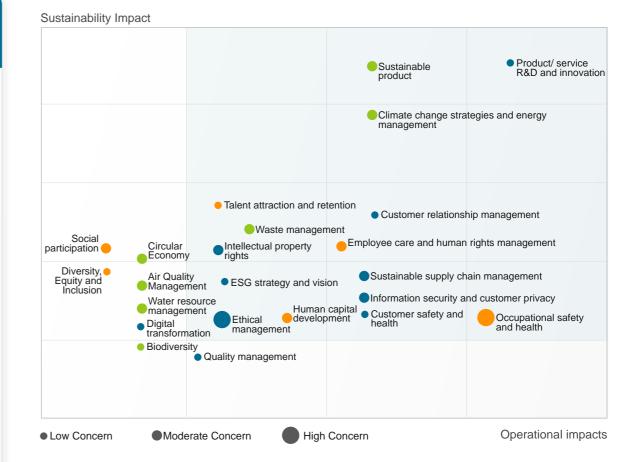
Governance

The importance ranking of Wiwynn's sustainability issues

Stakeholder Concern Level	Operational Impact Leve	Sustainability Impact Level
High	High	High
 Ethical management Climate change strategies and energy management Occupational safety and health 	 Product/ service R&D and innovation Quality management 	 Product/ service R&D and innovation Sustainable product Climate change strategies and energy management
Concern Level	Concern Level	Concern Level
 Sustainable produc 	Customer safety and health	 Quality management
 Waste management Employee care and 	 Information security and customer privacy 	 Customer relationship management
human rights management	 Sustainable supply chain management 	 Intellectual property rights ESG strategy and vision
Intellectual property rightsSustainable supply chain	 Customer relationship management 	Sustainable supply chain management
Water resource	 Climate change strategies and energy management 	Waste management
management	 Sustainable product 	 Talent attraction and retention
 Circular Economy 	 Employee care and human rights management 	
Air Quality Management	 ESG strategy and vision 	
 Human capital development 	Waste management	
Social participation	Talent attraction and retention	
	 Occupational safety and health 	
	 Human capital development 	
	 Diversity, Equity and Inclusion 	

Society

Wiwynn's Material topics Matrix





Appendix 🏠

Wiwynn double materiality

Dimension / <u>Mat</u>	erial topics		C	perational impa	acts		Sustainability impacts					
		Income	Cost	Customer Satisfaction	Employee cohesion	Social influence	Industrial technology development	Creation of upstream production value	Environmental effects of products	Resource consumptior and pollutior		
	Product/ service/ R&D innovation	•	•	•			•	•	•	•		
	Customer safety and health	•		•								
	Information security and customer privacy	•		•								
	Intellectual property rights						•					
Governance	Ethical management											
Governance	ESG strategy and vision					•			•			
	Sustainable supply chain management	•	•					•				
Governance E S C C C C C C C C C C C C C	Customer relationship management	•		•				•				
Governance	Climate strategy and energy management		•			•	•		•	•		
Ý	Sustainable products		•			•	•	٠		•		
Covernance	Waste management					•				•		
	Talent attraction and retention				•		•					
Governance Environment	Employee care and human rights management				•	•						
Society	Occupational safety and health				•							
	Human capital development				•							



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

Material t	opic	Importance to Wiwynn	Corresponded GRI topic	Corresponded		Value chain	Chapter
				SASB topic	Upstream supplier/ contractor	Self-operation Customer application	
	ESG strategy and vision	Establishing complete strategies for sustainable development to guide the Company's sustainable development and growth.	Specific topics			•	ESG implementation framework
20	Ethical management	Integrating ethics and moral value with the Company's management strategies is a cornerstone to maintain good corporate reputation.	Anti-corruption (205), anti-competition behavior (206), public policy (415)			•	Accountable Governance
Corporate governance	Information security and customer privacy	To maintain rights and interests of stakeholders, we will fully perform our confidentiality obligation during the process of operation as well as adopt proper information security measures to protect data integrity.	Customer privacy (418)	TC-HW-230a.1		•	Information Security
	Sustainable supply chain management	Working with suppliers to take responsibilities to the economy, environment, and society and create supply chain sustainable development.	Procurement practices (204), supplier environmental assessment (308), supplier social assessment (414)	TC-HW-430a.1 TC-HW-430a.2 TC-HW-440a.1	0	•	Sustainable Supply Chain Management
	Talent attraction and retention	Employees are our most important partners. Providing competitive salary welfare and diverse equality policies to attract excellent talents and create a healthy and happy workplace culture for employees.	Economic performance (201), market presence (202), employment (401), Diversity and equal opportunity (405)	TC-HW-330a.1		•	Talent Attraction and Retention
Social inclusion	Human capital development	Developing human capital with the concepts of "recognizing talents and assigning them jobs based on their capabilities; putting right talents in the right places; cultivating talents and keeping them in the Company" to help employees develop with the organization and achieve maximum effects for the enterprise.	Training and education (404)			•	Talent Cultivation
	Employee care and human rights management	Implementing respect, equality, and inclusion to establish a friendly working environment and create harmonious labor-management relationship.	Labor/ management relations (402), Non-discrimination (406), Forced or compulsory labor (409)		•	• 0	Human Rights Management, Health and Safety
	Occupational safety and health	Reducing incidence rate of occupational injury to protection safety and health of Wiwynn partners.	Occupational Health and Safety (403)		•	•	Health and Safety
				Level of involvem	ient:	Direct Indirect	O Business relationship



Introduction	Sustainability management	Corporate governance	Innovative value	Environmental protection	Social inclusion	Appendix	仚
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Importance of material topics to Wiwynn, corresponded GRI topics, and impact to the value chain

Material to	opic	Importance to Wiwynn	Corresponded GRI topic	Corresponded		Value chai	in	Chapter
				SASB topic	Upstream supplier/ contractor	Self-operat	ion Customer application	
Environment	Climate change and energy management	Actively responding risks caused by climate change and grasping opportunities during the transition to low-carbon economy to effectively allocate resources and enhance corporate competitiveness and operation resilience.	Economic performance (201), energy (302), emissions (305)			•		Climate Change
	Climate change and energy management Actively responding risks caused by dimate change and othance corporate competitiveness and only and othance corporate competitiveness and and environment, we continue strengthening sustainability actions and implement circular Economic performance (201), energy (202), emissions (305) Climate change (202), emissions (305) Waste management Actively responding risk caused by dimate change and othance corporate competitiveness and and environment, we continue strengthening sustainability actions and implement circular Economic performance (201), energy (302), emissions (305) Cli-HW-410a.4 • Product/ service R8D intellectual property rights Product/ service R8D management Providing customers, the most polinized cloud and environment, we continue strengthening sustainabile actions subinos. Materials (301), energy (302) TC-HW-410a.4 TC-HW-410a.4 • Waste (unity in the lectual property rights Sustainable products Supporting and implementing sustainable actions and environment, we continue strengthening sustainable products Materials (301), energy (302) TC-HW-410a.4 TC-HW-410a.4 TC-HW-410a.4 • Waste (unity in the lectual property rights Erm customer relationship is an important factor for an enterprise is successful operation and long-term health Customer privacy (418) Customer privacy (418) TC-HW-230a.1 • •	Environmental Management						
		technology services, and most complete cloud	Indirect economic impacts (203)			•		Green Innovation
		position and competitiveness through the	Specific topics			•		Green Innovation
Image: Product/service R&D and enhamod operationAvoiding a managementImage: Product/service R&D and innovationProviding technolog applicationImage: Product/service R&D and innovationProviding technolog applicationIntellectual property rightsSustainable productsSustainable productsSupportin through g value.Customer relationship managementFirm custa an enterp developmCustomer safety and healthAvoiding a hazards te in product	through green product design to enhance corporate	Materials (301), energy (302)	TC-HW-410a.2 TC-HW-410a.3 TC-HW-410a.4		٠		Green Innovation	
		an enterprise's successful operation and long-term	Customer privacy (418)			•	0	Green Innovation
		in products to ensure customers' health and safety and increase their confidence and recognition to our	Customer health and safety (416)	TC-HW-230a.1		٠		Green Innovation
				Level of involver	ment:	Direct	▲ Indirect	O Business relationship

2022 SUSTAINABILITY REPORT	Introduction	Sustainability management	Corporate governance	Innovative value	Environmental protection	Social inclusion	Appendix	仚
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Short-term, medium-term, and long-term goals for material topics

Matarial taria	Other to any	Goals for 2022/ Whether achieved	Short / Medium / Long term goals				
Material topics			Item	2025	2028	2030	
Corpora	te governance						
64	· Eco-friendly operation	 Corporate governance evaluation Top 5% in the corporate governance evaluation 	тор 20 %	Sustainability rating	Enhancing rating	Enhancing rating	Enhancir rating
SG strategy and vision	 Driven people with shared beliefs Sustainable supply chain Innovation with green technology 	 Linking the sustainability index with financial cooperation (accumulated) Completed the first cooperation with MUFG Bank for the financial loan of sustainability 			performance	performance	performa
		 Significant loss caused by the violation of internal control 	Ocase	Significant loss caused by the violation of internal control	0 case	0 case	0 case
		 Violation of legal regulations related to social and economic areas (a penalty over NT\$1 million) 	O case	Violation of legal regulations related to social and economic areas (a penalty over NT\$0.5 million)	0 case	0 case	0 case
Ethical management	 Commit to and comply with ethical management policy from top down Implementing educational training and promotion from inside out Providing complete grievance channels Working with supply chain to fulfill ethical concepts Continue deepening the corporate culture of ethical management 	and economic areas (a penalty over NT\$1 million) and comply with ethical hent policy from top down ating educational training and from inside out complete grievance channels with supply chain to fulfill ethical deepening the corporate culture management	1 location	Regular reporting to the board of directors on employee responses via employee complaint channels	100%	100%	100%
Ð	 Continue deepening the corporate culture of ethical management Establishing information security policies to fully perform confidentiality obligation Pushing forward information security education and promotion to enhance employees' awareness 			Complaints related to the violation of customer privacy and the loss of customer data	0 case	0 case	0 case
Information security and istomer privacy		Ocase	ISO27001 evidence-collection coverage rate	>60%	>80%	100%	
r C h	· Continuing implementing risk	 Implementation rate of risky supplier audit 		Supplier code of conduct signing rate	80%	90%	100%
	management through new supplier assessment as well as supplier audit and performance evaluation	In 2022, audits were conducted on the 32 suppliers through desk assessment. The actual audit implementation rate was 100%		Sustainability supplier SAQ(self-assessment questionnaire) completion rate	80%	90%	100%
Sustainable supply chain nanagement				Significant and high-risk supplier audit completion rate	100%	100%	100%
			>30%	Audit non-conformance improvement and guidance	100%	100%	100%
				Re-training rate for key material suppliers with low maturity of carbon reduction.	100%	100%	100%
				Compliance of key material suppliers with greenhouse gas inventory standards	80%	90%	100%
				Supplier ESG training rate	100%	100%	100%

wiwynn [°] 202	22 SUSTAINABILITY REPORT	Introduction Sustainab managem			onmental otection	Social inclusion	Appendix
Matarial topics	Stratogy	Goals for 2022/ Whether achieved		Short/Me	edium/Long ter	m goals	
Material topics	Strategy	✓Achieved ▲Not yet achieved		Item	2025	2028	2030
🙄 Innovati	ive value						
Product/ service R&D nd innovation	 Investing in R&D resources and actively participating in the development and cooperation of new-generation platforms Ensuring the Company's concepts of R&D and innovation closely met with the implementation of customers' application through international exhibition and technology presentation 	 Expanding artificial intelligence products and developing new-generation platform and new technology as well as continue optimizing the efficiency of existing products Developed AI computing, Ampere solutions of APM structure, and liquid cooling technology 	100 %	FLOPS (Floating Point Operations Per Second) per heat dissipation	>2.5 times	>5 times	>10 times
Ğ	 Encourage innovation and research and development Enhance its own intellectual property portfolio (IP 	 Obtained TIPS Level A Certification 		The number of granted patents	Reach 500 pieces	Reach 700 pieces	-
	portfolio)		100%	Increase patent applications	-	-	5-10%
				Number of eliminated patents	-	-	3-5%
A	 Optimizing the efficiency of energy conservation and electricity saving through product design, verification, and life cycle management; using hazard-free and recyclable 	 Introducing recycled plastic materials to products Recycled plastic materials have been 		Recycling rate of post-consumer recycled plastics in products	50%	65%	85%
ustainable products	electricity saving through product design, verification, and life cycle management; using hazard-free and recyclable raw materials and planning products with features of easy to disassemble and recyclable to reduce the impact to the	fully introduced to new products	> 50 %	Product usage of green steel materials	10%	20%	50%
producto				Low carbon product revenue percentage	60%	80%	90%
Customer relationship nanagement	 Paying attention to customers' opinions and interests and rights Establishing improvement guidance and strategy based on the result of satisfaction survey, tracking the effect of improvement, and continuing the improvement to enhance customer satisfaction 	Number of customer complaints or cases of violation of health and safety regulations	Ocase	Number of customer complaints or cases of violation of health and safety regulations	0 case	0 case	0 case
Paying attention to customers' feedback on the up products in order to carry out continuous improve		 Compliance of products with safety regulations 	100%	Compliance of products with safety regulations	100%	100%	100%
Customer safety and health	 Complying with international regulations for product design meet the regulations of safety and no hazard to health Implementing quality policies and solutions and introducing management training courses. 	 Compliance of products with regulations on hazardous substances and customer specifications 	100%	Compliance of products with regulations on hazardous substances and customer specifications	100%	100%	100%

wiwynn [°] 202	22 SUSTAINABILITY REPORT		Introductior	Sustainability management	Corporate governance	Innovative value	Environmental protection	Social inclusic		
		Goals for 2022/ Whether ach	nieved			Short/Medium/Long	g term goals			
Material topics	Strategy	✓Achieved ▲Not yet ach	nieved	Item		2025	2028		2030	
Environ	ment protection									
	• Evaluating risks and opportunities of climate change	 Participating in SBTi to implement 		Net zero by 2040		Submit a long-term n zero target	et In line with the path	e net zero	ero In line with the net zero path	
	 Establishing plans for greenhouse gas reduction and energy management 	decarbonization pathways		Renewable energy co	ommitment	40%	80%		100%	
mate change and energy			Goals	Green buildings: Self- (for new constructions	-owned factories s)	Rated gold or above	Rated gold or	above	Rated gold or above	
anagement			approved	Low-power PCBA pro worldwide	/	15%	60%		100%	
				Reduction of idle pow in rack product testing	ver consumption	10%	5%		2%	
Waste nanagement	 Traceability management Proper waste classification to enhance the utilization rate Ensuring waste disposal procedures meet wit legal regulations for environment, safety, and health. 	 No penalty by the competent authority due to the violation of legal regulations related to environmental protection. 	100%	No penalty by the cor authority due to the vi regulations related to protection.	npetent iolation of legal	100%	100%		100%	
	 Establishing a salary and welfare system that is competitive and generous as well as implementing diversity and equality 	rate within six months	≥80 %	Female executive rati		25% 26%	27% 28%		30% 30%	
Talent	Ensuring effective operation of strategies through continuous recruitment, retention,	In 2022, the new employee retention rate within six month was	<u>~</u> 80%	Increased ratio of fem STEM fields Annual retention rate		26%	28%		30%	
traction and retention	turnover, and employee satisfaction surveys	90%.		engineering talent						
				Global IDL turnover ra	ate	<13%	<13%		<13%	
wan capital development	Enhancing professional skills and strengthening core management competence through seven major training systems to prepare talent capital	 Global average training hours per person Global average training hours per person were 31.65 hours. 	≥20hours	Global per capita lear	ning hours	≥20 hours	≥22 hours		≥25 hours	
Q ployee care and human htsmanagement management	Establishing human rights policies and maintaining labor rights and interests through the implementation of human rights system, promotion of educational training, and diverse and smooth communication channels	improvement rate	100%	Employee participatio Employee Engageme		80%	90%		100%	
Ccupational safety and health	 Maintaining resource adequacy and procedur effectiveness Implementing behaviors for occupational injur and disease management and prevention Pushing forward health promotion management through the result of annual health examination and labor health protectio plans 	to occupational diseases and cases related to death caused by	Ocase	Frequency-Severity Ir better than the average previous three years industry	ge value in the	100%	100%		100%	

Innovative Value

workplace safety.

Social

inclusion

Linking with SDGs

Corporate Governance



- · Adopting sustainable development to fulfill circular economy.
- Enhance the implementation of climate change solutions.
- Responding to risks and grasping opportunities to create resilience of operation.
- Embracing ocean and sharing good with the ecology.



opportunities, diversity, and inclusion. Protecting the health of Wiwynn partners and safeguarding





Role and action played and taken by Wiwynn

	rporate Governance	🛛 Inr	novative Value						
	Establishing a fair and inclusive corporate culture Wiwynn works with suppliers for the declaration of integrity principles through educational training, anti-corruption promotion, and internal and external reporting systems to established Wiwynn high-moral culture. In 2022, there was no violation of honesty and integrity or involvement with corruption.	7 anterior de la constante de	Enhancing product energy efficiency In 2022, the electricity consumption saved by calculation of sales 355,253.88 kWh. Corresponded chapter : Green Innovation_ Responsible Produ						
	Corresponded chapter : Accountable Governance_ Business Ethics	9 RECEIPT, DECEMBER AND REAL FRANCE RECEIPT	R&D capacity The number of R&D personnel was 1,255 persons, and it hit a	R&D results The ratio of invention patents to total number of patents was 90%					
D En	vironment Protection		record high. The ratio to the total number of employees was 18.54%. The R&D budget was NT\$3.5 billion.	The number of global approved patents increased 24.1% compare to that in 2021.					
-	Adopting renewable energy]	Corresponded chapter : Green Innovation_ R&D and Intellectu	ual Property					
	All the self-owned electricity meters in Taipei Operation HQ was completed green electricity transfer. Non-self-owned electricity meters were adopted "the approach of single meter multiple users" to complete green electricity transfer in office buildings. In 2022, the utilization rate of global renewable energy was 27.73%.	12 HONSTELL ICOUNTS AD INCIDE COO	Design from the source stageResponsible productionAll the products developed follow operating procedures for WEEE-3R evaluation and verification. The product design meets 3R requirements (Reuse and Recycled rate=80%, Recovery rate=85%). Products are labelled with WEEE recycling mark toResponsible production In 2022, all new products were introduced recycled plastic n Compared to the use of original raw materials, it reduced CO eemissions equivalent to 209.1 tons.Packaging materials for products were introduced recycled labeled with WEEE recycling mark to						
	Corresponded chapter : Climate Change_ Climate indicators and targets	4	regulate the disposal of waste electronic and electrical products.	Compared to the use of original raw materials, it reduced CO emissions equivalent to 280.4 tons.					
12 ESPONEEL AN INCREMENTAL AN INCREM	Waste recovery Total volume of waste was 8,520.241 tons, and 8,044.479 tons of them were recyclable for reutilization. The Recycling and reutilization rate was 94.42%.		Corresponded chapter : Green Innovation_ Responsible Production	ucts					
		So So	cial Inclusion						
	Corresponded chapter : Environment Management_ Waste	3 0000 HEALTH AND ANILL-DEPRE 	Increasing birth rate The Company provides an incentive of NT\$60,000 per childbirth,	the Employee Welfare Committee offers birth-giving benefit of					
алын алын	Carbon reduction goals	-w	NT\$2,000 per childbirth, and the discount of day care and after-school class for children between 0-6 years old in external institutions						
	Carbon reduction goals have passed the reviewed by SBTi to link with		Corresponded chapter : Talent Attraction and Retention_ Talent Attraction						
	international decarbonization pathways. Year 2021 is used as the base year for the reduction of 25% in Scope 1 and Scope 2 and 12.3% for Scope 3. To be more active in fulfilling the concept of carbon reduction, we expect to submit the long-term goals in 2025 and move towards to net zero by 2040.	4 exettrr taccorps	Promoting human rights training Since 2020, we introduced RBA-related courses to help employees understand their rights and interests as well as the Company's policies and approaches in labors, human rights, health and safety, environment, and ethical regulations. Training to all employees we completed. It is also listed in the compulsory courses for new employees. In 2022, we continued carrying out re-training for relevant						
	Corresponded chapter : Climate Change_ Climate indicators and targets		personnel and implementing new employee training.						
LIFE F EELOW NATER	Ocean Hugs	†	Corresponded chapter : Human Rights Management						
	Wiwynn works with Tse-Xin Foundation for the plantation in the shoal under the	5 *****	Equality and no discrimination	Ensuring female employees fully and effectiv					
	assistance of professional partners. We have planted 6,000 saplings to create shoal coastal forest, enhance ecological habitats in the wetland and along the coast, and increase the restoration capability of biodiversity to promote the sustainable development of the ecology. In 2023, other than continuing promotion the forestation in Taijiang Shoal, we will also launch the restoration and forestation plans in Wuling Farm to restore forest environment, slow down the loss of soil, effectively conserve the source of water, stabilize water temperature, and recover the habit ecology for Formosan landlocked salmon.	Ę	Regulations for recruitment and salary are fair and impartial. The procedures for recruitment and dismissal are conducted according to laws. We also established "Procedures Governing Anti-Discrimination Management" as the accordance.						
PEACE, INSTRUCT AND STRONG DESITIVITIES			Corresponded chapter : Human Rights Management / Talent A	Attraction and Retention_ Diversity					
<u> </u>		8 ECCEPTIVES AND CORRECT CONTR	No child laborOccupational injuryThere were no cases of child labor employed in 2022.In 2022, the disabling to frequency-severity indi	frequency (FR) rate, disabling injury severity (SR) rate, and icator (FSI) were 1.39, 5, and 0.08 respectively.					
			Corresponded chapter : Talent Attraction and Retention_ Diver						

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Introduction

Sustainability management Corporate governance

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Innovative value

· Accountable governance

• Risk management

· Information security

26 · Tax management
33 · Sustainable supply chain management

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Social inclusion

Appendix

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Environmental protection



Performance

Top 5% The corporate governance evaluation

7.8 hours Average training hours for each director

Established

Nominating Committee

100% Average attendance rate of the Board of Directors

100% The global signing rate of "Code of Conduct of Wiwynn"

Conducted

External evaluation of the board's performance

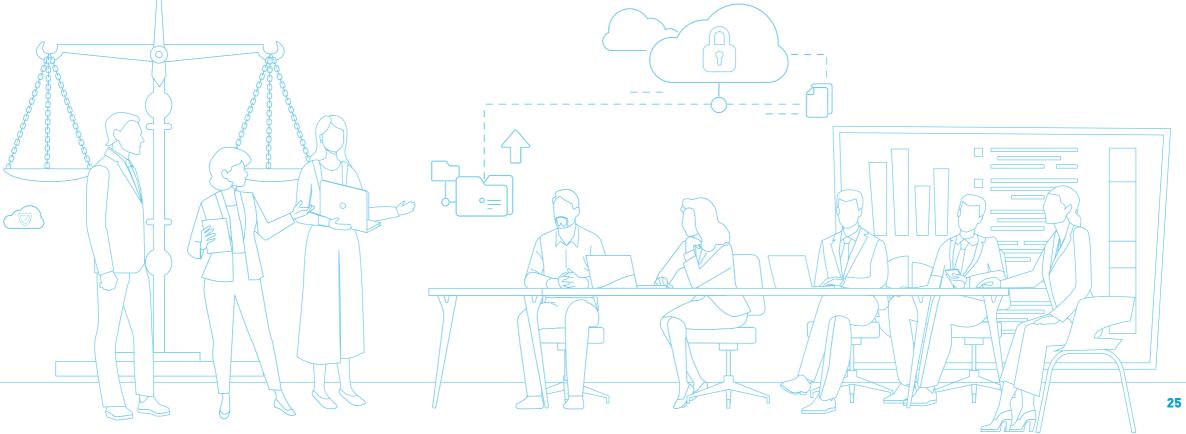
22% Ratio of female directors

-3% The rate of employees accidentally clicking on phishing emails compared to the previous year

Social inclusion

Established

"Tax Policies" and "Code of Conduct of Wiwynn"





Appendix 心

Accountable governance

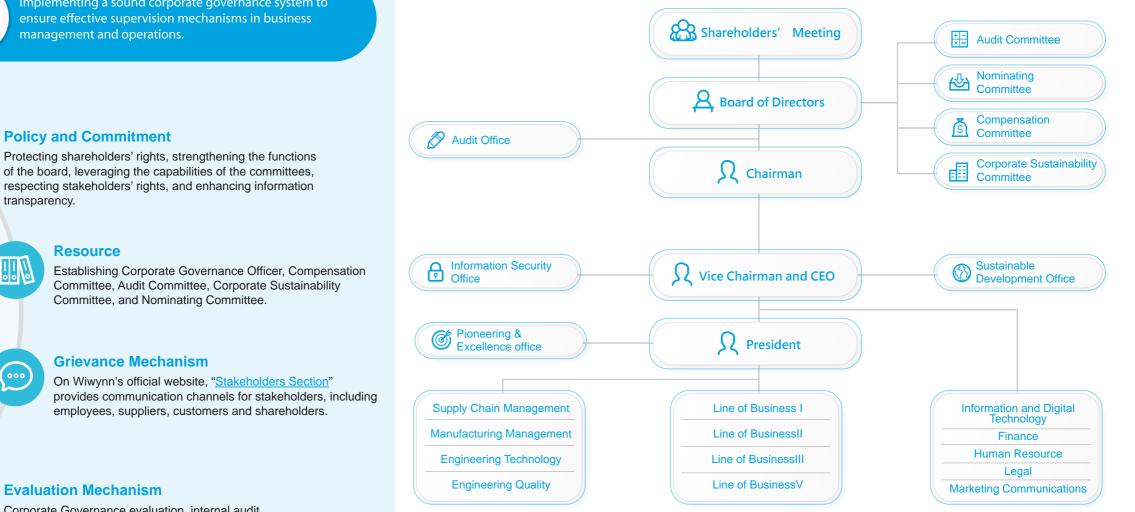


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Implementing a sound corporate governance system to ensure effective supervision mechanisms in business management and operations.

2.1.1 Organization Structure and Board Operations in 2022



Corporate Governance evaluation, internal audit,

supervision by the competent authority, and irregular audits.

Wiwynn's Board of Directors is the highest governance unit in the Company and holds a meeting at least once every quarter. In addition, in accordance with Wiwynn's Corporate Governance Best Practice Principles, the members of the Board of Directors shall be able to effectively perform their duties, with and an annual attendance rate at least 85% for each member at the meetings. In 2022, a total of 8 meetings were held, and the average attendance rate was 100%.

Members of the Board of Directors

The board members of the Company adopt a candidate nomination system according to the Articles of Incorporation. The number of independent directors must not be less than three. In addition, shareholders holding more than 1% of the total issued shares of the Company can participate in the nomination process for director candidates. Shareholders vote from the list of candidates announced by the Company. The term of office is three years, with the possibility of re-election. The current Board of Directors consists of nine directors, including four independent directors and two female directors (accounting around 22%); the average term of office is 5.8 years, the ratio of independent directors is around 44%, and their continuous term of office is less than three terms. Three directors take the concurrent post of managerial officer.

Operations of Functional Committees in 2022

To strengthen the effectiveness and soundness of the governance mechanism, the Company has established the "Audit Committee," "Compensation Committee," "Corporate Sustainability Committee," and "Nominating Committee" under the Board of Directors. These committees assist the Board in reviewing and discussing important proposals related to the economy, environment, society, risk, and integrity governance. For detailed duties, please refer to <u>the Company's website or the</u> <u>Corporate Governance</u> Zone.

	Establishmen	Members	Status of operation
Audit Committee	On January 17, 2018, the extraordinary shareholders' meeting approved the establishment of an Audit Committee, replacing the supervisor system with the Audit Committee system.	Convener: Simon Dzeng/ Independent Director Member: Charles Kau/ Independent Director Member: Cathy Han/ Independent Director Member: Victor Cheng/ Independent Director	 At least one meeting shall be held every quarter. In 2022, there were seven meetings held. The attendance rate of each independent director was 100%. The internal audit officer, accounting officer, and CPAs attend the Audit Committee meeting every quarter to report on internal auditing, financial status, and updates on relevant regulations.
Compensation Committee	Established on October 30, 2017.	Convener: Charles Kau/ Independent Director Member: Cathy Han/ Independent Director Member: Victor Cheng/ Independent Director	 At least two meetings shall be held every year. In 2022, there were four meetings held. The attendance rate of each member was 100%. The Chairman is invited to attend each meeting. and if there are any proposal involving conflicts of interest, the principle of recusal is applied. If necessary, relevant personnel are invited to attend the meeting and provide necessary information.
Corporate Sustainability Committee	Established on March 8, 2021.	Convener: Emily Hong/ CEO Member: Shulai Chang/ President Member: Steven Lu/ Senior Vice President Member: Cathy Han/ Independent Director	 At least two meetings shall be held every year. In 2022, there were two meetings held. The attendance rate of each member was 100%. Relevant personnel may be invited to attend the meeting and provide necessary information based on the actual demands.
Nominating Committee	Established on November 1, 2022.	Convener: Simon Lin/ Chairman Member: Charles Kau/ Independent Director Member: Victor Cheng/ Independent Director	 The committee may convene meetings as deemed necessary. In 2022, a total of one meeting was held. The attendance rate of each committee member was 100%. Relevant personnel may be invited to attend the meeting and provide necessary information based on the actual demands.

Wiwynn° 2022 SUSTAINABILITY REPORT	Introduction	Sustainability management	Corporate governance	Innovative value	Environmental protection	Social inclusion	Appendix	仚
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Independence and diversity of directors

The Chairman and President of the Company are not held by the same individual, nor are they spouse or first-degree relatives. There is also no spouse or second-degree relative relationship among the directors. For proposals in meetings that involve directors or their representatives with an interest, the related director shall implement interest avoidance in accordance with the "Rules of Procedures of Board of Directors Meeting" and must not exercise voting rights on behalf of other directors. In addition, the Annual Report transparently discloses the directors' concurrent roles at other companies, situation of interest recusal, and the relationships among major shareholders, and the financial report includes the disclosure of related party information in accordance with the Regulations Governing the Preparation of Financial Reports.

To facilitate sound development in the structure and competence of the Board of Directors, it is specified in the "Corporate Governance Best Practice Principles" that the composition of the Board's members must consider diversity, including but not limited to basic conditions and background such as gender, age, nationality, race, and culture, as well as professional skills and industrial experience in the fields of economy, society, and environment. Moreover, a proper diversity guideline shall be established based on the Company's business operations, operating dynamics, and development needs.

The Company has achieved its diversity goal by maintaining a minimum of two female directors (inclusive). We also recruit and appoint directors with diverse professional backgrounds, including business leaders, as well as individuals with expertise in finance, banking, technology, and law. Moving forward, we will continue developing towards a diversified board of directors.

Information on the independence and diversity of Board members^{Note 1}

	External independence Note 2	e Name	Nationality	Gender		Below 60		Age 61-65		Over 66	Industrial and professional background Note 3
Chairman/ Representative of Wistron Corporation/ Chair of the Nominating Committee	Meet	Simon Lin	R.O.C	Male						•	Information Technology
Vice Chairman/ CEO/ Chair of the Corporation sustainability Committee	-	Emily Hong	R.O.C	Female				•			Information Technology
Director/ Representative of Wistron Corporation	Meet	Frank Lin	R.O.C	Male						•	Information Technology
Director/ President/ member of the Corporate Sustainability Committee	-	Sunlai Chang	R.O.C	Male				•			Information Technology
Director/ Senior Vice President/ member of the Corporate Sustainability Committee	-	Steven Lu	R.O.C	Male		•					Information Technology
Independent Director/ member of the Audit Committee/ Convenor of the Compensation Committee/ member of the Nominating Committee	Meet	Charles Kau	R.O.C	Male						•	Information Technology
Independent Director/ Convenor of the Audit Committee	Meet	Simon Dzeng	R.O.C	Male				•			Financial
Independent Director/ member of the Audit Committee/ member of the Compensation Committee/ member of the Corporate Sustainability Committee	Meet	Cathy Han	R.O.C	Female		•			I		Financial
Independent Director/ member of the Audit Committee/ member of the Compensation Committee/ member of the Nominating Committee	Meet	Victor Cheng	R.O.C	Male						•	Information Technology/ Industry (Law)

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

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

Was not hire by the Company for a senior management position last vear.
 Other than the scope permitted by SEC Rule 4200, the director and their family members do not receive a remuneration over US\$60,000 every year from the Company and its subsidiaries.
 None of the family members of the director himself/ herself is a senior managerial officer in the Company or its subsidiaries.
 None of the family members of the director himself/ herself is a senior managerial officer in the Company or its subsidiaries.
 Not concurrently being the advisor of the Company during the office term of director, not a related party to any consulting company, nor a senior managerial officer in any consulting company.
 Not involving with personal service contracts with the Company or senior management personnel of the Company during the office term of director.
 Not an NGO related party that receives a significant donation from the Company during the office term of director.
 Not involving with conflict of interest with the Board of Directors during the office term of director.
 Not involving with conflict of interest with the Board of Directors during the office term of director.

Note 3: Professional experience in the industry is defined according to GICS (Global Industry Classification Standard) Level 1, including energy, materials, industrials, consumer discretionary, consumer staples, 28 healthcare, financials, information technology, communication services, utilities, and real estate.

Implementation of training and continuing education

All directors are required to undergo annual training in accordance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies " to stay updated on important international trends in corporate governance, information security, corporate sustainability, and risk management. In 2022, the average training hours per director exceeded 7.8 hours.

Name of the course

Training hour(s)

2022 Insider Equity Trading Regulatory Compliance Seminar	3
2022 Insider Trading Prevention Promotional Seminar	3
2030/ 2050 Green Industrial Revolution	24
8 ^O Principles of Public Relation Handling on Legal Matters of the Company	24
Discussing Supervision by Independent Director and the Board of Directors in an international perspective	1
Promotion of Sustainable Develop Route Map with Industrial Topics	2
International Dual Summit Online Forum	2
International Dual Summit Online Forum	3
Trends and Challenges of Information Security Governance	3
Trend of Digital Technology and Artificial Intelligence and Risk Management	3
Moving Towards Net Zero: "Carbon Reduction and Sustainable Ecological Circle"	3
Total	71

Performance evaluation

To implement corporate governance and enhance the competence of the Board of Directors, the Company established "Rules for Board of Directors and Functional Committee Performance Assessments". According to these rules, the Board of Directors and functional committees of the Company are required to conduct an annual performance evaluation, which is handled by the responsible unit. The responsible unit shall handle the process of setting up the questionnaire and rating based on the indexes. Suggestions and improvements shall be provided based on the evaluation results to establish the goals of the Board of Directors' competence and deepen the efficiency of the Board of Directors. At least every three years, it shall commission an external professional and independent institution or external expert and scholar team to conduct performance evaluation of the Board of Directors.

2022 Board of Directors and Functional Committee Performance Evaluation Results



Note: The Nominating Committee was established on November 1, 2022. It is less than one year and is excluded in the scope of evaluation for 2022.

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External Performance Evaluation of the Board of Directors in 2022

The Company commissioned "Taiwan Association of Board Governance" to carry out external evaluation of the Board performance for 2022 (from January 1, 2022, to December 31, 2022). Through interviews and evaluations on independence and professionalism conducted by external experts and scholars, seven dimensions with 70 questions in the composition and structure of the Board of Directors, selection and training of directors, participation to the Company's operation, quality of decision making, internal control, sustainable environment, and value creation were reviewed. The performance and efficiency of the Board of Directors were evaluated through questionnaires and on-site evaluation. An evaluation report of performance of the Board of Directors was issued on January 17, 2023. The results and suggestions were submitted to the Board of Directors on February 22, 2023. Relevant content of the report and measures implemented are as below:

Evaluation Report

Members of the Board possess diverse expertise, with general directors having extensive industry experience, and independent directors specializing in finance, semiconductors, investments, and law. This balance composition of internal and external directors as well as the number of independent directors to fulfill the effectiveness of the competence of the Board of Directors. All the Board members performed their duties well. In 2022, each meeting was attended by all the directors. In terms of the succession plan of the Board members, the Company established a Nominating Committee to make planning on the cultivation of suitable candidates. Besides, the Company also values intellectual property rights and has promoted TIPS Level A certification. In summary, the employees of the Company have strong coherence, and all the managerial officers recruited when the Company was established are still employed by the Company.

Suggestions

It is suggested to establish an email mechanism to link the emails from whistleblowers to the emails of independent directors (or their representatives) in order to demonstrate that the Company can handle the complaints fairly. Besides, it is suggested the performance evaluation and remuneration of the Chief Officer of Internal Audit to be send to the Compensation Committee for discussion.

Measures to be implemented

The Company has established a communication channel for stakeholders on the official website. Anything reflected by stakeholders will be reported in the meeting of the Board of Directors to disclose the relevant matters in full so that the Board members can understand them properly and discuss fairly.

Corporate Governance Officer

The Company established a Corporate Governance Officer in accordance with the laws to oversee corporate governance affairs and assist directors in their business execution to fulfill the supervisory function. Besides, the Corporate Governance officer acts as a bridge between the Board of Directors, various business units, and regulatory authorities. In 2022, the Corporate Governance Officer completed 12 hours of training courses, covering topics such as corporate governance, sustainability, and net zero, and legal affairs.

Remuneration policy

The remuneration policy for directors follows the Company's "Articles of Incorporation" and "Principles of Remuneration to Directors and Functional Committees", and takes into account the normal standards in companies of the same industry, the Company's business performance, the responsibility of the positions, and the operational status of each functional committee.

The remuneration for senior managers includes fixed items, such as base salary, cash gift for traditional holidays, and welfare, as well as variable items, including bonuses, remuneration (cash/stock), and comprehensive consideration of stock option. The main structure is based on the variable items. While the fixed items focus on maintaining the Company at the average competitive standards in the industry. The variable items are determined based on the Company's and the individual's business performance. When the business performance of the Company and the individual is better, the ratio of variable items to fixed items will also be higher. The performance evaluation of senior managers is based on the annual financial performance and the achievement of goals for relative financial indexes, such as Return on Assets (ROA), Return On Equity (ROE), Return on Invested Capital (ROIC), market share, growth and development of markets, customers, organizations, and personnel, and ESG ^{Note}. At the beginning of each year, evaluation items, goals, and weight ratio will be established according to the development status of internal and external operating environment. Salaries and remuneration for managerial officers will be based on personal performance and will be reviewed and assessed separately by the Compensation Committee before being proposed to the Board of Directors for approval and implementation.

Note: From 2023, the Company links ESG performance with the remuneration system.



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2.1.2 Business ethics



Running the business with the highest ethical standards and integrating integrity and moral value into the Company's management strategies, fostering a culture of integrity within the organization, and fulfilling the mission of being a quality enterprise for the benefit of society.

Policy

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Actively preventing any non-integrity conducts from the top down and from inside to outside in parallel.

Commitment

Establishing a corporate culture of ethical management by business dealings under the principles of fairness, honesty, trustworthiness, and transparency.

Resource

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

Grievance Mechanism

- Establishing internal and external whistleblowing channels and procedures, formulating the procedures in the relevant regulations of ethical management, and disclosing the information on the Wiwynn's website.
- The Company has announced the dedicated hotline and email for whistleblowing upon violations against integrity on the internal portal.
- Stakeholders can make grievances through the integrity and whistleblowing mailbox at Ethic@wiwynn.com provided in the "<u>Stakeholders Section</u>" of Wiwynn's official website.

Evaluation Mechanism

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

With the integrity principles of fairness, honesty, trustworthiness, and transparency

The Company established "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", and "Code of Ethical Conduct" to cover anti-corruption and anti-bribery, competition behavior, conflict of interest, and whistleblowing system. The scope of application extends to the Company's subsidiaries, foundations and organizations that receive accumulated more than 50% of donation directly or indirectly from the Company, and other institutions and enterprises with substantial control power.

Code of Conduct of Wiwynn

The Company established the "Code of Conduct of Wiwynn" which has been approved by the Board of Directors. It applies to all personnel of Wiwynn and shall be expanded to its subsidiaries and joint ventures. The code covers various aspects, such as the protection of confidential information, prevention of insider trading and money laundering, human rights protection, environmental protection, and the establishment of a healthy and safe workplace. It also provides channels for consultation on the code of conduct. The Company insists zero-tolerance on any behavior against the code of conduct. All personnel are required to comply with the relevant requirements of the code of conduct, and adherence to the code will be considered in performance assessments and serve as a reference for compensation adjustments.

The "Code of Conduct" and " Code of Ethical Conduct " explicitly specify the procedures for legal political contributions, charitable donations, and sponsorships. The Company maintains an objective and low-profile approach to public policy and does not actively engage in political parties, political activities, or lobbying. No political donations were made between 2019 and 2022. However, we encourage our employees to express their political intention freely and encourage them to perform their civic responsibility.

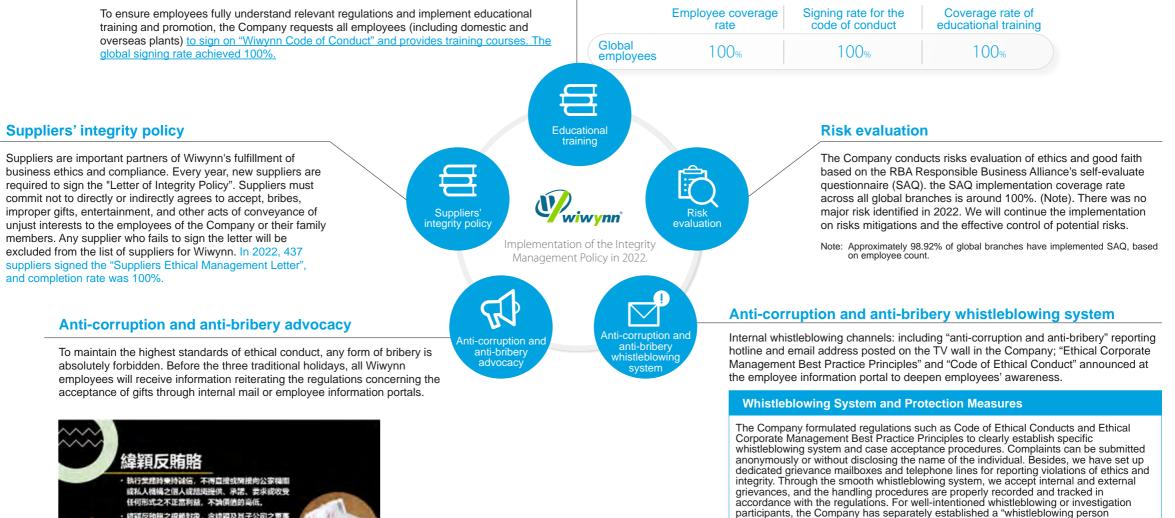
To fulfill the policy of ethical management

The highest manager of the Human Resources Department is responsible for formulating and supervising the implementation of the ethical management policy and prevention plans. Through various specific actions, the core value of integrity and righteousness are promoted. It shall be reported to the Board of Directors at least once every year. The implementation status of ethical management policy in 2022 has been reported to the Board of Directors on February 22, 2023. Please refer to the "<u>Corporate Governance Section</u>" on our official website. There was no event of violation to the Code of Conduct, integrity and ethics, or involvement in corruption in 2022.



Implementation Status of Ethical Management Policy in 2022

Educational training



· 總領反執權之規範對象,含總綱及其子公司之董事 與所有員工,內部辦法論參照減這總營守則與重德 行為些則等。



FCPA Anti-Bribery Promotion in 2022

的现在分词的 中心是 MIRITA SUCCESSION

(暴合國反動國公約)

論問《海外反論調法》()《

the official website. Between 2019 and 2022, the Company did not receive any whistleblowing matters.

protection and anti-retaliation management procedure". We promise to take appropriate

protection measures to prevent whistleblowers suffering improper handling or retaliation

External whistleblowing channels: The Company provides integrity and business

conducts whistleblowing email (Ethic@wiwynn.com) on the "Stakeholders Section"in

due to the matter reported.

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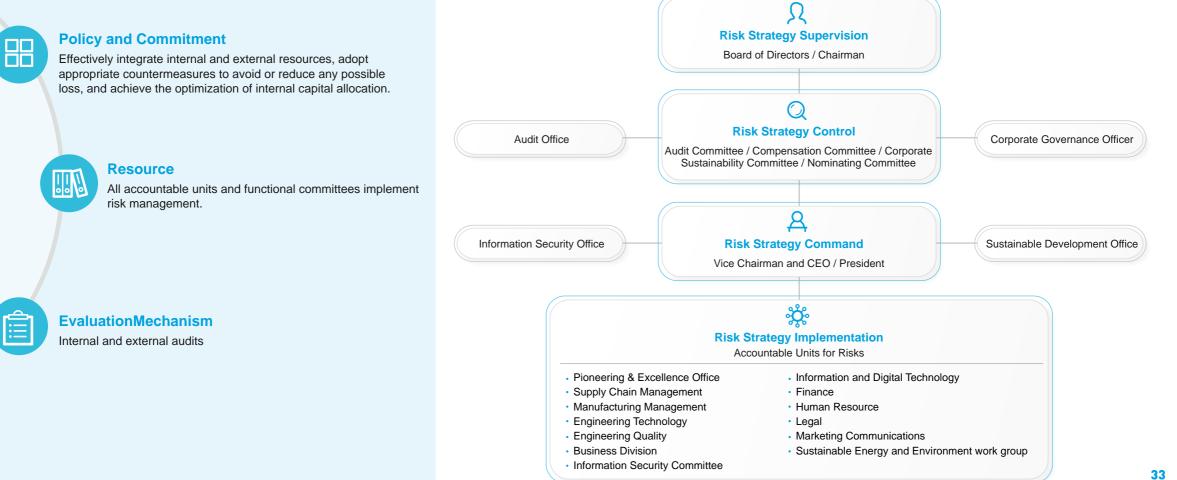
Risk management



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

2.2.1 Risk governance

The Board of Directors of the Company is the highest supervision unit for risk strategies and is responsible for supervising the risk items and implementation progress reported by each functional committee and management level. The audit unit shall establish an annual auditing plan for evaluation and examination. The results shall be submitted to the Audit Committee to control the implementation of each item of risk management.



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Board of Directors / Chairman

The highest unit responsible for risk strategy supervision. To respond to various risks of business operation, it formulates management methods and designates responsible units to supervise the risks reported by different functional committees and the progress of the implementation to enhance the effectiveness of risk management.

Audit Committee

In charge of establishing risk control, including the proper expression of the Company's financial statements, the election (dismissal), independence and performance of the CPA, the effectiveness of the Company's internal control policies and procedures, the Company's compliance with relevant laws and regulations, and the control for the Company's existing or potential risks, etc.

Compensation Committee

In charge of setting and regularly reviewing the salary and compensation policy for the Company's directors and managers. Appropriately combining with the Company's business performance and goals of business operation, it reviews the remuneration system in a timely manner based on the actual operating conditions and relevant laws and regulations in order to seek the balance between the sustainable management and risk control of the Company.

Nominating Committee

Establishing and reviewing the selection criteria and succession plans for directors and managers, like composition and qualification, selecting and approving the candidates of directors and managers, evaluating the independence of independent directors, proposing a list of recommended candidates, setting and discussing the establishment, duties, and operations of each functional committee under the Board of Directors, verifying the qualification and potential conflict of interests of members in each functional committee, and planning and implementing plans of continuing education (training) for directors.

Corporate Sustainability Committee

Responsible for sustainable risk management, setting the direction and goal of corporate social responsibility and sustainable development, practicing corporate citizenship, aligning with international trends, and responding to stakeholder regarding Wiwynn's riskassessment and mitigation strategies in various dimensions, including the environment, society, and corporate governance.

Vice Chairman and CEO / President

Formulating the Company's major management strategies and directions, setting goals of business operation, and controlling and reviewing the implementation and performance of business objectives.

Audit Office

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Assisting the Audit Committee to implement the supervision of the internal control system, to fulfill supervision mechanism, to confirm the effectiveness and execution of internal control system, and to help improving the operation of the organization for the enhancement of the overall value through systematic methods.

Corporate Governance Officer

Responsible for affairs related to corporate governance, assisting the directors to perform business to fulfill the functions of supervision and control.

Sustainable Development Office

Promotion, operation, and review of the effectiveness of the risk management mechanism, assisting the Corporate Sustainability Committee in its operation.

Information Security Office

Formulating information security strategies and policies, implementing security control measures, promoting continuous optimization of information security systems, processes, incident handling procedures, and education and training.





Risk management organization and procedures

The Company follows the framework of ISO 3100 Risk Management- Principles and Guidelines to collect internal and external issues and to report and disclose the actual and potential impacts of material risks on the Company through risk identification, risk analysis, risk evaluation, and risk response and control.



At least once every year

The Sustainable Development Office utilizes the global risk evaluation report as the basis for risk assessment, integrating all the risk factors identified by each functional team into the overall risk evaluation, and establishing management plans and goals. The report submitted to the Corporate Sustainability Development Committee and the Board of Directors.



Wiwynn has established an internal control system in accordance with relevant regulations. In addition to quarterly reporting by CPAs and the Audit office on the financial and internal control risks to the Audit Committee and the Board of Directors for audit findings and improvement tracking, the Sustainable Development Office conducts an annual risk assessment. This assessment is based on global risk evaluation reports from the World Economic Forum and the Economist. It integrates the risk factors identified by each functional team into the overall risk evaluation. The scope of risks includes strategic risks, operational risks, financial risks, information risks, compliance risks, integrity risks, privacy risks, stakeholder concerns, and other emerging risks (such as climate change, biodiversity, water and forest, or infectious diseases- related risks). A total of 17 risk items were identified, which can be categorized into four dimensions: environmental, social, economic, and geopolitical. The risk items are incorporated into the ESG issues to conduct a matrix analysis on the three dimensions: the level of attention by stakeholders, impact on organizational operations, and external impact. This analysis aims to identify 15 material issues (please refer to the chapter of materiality analysis and engagement) through guestionnaires. Management plans and growth or improvement goals are then established based on the major risks and submitted to the Corporate Sustainability Committee. The Committee reviews each management plan and goal in accordance with the Company's business plans before reporting them to the Board of Directors.

In 2022, a total of 17 risk items were identified, which can be categorized into four dimensions: environmental, social, economic, and geopolitical

Trend of net zero	Climate risk Business continuity management	Rise in raw material prices	S Carbon pricing	Water resource management	Material shortage
Business continuity management during COVID-19	Basic salary	Energy crisis	5G technology war	Postponed fundraising plan	Inventory management
Employee health	Labor shortage	Customs duty for importation and exportation	Supply chain disruption	Rise of costs for debt interests	Environment Society Economy Geopolitics

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Viewwynn 2022 SUSTAINABILITY REPORT Sustain manage	lity Corporate governance		Environmental protection	Social inclusion	Appendix	仚
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Responding measures

Impact or effect to the operation

Risk identification and management

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		isks

635	Interest rate, exchange rate fluctuation, i	nflation	Risk factor and classification: Economic strategies					
	Russia-Ukraine War caused the sharp rise of energy prices. The economic recovery after the epidemic and the global inflation led to the rise of interests.	The rise of interest costs for debts and the increase of operating costs (such as the adjustment of salary structure caused by inflation)	 Pay attention to the changes of interest rate in the financial market at any time and adopt responding measures, time evaluate the potential interest rate risks on all the liabilities with interests and avoid possible interest rate risks on liab by adjusting the structure of capital. The sales and the purchases of main materials by the Company are all conducted in U.S. dollar. Other than appropria reserving the sales revenue in U.S. dollar to pay for purchases in U.S.dollar and achieve a natural hedge, we also pa attention to the trend of exchange rate changes and engage in proper hedging through derivatives trading. Please refer to the 2022 Financial Statements for the sensitivity analysis of the Company's interest rate risks and the welfare of the employees. 					
90	Information security	Risk factor and classi	fication: Vulnerability of information security, Supply chain risks in the outsourcing and maintenance of IT infrastructure.					
	A lot of domestic and overseas technology companies suffered from blackmail of information security. Although information security operation management and information security system are important, they cannot fully block out the possibility of information security incidents.	Business interruption and the breach of confidential information caused financial loss or the damage to the business reputation.	 Strengthen the responding and handling mechanism to incidents of information security. Continue participating in High-tech Information Security Alliance organized by Taiwan Computer Emergency Response Team/ Coordination Center (TWCERT/CC) to obtain warning information of security, information security threat, and information of vulnerability and strengthen joint defending capabilities. The Information Security Committee holds meetings every half a year and participates in rehearsals of information security incident reporting and response procedures to strengthen the incident handling mechanism. The objective is to achieve rapid stability and recovery after an information security incident and prevent significant financial impact. Please refer to the chapter of "Information Security" for more information. 					

Emerging risks

655	Geopolitics, economic conflicts		Risk factor and classification: Geopolitics
	Taiwan plays an essential role in the global supply chain. Along with the development of the Russia-Ukraine War,strategic confrontation between China and U.S.A., and economic wrestling, the security of Taiwan Strait has become an issue of concern.	Business interruption affected the revenue.	 Initiate production and shipment back-up mechanisms. Supply chain layout, introduction of alternative materials (proposals). Please refer to the chapter of "Sustainable Supply Chain Management "for more information.

 climate. To hold back climate change, it is getting more and more urgent to control the global warming within 1.5°C. Due to the growing product efficiency and carbon the international decarbonization pathway. Implement climate management based on the framework of TCFD. 	Trend of net zero/ Legal standards of pr	oduct energy efficiency / Carbor	n emission standards Risk factor and classification: Environment and economic strategies
	climate. To hold back climate change, it is getting more and more urgent to control the global warming within 1.5°C.Due to the growing concern about climate issues, each country has established legal regulations and control measures to address it. Companies will face	up, and international trading is becoming increasingly stringent on product efficiency and carbon emission specifications. This puts greater emphasis on enterprises' capabilities in product inspection standards and comply with carbon	 Implement climate management based on the framework of TCFD. Establish carbon management platform to strengthen management in manufacturing process and product carbon emission data. Diversity evaluation and deployment of renewable energy.

Appendix <u>س</u>

2.2.2 Regulatory compliance



Maintain good reputation of the Company and deeply roots in a culture of integrity and regulatory compliance.

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Policy and Commitment

Holding on legal amendments and domestic and overseas supervision trends to fulfill legal compliance.

Resource

Adhering to legal compliance procedures and systematic processes (ISO management system) effectively enhances risk management, Wiwynn RBA Management Committee.

Grievance Mechanism

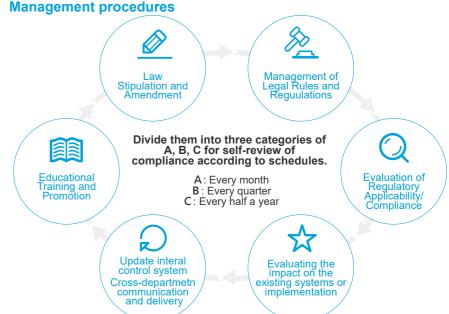
Legal Department is responsible for the management of regulatory compliance.

Evaluation Mechanism

Internal audit, supervision by competent authorities, and irregular audit



- The latest regulatory compliance includes internal rules and regulations and the establishment of applicable scope for the compliance
- Conducting educational training or promotion (please refer to the educational training in each chapter for relevant courses) in accordance with the existing effective laws and regulations.
- Any violation against laws and regulations will be punished and investigated the relevant responsibilities in accordance with the internal regulations. If necessary, it will be transferred to a procuratorate for investigation.



To ensure the implementation of regulatory compliance, Wiwynn continues to closely monitor domestic and international policy and regulatory changes that may impact its operations, Relevant rules and regulations are promptly revised, and efforts are made to enhance the management of regulatory compliance and deepen the culture of compliance within the Group. This is done to ensure that all business operations comply with legal requirements. Legal compliance is also one of the key points of internal control. Verification of regulatory compliance is implemented every year to check the implementation performance of regulatory compliance and grasp the risks of regulatory compliance in the Group and the trends of domestic and overseas supervision. In 2022, there was no material violation against the regulations (penalty above NT\$0.5 million) and no legal actions of anti-competition behavior, anti-trust behavior, and anti-monopolistic behavior.

In addition to legal compliance, Wiwynn Corporation has established the "Wiwynn Corporation RBA Management Committee" and issued the "Wiwynn Corporation Responsible Business Alliance Code of Conduct Commitment Letter" to pledge cooperation and compliance with RBA's behavioral specifications. Wiwynn also supports and encourages its first-tier suppliers to adhere to the same guidelines. Furthermore, Wiwynn strives to employ RBA methods and tools appropriately, in line with the industry's common goals. We have introduced QC 080000: 2017 (Hazardous Substance Process Management Systems), ISO 14001: 2015 (Environmental Management Systems), ISO 45001: 2018 (Occupational Safety and Health management systems), ISO 50001: 2018 (Energy Management Systems), etc. Through systematic management, we are committed to being environmentally friendly, reducing the environmental hazards during the process of waste treatment process, lowering greenhouse gas emission, enhancing energy efficiency, and providing human rights protection and a healthy and safe working environment.

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Information security



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

Policy

Maintaining the confidentiality, integrity and availability of operation information.



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Commitment

Providing safe and reliable information services to protect customer privacy.

Resource

Introducing Office 365 cloud services and various protection systems.

Grievance Mechanism

If there are any privacy infringements or complaints, they can be reported or filed through a dedicated hotline or the email address Legal@wiwynn.com. Customers can also directly communicate their concerns to their business counterparts or their supervisors. Additionally, they have the option to submit complaints through the "<u>Shareholder Section</u>" on the official Wiwynn website, using the provided telephone number and email address

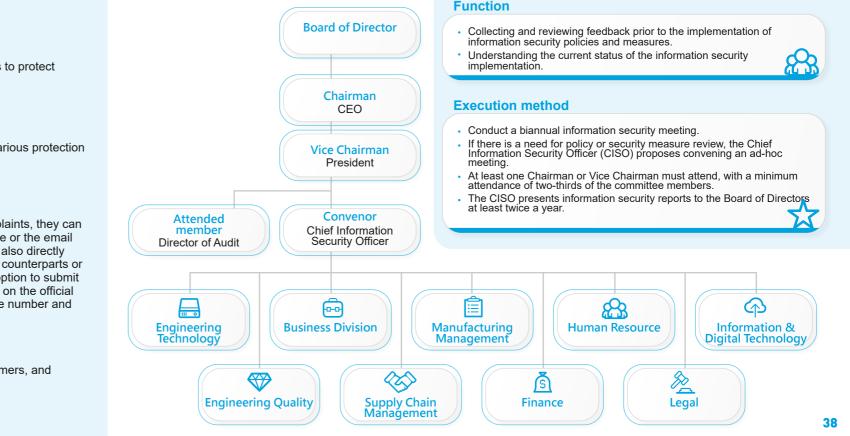
Evaluation Mechanism

Internal audit, irregular information security audit by customers, and third-party information security rating mechanism.

2.3.1 Information security management

Information security management organization

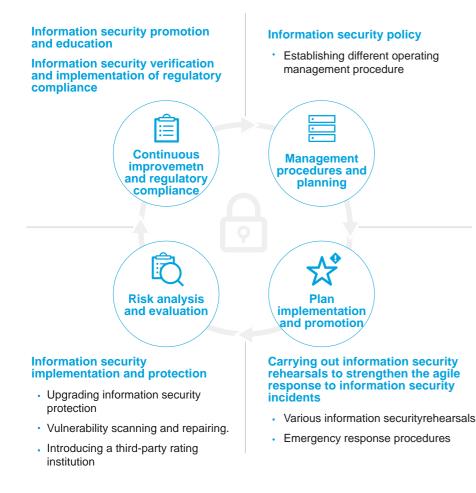
A cross-department highest level of information security committee was established to focus on the main tasks of monitoring current situation and strengthening management and rapid response. Chief Information Security Office is responsible for reporting to the Board of Directors every half a year. The latest report submission to the Board was on February 22, 2023. The Board of Directors is in charge of supervising issues related to information security. Besides, to obtain more information and share defending experience, we joined the High-Tech Information Security Alliance organized by TWCERT/CC in 2021 to establish information security joint defending capability with the same trade in the high technology industry.



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Information security risk management

Wiwynn plans to obtain ISO27001 certification before the end of 2023. Its overage rate of business offices is around 44% Note. We will promote the certification on our subsidiary in Mexico and other places step by step.



Information security policy

To fully protect the Company's information resources and further maintain the confidentiality, completeness, and availability of business information, Wiwynn established Information Resources Security Management Policy as the accordance of management. It is applicable to all employees as the regulation to follow. Meanwhile, we also have Code of Information Security for Employees to ensure all employees understand the regulations related to information security for the proper use and the responsibility of protection. Besides, we arrange educational training of information security for information personnel and general personnel to fully implement information security protection. In addition, to strengthen the operational resilience for the information system, we developed a continuous management procedure for the operation of information system to ensure the information services continue supporting the operation of the Company whenever there is an incident that affects the operation of information system.



Carrying out information security rehearsals to strengthen the agile response to information security incidents

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

Data backup & restore

Four times of data backup and restore procedures rehearsals are implemented every year to ensure data validity of the backup and the timeliness of data recovery procedures.

Disaster recovery rehearsal

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

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Note: It is planned Taiwan will obtain ISO27001 first; the ratio is the number of employees in Taiwan to the number of employees all over the world.)

Security incident response rehearsal

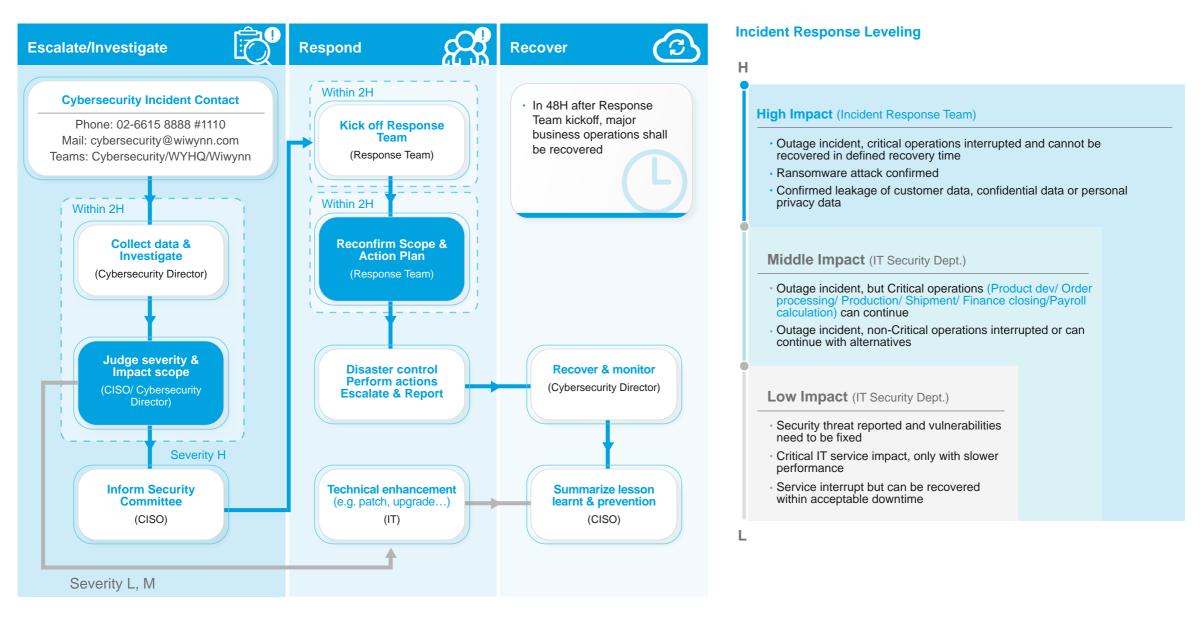
To reduce the risks of information security, Wiwynn established information security reporting process and emergency response procedures. Based on the level of seriousness of the information security incident (low, medium, high), the corresponding response will be activated. One emergency procedures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

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Security incident handling process



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Information security implementation and protection

In 2022, we invested a significant amount of resources in software and hardware downgrading. The key items include:

Protection and monitoring

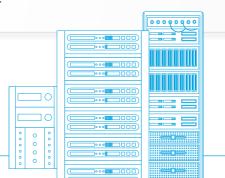
- · Upgrade vulnerability scan solution.
- Continue monthly internal vulnerability scan and execute the third-party penetration test for 2022 in October as well as continue repairing and reinforcing vulnerability.
- From January 2021, we introduced the third-party information security rating mechanism. In December 2022, we switched to another information security rating institution. The average score from January to November 2022 was 97.18 or maintained at the level of advanced. It was higher than the average standard in the technology industry. However, the rating in December was slightly reduced from the level of advanced to the level of intermediate. The vulnerability found in December has been improved timely.

Equipment

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- · Re-plan AD structure and replace hardware equipment of ADserver at the same time.
- Upgrade firewall equipment from Layer 4 to Layer 7 to enhance the level of details for the protection.
- Transnational network in the enterprise adopts MPLS and SD-WAN dual circuits as backup to each other to achieve the balance between network reliability and the cost.
- Establish network segmentation between the office network and the RD network to control the scope of the impact caused by incidents.
- Switch to the cloud wireless network management system to reduce the management burden and use the latest protective function of the cloud platform in real time.



Information security promotion and education

In terms of strengthening employees' awareness towards information security protection and enhancing operational capability of the organization, we launched new training courses for information security education in 2020 to focus on the hazard recognition of phishing, techniques for identification, and handling after becoming a victim. All employees receive training once every year. The training-receiving rate in 2022 was 100%, In addition, three information security promotional activities, like "Information Security Special Force" and "Wiwynn Corporation Information Exploration", were carried out through email, intranet, TV wall in the Company, and information security questionnaires to deliver information security protection notice via physical activities along with message notification in order to enhance employees' awareness on information security.



Information security promotion- Wiwynn Corporation Information Exploration

Implementation status of courses related to information security

	Training	Objects		Completion (Persons)	Coverage rate
Distance to Information Security	30 mins	All the employees in Taiwan	2,427	2,427	100%
Security Awareness	30 mins 6	All the employees in the subsidiary in Mexico	7,227	7,227	100%
Social Media Usage	30 mins 6	All the employees in the subsidiary in Mexico	7,095	7,095	100%
USB Usage	30 mins ၂	Applicants who see USB devices	97	97	100%



Information security promotion- Information Security Special Force

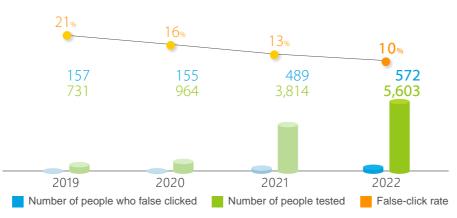
Wiwynn° 2022 SUSTAINABILITY REPORT	Introduction	Sustainability management	Corporate governance	Innovative value	Environmental protection	Social inclusion	Appendix	仚
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Social engineering rehearsal

Under the increasing threat of malicious emails and phishing emails as well as the frequency of working from home in the post pandemic era, we carry out social engineering rehearsals among all the employees every year to enhance their awareness. In 2022, there were two social engineering rehearsals, and the rate of employees clicking simulated phishing emails wrongly reduced from 13% in the previous to 10% this year. An observation of the changes of false-click rate over the years shows it started to reduce every year from 2020. It is obvious that the new version of the educational training courses of information security and promotional activities significantly enhance employees' awareness in phishing.

Note: Employees in the subsidiary in Mexico are included in the test from 2021.

False-click rate of phishing emails^{Note}



As the best partner of customers' cloud technology services, Wiwynn provides customers professional and safe service environment. We devote to implement the confidentiality, completeness, correctness, and availability of operating information through an information security management mechanism. Between 2019 and 2022, there was no complaint related to the loss of customer data and no computer kidnapping caused by phishing.

Implementing verification of information security and operation of regulatory compliance as well as strengthening financial risk management related to information security incidents.

To ensure the software used by all the employees is legal. We carried out illegal software installation detection twice in 2022 to avoid unnecessary legal investigation or lawsuit. We also continue strengthening the protection of information security threat. In June 2022, we passed annual certification of ASRA - Azure Security & Resiliency Architecture. We also purchased information security insurance as the method for information security protection. Through insurance, it is expected to lower the possible information security losses and rapidly resume normal business operation.

	2019	2020	2021		2022
Number of information security or other cyber security incidents	0	0	0		0
Number of information leaking incidents	0	0	0		0
Total number of customers and employees impacted by the disclosure of the Company's information	0	0	0		0
Amount of fine related to information security or other cyber security incidents	0	0	0		0

2.3.2 Privacy protection

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

In terms of the management mechanism, Wiwynn has included privacy and personal data protection into the scope of internal control and risk management. We established "Wiwynn Corporation Internal Control System" and consecutive working details for internal control for management to reduce potential risk and impact. Besides, we provide regular educational training on privacy protection to our employees, In 2022, we conducted "Information Classification Management Training" for employees in Taipei Operations HQ. There were 1,157 participants in total with training hours of 288 hours and a coverage rate of 100%. At the same time, we also established consultation and complaints channels. Any employee who has any question or encounters the situation of rights and interests being damaged or violated can file a complaint or a report through hotline (02-6615-8888) or email (Legal@wiwynn.com). As for privacy, we adopt a policy of zero tolerance. If there is any violation, we will carry out punishment according to the relevant rules and regulations established. Because Wiwynn has strict and effective supervision and management on personal data protection, we did not receive any compliant related to privacy from external or regulatory authorities between 2019 and 2022 as well as no situation of secondary utilization of customer data.

inclusion

Appendix 🏠

Tax management



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

Policy

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

Commitment

Honest taxation without aggressive tax planning.

Resource

Appointing dedicated tax personnel and external professional consultants.

Grievance Mechanism

Financial unit responsible for handling taxation advice or disputes.

Evaluation Mechanism

CPA Audit, Taxation Unit Audit

2.4.1 Taxation governance

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



Regulatory Compliance and Transparent Information Disclosure of Taxation

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

Tax Governance and Risk Management

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

Tax integrity and Benign Communications

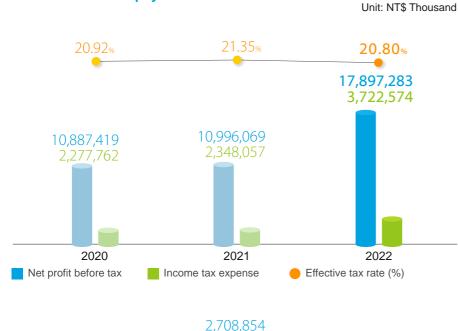
- Communicate all tax risks with the local competent authorities in an honest and professional manner, interpret tax laws and regulations, and maintain a good relationship with the local competent taxation authorities.
- In certain regions, we seek immediate communication and review with the local tax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

Information of tax payment

1,658,747

2020

Income tax paid



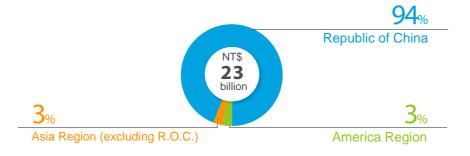
2,344,928

2022

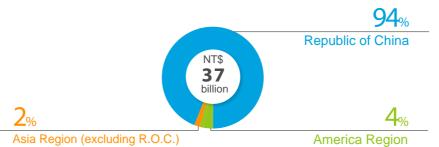
Ratio of income tax contribution in the most recent two years

Wiwynn's HQ is in Taiwan. The estimated income tax expense in 2022 was approximately NT\$3.7 billion. 94% income tax expense of which was attributable to the government of the Republic of China. We contribute to the local tax revenue while providing employment opportunities and boosting economic development.

Contribution ratio of the income tax in 2021



Contribution ratio of the income tax in 2022



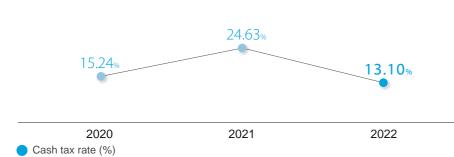
Government subsidy over the past years (Taiwan)

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



Note: The subsidy for 2021~2022 is still under approval.



2021

Note: Please refer to Wiwynn 2022 Consolidated Financial Statements.

inclusion

Appendix **1**1

Sustainable supply chain management



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

Policy and Committee



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

Resource

We have established multiple supply chain management procedures and formed a supplier evaluation team.

To fully implement sustainable risk assessment, we have established a team of Supply Quality Management (SQM) personnel dedicated to supplier audits.

Grievance Mechanism

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

Evaluation Mechanism

Selection of suppliers, sustainable risk evaluation, written/ on-site audits.

2.5.1 Governance structure

Sustainable supply chain management structure

The global attention on climate issues has expanded carbon reduction effect from supply chains to each enterprise. In 2022, it was evaluated from three dimensions, including stakeholders, impact on the operations of organizations, and external impact. Issues related to sustainable supply chain are highly emphasized in the three dimensions to ensure the impact and effects considered for operational strategies being effectively integrated to the supply chain management and implement the policies and commitments for sustainable supply chain. The management procedures, results, and performance of sustainable supply chain will be reported to the Sustainable Development Committee and the Board of Directors by the highest manager of the unit in charge of sustainable supply chain according to the level of authority.



Goals and implementation status must be reported at least once a year.

inclusion

2.5.2 Management mechanism

Cloud server industrial chain

In recent years, digital transformation is a trending topic and pushes forwards information technology infrastructure and information service demands. Other than the steady growth of global information service markets, among them, the cloud service market is at the heart of the development. Wiwynn provides solutions for basic facilities that support cloud applications and services and specialized in designing, developing, and manufacturing high-efficiency products of servers, storage devices, and network switches as well as providing corresponding software, services, and solutions. We are at the midstream of industrial chain for the cloud server industry and continue offering excellent products and services to customers.

Components	Assembling factories	Brand manufacturer/ ODM-Direct	End customers
 Semiconductor Passive components Printed circuit board Power supply Thermal module 	 Server Rack Storage 	 ODM Direct System integrators Agents 	 Cloud service providers Telecommunication providers Enterprise users

- Guides
- Cases

General situation of the supply chain

The core business of Wiwynn is to provide various products and system solutions for data centers and cloud infrastructure.By the end of 2022, we work with more than 200 suppliers all over the world. The main regions are Taiwan, China, Japan, Korea, United States, and Europe. Products and materials provided by main suppliers include Key components, electronic components, and mechanical materials. The types of suppliers are manufacturing factories, agents, and distributors. All the industries are capital intensive and technology intensive.

						Ur	nit: companie
	2019		2020		2021		2022
Asia	189		198		176		198
America	34		28		28		16
Europe	0		0		0	I	2
Total	223		226		204	I	214

To effectively manage suppliers, we carry out classification and rating on our suppliers as the consideration for management decisions. We also analyze the general situation of supply chain to reduce potential risks of supply chain disruption and enhance the resilience of Wiwynn's supply chain through the risk evaluation of sustainability. In 2022, there were a total of 42 significant suppliers, including both tier I and non-tier I suppliers.

Supplier	Significant supplier
Tier I supplier Defined as supplies with whom the Company directly engages in procurement transactions.	 Purchase amount accounts for more than 95% of the total purchase amount and being assessed as high risk in SAQ evaluation. or the purchase amount accounts for more than 90% of the total purchase amount
Non-tier I supplier Defined as suppliers who engage in transactions through agents or first-tier suppliers.	Key components



lnnovative value

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Social Appendix inclusion

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Tier 1 supplier/ number of Significant suppliers and the ratio of the purchase amount

	2019		2020		2021		2022
Total number of Tier I suppliers	223		226		204		214
Total number of significant suppliers in Tier-1	15		14		19		20
% of significant suppliers in Tier-1	6.73		6.19		9.31	I	9.35
% of total spend on significant suppliers in Tier-1	90.94		90.66		90.9		90.47

Situation of non-tier 1 suppliers

Number of the supplier	22
Number of significant suppliers in non-tier 1	22

Educational training for internal sustainability management

To develop purchasing personnel's capabilities in sustainable supply chain management and guide suppliers to implement green procurement to meet the requirements of corporate social responsibility. In 2022, we provided many educational trainings to all the purchasing personnel to synchronously enhance the recognition towards issues of sustainability among internal purchasing personnel. There were 211 participants with total training hours of 447 hours. Moreover, through educational training, the purchasing personnel can understand the importance of sustainable development in depth and grasp how to implement sustainable supply chain management procedures during the process of purchase and further increase sustainable development strategies.

Objects	Number of persons	Training hours
Purchasing personnel	26 people	78 hours
Purchasing personnel	53 people	53 hours
Purchasing personnel	53 people	106 hours
Purchasing personnel	53 people	106 hours
Purchasing personnel	26 people	104 hours
	Purchasing personnel Purchasing personnel Purchasing personnel Purchasing personnel Purchasing	Objects persons Purchasing personnel 26 people Purchasing personnel 53 people

Sustainable supply chain management process

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

Policy and Planning



- Supplier Code of Conduct
- Supply Chain Layout

Selection and Risk Assessment

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- Supplier selection
- Risk Assessment for Sustainability

Verification and Confirmation



- On-site/ remote/ desk/ 3rd party assessment/ RBA VAP
- Corrective action plans

Enhancing Sustainable Performance

- Rewarding and eliminating/ withdrawing mechanism
- Educational training, Coaching and capacity building

Appendix 🏠

Policy and Planning

Selection and Risk

Verification and Confirmation

Enhancing Sustainable Performance

Supplier Code of Conduct

Wiwynn established Supplier Code of Conduct as the accordance for suppliers to follow. Other than covering five key dimensions of labor, health and safety, environment, business ethics and moral, and management system, it also includes biodiversity, zero deforestation and land conservation to ensure the sustainable utilization of natural resources as well as ensure the survival of the ecology and reduce impact to the environment. To gather the common sense towards sustainable development among suppliers, we requested suppliers to sign the code of conduct by the end of 2022 as well as carried out communication with them. Up to the first quarter of 2023, the signing rate achieved 68.22%.

Supply chain layout

In 2020, Wiwynn activated re-layout of global supply chain based on the consideration of supply chain safety and risk distribution. "Multi-region" and "localization" become the direction of supply chain management promoted by Wiwynn. In 2021, we increased the ratio of production capacity in Mexico to respond the demand of localization. We encourage our suppliers for critical parts to implement global layout for production capacity based on "decentralization" as well as continue communicating with customers based on this. It is expected to promote more than 80% of suppliers for key components to support strategies of local production. Besides, to perk up local economic activities in the local place of manufacturing and implement local procurement, we achieved 85% of local purchase in Taiwan and more than 60% in American and Mexican areas.

		Туре	2019	2020		2021		2022
Та	Taiwan	% of Local purchase	97.51%	98.16%	I	88.24%		84.70%
		% of non-local purchase	2.49%	1.84%		11.76%	Ι	15.30%
	America and Mexico	% of Local purchase	54.38%	68.16%		63.96%	I	64.15%
		% of non-local purchase	45.62%	31.84%	I	36.04%	I	35.85%



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Policy and Planning

Supplier selection

Wiwynn established selection criteria for suppliers (new suppliers and existing suppliers), and it contains three dimensions of "basic information", "core capability", and "sustainable resilience". Other than signing the code of conduct and various declarations, we request and encourage suppliers to issue ESG reports, obtain certification of ISO9001, IECQ QC080000, ISO14001, ISO45001, ISO14064-1, and ISO50001 as well as pass the qualification of RBA VAP effective auditing.

Selection and Risk Assessment

Verification and Confirmation

Enhancing Sustainable Performance

Basic information

- Credibility and business reputation
- Location (region)Areas of factory (equipment) distribution
- Relationship between upstream and downstream suppliers

Core capability

- Quality capability
 Cost leading capability
- Delivery and supply capability
 Service team and technology capability.

Main customer distribution

Type of industry (sector)

Commodity

Sustainable resilience

No hazardous substance, no use of conflict minerals, whether meeting Wiwynn's environmental requirements, whether providing correct data and reports in the Green Product Management System (GPM) on time, state of carbon emission and carbon reduction and the use of renewable energy, labor, health and safety, environment, norm of morality, management system, RBA compliance for Service-oriented Suppliers

Risk evaluation for sustainability

To enhance the understanding of the sustainability status of the supply chain, an annual SAQ questionnaire survey was conducted in 2022 for 32 suppliers, which accounted for over 95% of the procurement amount. The questionnaire encompassed five focal areas, including "Transparency and Business Ethics", "Business Continuity Management", "Labor Rights", "Environmental Management", and "Responsible Procurement". The aim was to evaluate the suppliers' responses and identify those with potential high risk in terms of the economic, environmental, and social aspects.

Five key dimensions of SAQ survey





Policy and Planning

Selection and Risk Assessment

Verification and Confirmation

Enhancing Sustainable Performance remote, and desk assessments, third-party assessments, as well as industry-relevant standards such as RBA VAP. In 2022, audits were conducted on the 32 mentioned suppliers through desk assessment using the Self-Assessment Questionnaire (SAQ) to verify the alignment between their SAQ responses and actual practices. Wiwynn categorizes sustainability risk assessment into four levels (A, B, C, and D), with suppliers scoring below 60 points (below C) and failing to score in specific sections considered as high-risk suppliers. Based on the results of the 2022 risk assessment, there were no high-risk suppliers identified. Additionally, over 78% of the suppliers achieved a rating of A or above (81 points or higher) in their assessment results.Wiwynn's suppliers are reputable major suppliers, with whom they have established long-term stable supply relationships and fostered positive interactions. Furthermore, risk assessment procedures have been implemented for suppliers that constitute over 95% of the total procurement amount, highlighting the effective management of supply chain risks. Moving forward, in the event that a supplier with higher risks is identified, Wiwynn will proactively request and support them in addressing the identified high-risk areas to ensure robust risk control and mitigation.

Wiwynn evaluates suppliers' performance through on-site,



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Note: Specific questions include: (1) Violation of business conduct resulting in penalties in the past three years, (2) Business operations affected by water outage/power failure/fire/natural disaster/significant occupational accident/strike in the past three years, (3) Incidents of violation against hazardous substance prohibition or customer requirements in the past three years.

Among the 32 suppliers, the status of SAQ and desk assessments conducted by significant suppliers.

%	ber of desk sessment		%	of	Number o SAQ		
62.50	20	I	62.50		20	significant suppliers	

The audit targets and achievement rate in 2022.

	Audit target		Number of audit target		Number of actual	Achi	evement rate
The audit rate of high-risk suppliers.	>30%		10		32	.	100%

Appendix **1**1



Rewarding, eliminatingand withdrawing mechanism

To enhance the performance of sustainable management of the supply chain, Wiwynn established rewarding and eliminating mechanisms. Quarterly assessment and annual SAQ assessment results will be used as the accordance for rewarding and eliminating mechanisms.

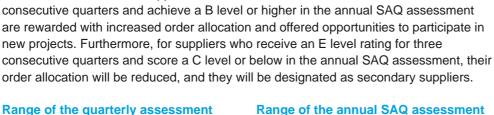
The quarterly assessment utilizes two criteria: "core capabilities" and "sustainability resilience" (which accounts for 10% of evaluation). Suppliers are categorized into five

levels: A, B, C, D, and E. Suppliers that maintain an A level or above for three

Selection and Risk Assessment

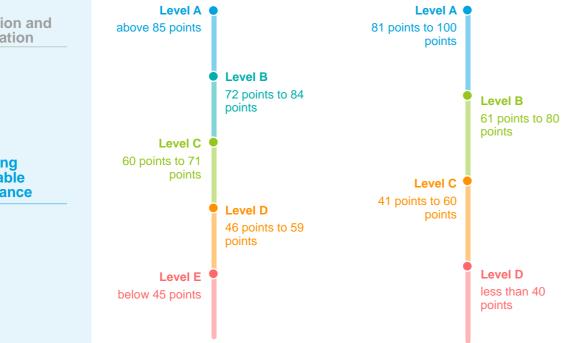


Enhancing **Sustainable** Performance



Range of the annual SAQ assessment

Four levels in total; from highest to the lowest



Five levels in total; from highest to

lowest

They will also lose their qualified supplier status and will be required to submit improvement plans. Suppliers who fail to meet the improvement requirements within two years may face temporary suspension of procurement or complete disqualification. In 2022, there were no instances of suppliers being suspended or disqualified.

Environmental

protection

Increasing orders

Qualification to participating in new projects / Increasing opportunities of cooperation

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

Cancelling supplier resources

Activating eliminating mechanism

- Rated Level E for three consecutive guarters in the guarterly assessemten and below Level C in the annual SAQ assessment
- Suppliers in above conditions fail to improve within two years.

Environmental Social protection inclusion

Appendix 🏠

Supplier educational training and coaching



In 2022, Wiwynn launched upstream supply chain carbon survey to carry out investigations in carbon emission and carbon issue management capability on 214 suppliers. Our colleagues helped the communication with suppliers related to carbon issues to enhance suppliers' understanding in the relevant issues.

In the beginning of 2023

Wiwynn held "Wiwynn Corporation Suppliers Briefing: Greenhouse Gas Inventory and Carbon Questionnaire". Nearly 200 suppliers participated in the briefing. In addition to inviting benchmark company to share insights on "Speeding up Energy Transition", we also hired professional lecturers to provide educational training on carbon issues. This training aimed to assist our supply chain in developing a more comprehensive understanding and acting towards sustainability. The goal was to establish a foundation for the subsequent carbon management platform.

Number of coaching targets and achievement rate in 2022

	Number of coaching	Achievement rate
Supplier Coaching	>200	100%

The programof supplier in capacity building

To fulfill our commitment to sustainable development and the environment, and to enhance suppliers' capacities in providing green materials, we have been implementing two projects since 2020, collaborating with five suppliers. Two of these suppliers are significant partners that account for over 90% of Wiwynn's procurement amount, while the collaboration with significant suppliers constitutes 40% of the total collaborating with the five suppliers. Through these collaborations, we aim to create mutual benefits in our operations and generate greater value for environment and society.

Name of the project working with the supplier / Content

Quantitative benefits

Recycled plastic materials

Qualitative benefits : Fulfill circular economy and create positive effects to the environment.

To reduce the usage of plastic materials in our products, we collaborated with suppliers in 2020 to evaluate the feasibility of using recycled materials. In order to ensure that the quality of the recycled plastic materials meetsWiwynn's standards, the suppliers we worked with had to repeatedly test the product's tolerability, such as heat resistance and flexibility, and submit relevant reports. Additionally, to align with the characteristics of recycled plastic materials, Wiwynn had to make further modifications to the product design, engage in communication with customers regarding the possibility of implementing these changes in new products, and conduct mold tryouts, verifications, tests, and approvals.

In 2021, approximately 40% of our products incorporated recycled plastic materials, with 89% of plastic materials being replaced by recycled alternatives. In 2022, all new products use recycled plastic materials.

The accumulated usage of recycled plastic materials in 2022 was 191.8 tons. Which increased 188.6 tons compared to 2021. When Compared to the use of only virgin materials, this translates to a reduction in CO_2e emissions of 209.1 tons.

Recycled EPE

Qualitative benefits : Fulfill circular economy and create positive effects to the environment.

Wiwynn sources over 90% of its packaging materials locally in Taiwan. To support and encourage the packaging material manufacturers in increasing the proportion of Post Industrial Recycled (PIR) materials in their products, we have been collaborating with suppliers since 2021 to develop and implement a plan for recycled EPE (Extruded Polyethylene).

In 2021, the ratio of recycled EPE used was 20%. In 2022, it increased to 25%. To ensure the product protection and safety, Wiwynn also needs to make corresponding adjustments in the design and conduct verification testing. Moving forward, we will continue collaborating with suppliers to further increase the ratio of recycled EPE to 30%.

In 2022, the accumulated usage of recycled EPE (Extruded Polyethylene)reached 468.3 tons, which translates to a reduction in CO₂e emissions of 280.4 tons compared to using only virgin materilas.

The target and achievement of supplier in capacity building

	The target of supplier in capacity building		Achievement rate
Supplier in capacity building	2	ļ.	100%

Appendix 俞

2.5.3 Conflict minerals

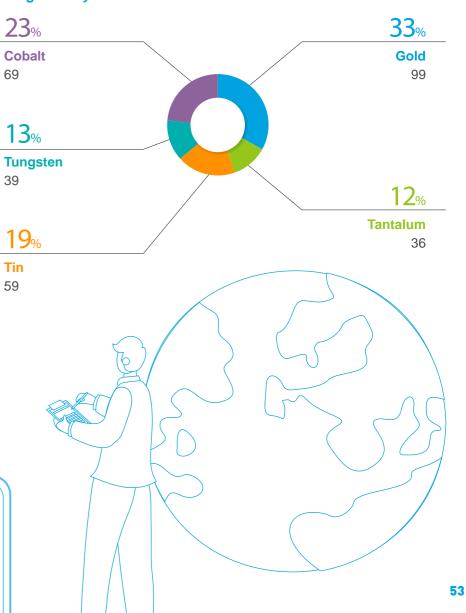
State of communication with suppliers

In 2022, the Group held a supplier conference. Which was attended by more than 300 suppliers. During the conference, Wiwynn delivered ESG goals to the suppliers, including Scope 3 carbon reduction goals established based on SBTi decarbonization pathway. To achieve these goals, Wiwynn must work closely with suppliers for sustainability and to create a common good.

Wiwynn established "Conflict Minerals Policies" and operating procedures. We also conduct due diligence through Green Product Management System (GPM) in accordance with the "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas" published by Organization for Economic Cooperation and Development (OECD). The list of smelters in the supplier report is evaluated based on the Conflict Minerals Reporting Template (CMRT) published by the Responsible Minerals Initiative (RMI), as well as the list of qualified smelters announced through third-party audits, to ensure that the metals used, including gold(Au), tungsten (W), tantalum (Ta), and tin (Sn), are not sourced from conflict or high-risk regions.

Any supplier found to be in violation of the relevant regulations will be included in the list of high-risk suppliers. Our purchasing units will be notified to suspend trading with such suppliers until improvements are made. We request that our suppliers do not support or use conflict minerals, and any supplier unwilling to cooperate for improvement will have its gualification immediately revoked.

The result of investigation in 2022 shows we have 302 smelters recognized by RMI.







Sustainability management Corporate governance Introduction

Innovative value

Social inclusion Environmental protection

Appendix 俞





Performance

27.67%

The growth rate of R&D personnel compared to the previous year

24.1%

The growth rate of granted patents compared to the previous year

355,253.88 kwh

The energy savings achieved from the operation of low-carbon products in one year.

670.3 ton The carbon reduction benefits of low-carbon products.

Approximately the carbon absorbed of 1.7 Forest Park

Product environmental benefits.

43.48%

The growth rate of R&D expenditure compared to the previous year

90.5% % of invention patents

54.3%

The growth rate of patent applications compared to the previous year

91.2%

% of halogen-free components in new products

Appendix 🏠

Green innovation



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

Policy and Commitment



Unleash the Power of Digitalization, Ignite the Innovation of Sustainability

Provide the Best TCO, Workload and Energy Optimized IT Solutions from Edge to Cloud

Resource

Establishment of Rack Integration LAB, cabinet-level large-scale constant temperature and humidity laboratory, wind tunnel and verification laboratory.

Grievance Mechanism

Any technical advice or feedback on issues is handled by the top manager of the Product R&D Department or by the supervisors of R&D sections or divisions under the supervision of the top manager.

Patent related affairs are handled by the managers the Company's Legal Affairs Department or Patent Department.

Evaluation Mechanism

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

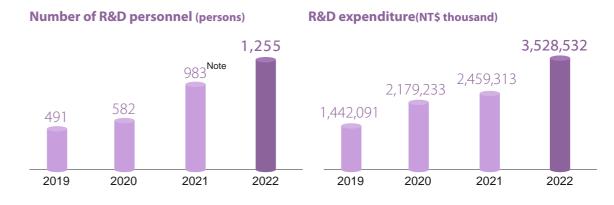
3.1.1 R&D and intellectual property

Product, service, and R&D innovation

Wiwynn's Vision: "Unleash the Power of Digitalization, Ignite the Innovation of Sustainability" Wiwynn's Mission: "Provide the Best TCO, Workload and Energy Optimized IT Solutions from Edge to Cloud"

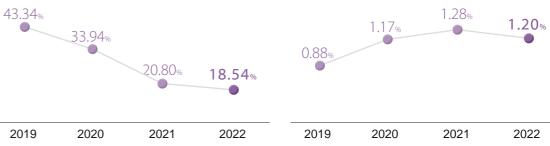
With innovative technology, we provide product and system solutions for hyperscale data centers and cloud infrastructure. We also actively participate in the development and cooperation with new-generation platforms. Considering the application in all aspects required by data centers and cloud technology, significant research and development resources are being invested in the development of edge computing servers and the application in 5G, AI computing, liquid cooling technology, and high-efficiency power supply technology in order to provide our customers new technologies and products that close to their demand.

In terms of resources invested in R&D, the personnel and funding have been consistently growing. In 2022, we had 1,255 R&D personnel, and the R&D expenditure reached a record of NT\$3.5 billion. Both hit a new high in the four most recent years.



% of R&D personnel to total employees

% of R&D expenditure to the total revenue



Note: Revised number of R&D personnel.



Core technology

High-energy efficiency





on



Product development and application

Al computing

This product of AI accelerator computing system is specifically designed for hyperscale data centers. The whole system adopts 10U structure as well as disaggregated structure of CPU (Central Processing Unit) and GPU (Graphics Processing Unit). It is good for the flexible allocation of GPU resources, expansion of system performance, and the scale-up of the number of GPU as well as easy for the maintenance of data centers. The system is exclusively designed for the AI system training of high-efficiency deep learning. It supports PCIe Gen5 standards (PCIe is a type of high-speed serial point-to-point computer expansion interface used to connect the motherboard with peripheral devices) and saves up to 50% of training costs compared with other similar instances based on GPU. Besides, it provides a network bandwidth of 400Gbps and computing capacity over 3 petaflops(petaflops means computing of floating-point operations of 10^15 per second).

Ampere solutions for advanced RISC machine (ARM)

New generation2U1N Storage Server. The system contains 184PCle channels, supports 24 hard disk drives, and accommodates 6 cards of full height and half width, 2 cards of half height and half width, and 1 network interface card (NIC) of 3.0. The design of dual CPU slots with server node provides the functions of high scalability and acceleration. Based on demands, it has diverse configurations and keep the maintenance convenience. In addition, it requires no tool for assembly and disassembly as well as supports hotswapping hard disk drive, fan, and power supply unit to ensure easy replacement and maintenance of the system.



- Adopt the Ampere solution based on the ARM architecture.
- Containing 184 PCIe channels to provide high scalability and acceleration.

Liquid cooling technology

Wiwynn works with members of OCP community to develop new liquid cooling rack integration heat dissipation solutions. The optimized heat dissipation solution provides excellent cooling capacity to data centers. In terms of cooling efficiency, the estimated PUE (Power Usage Effectiveness, which is the indicator used to evaluate the energy efficiency of data center) is 1.09. As for cooling capacity, the technology supports newly developed single 3OU server, which carries 8 high-wattage chips of 1000W. Meanwhile, the design of the 3OU server is fully compatible with ORv3 blind-mate architecture.



- Liquid cooling rack integration heat dissipation solutions with OCP standard.
- It supports single unit with 8 high-wattage chips of 1000W.

- Adopt disaggregated structure design of CPU and GPU.
- · Computing capacity more than 3 petaflops.

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Intellectual property rights



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

Policy and Commitment

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



Resource

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

Grievance Mechanism

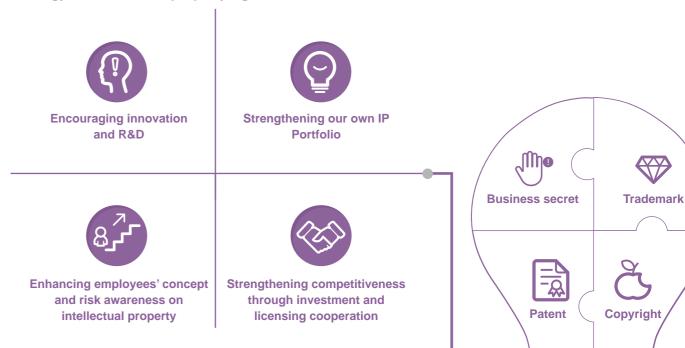
The Legal Affairs Department is responsible for handling disputes related to intellectual property.



Evaluation Mechanism

Patent review meeting.

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



From strengthening defending capabilities to gradually activating intellectual assets, Wiwynn encourages innovation and R&D, strengthens intellectual property portfolio (IP Portfolio), and enhances employees' concept and risk awareness towards intellectual property. We ensure our competitiveness through investment, cooperation, and authorization. In 2022, we continue receiving Level A certification awarded by Taiwan Intellectual Property Management System (TIPS) and optimizing the management of intellectual property rights. To establish an intellectual property development strategy that integrates the Company's operational goals and R&D resources, we report the annual implementation and the result of intellectual property rights to the Board of Directors at least once every year for the continuous promotion of intellectual property management as well as brand management improvement and the strengthening of our trademark value.

Strategy for intellectual property rights



Trademark protection measures

• Global layout: The registration of Wiwynn trademark has spread to ten major regions in the world.

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 Regular maintenance: We review the status of registered trademarks and evaluate the necessity of continued maintenance depending on the Company's future planning and development to carry out early layout deployment of the trademark registration.

Copyright protection measures

- Copyright ownership: In the employment contract provided by the Company, it is stipulated that the work completed by employees during the employment period shall belong to the Company. Development projects that cooperate with customers will also agree on the ownership of the software copyright in advance.
- Legal use: We established "Software Management Regulation" and implement software detection irregularly. If any employee uses unauthorized software, we will request the employee to remove it immediately to ensure the Company's employees all use software legally.

Patent right protection measures

- Incentive system: Allocate a budget for invention awards to encourage innovation and R&D.
- System construction: The establishment of new patent management system has been completed to manage all the Company's proposals and patents more effectively.
- Reviewing meeting: Adjusted the way of holding the meeting for reviewing patent to speed up patent applications. In 2022, the number of patent proposals increased 54.3% compared with that in 2021.
- **Regular maintenance:** We regularly review and maintain the validity of patents to adjust the resources configuration to the optimum.
- In 2022, the total number of patents granted to the Company all over the world increased 24.1% compared with that in 2021. Among them, invention patent accounts for 90.5%.
- **Risk Management:** Conduct regular patent analysis, track customers, competitors, and the patent strategy for the Company's technological development. We continue paying attention to the dynamics of competitors and establishing an experienced patent team to enhance the number of patent cases systematically.

Business secret protection measures

• Confidentiality obligation: In the employee's employment contract and resignation affidavit letter, we clearly stipulate that the technology and information known to or obtained by employees due to the position shall be kept strictly confidential during the period of employment and after the resignation. Without authorization, it shall not be disclosed. Since October 1st, 2020, the legal affairs unit started to implement one-on-one interviews with resigned employees to ensure that they understand their confidentiality obligations and have returned confidential information related to the Company. In addition, to fully protect business secret, the Company signed 381 new confidentiality contracts between 2020 and 2022 in total. It grew over 70% compared with the number of contracts singed before 2019. No disclosure of business secret has occurred.

Information security management: All the computer equipment in the Company has been introduced full-disk BitLocker encryption. USB storage device control was activated in 2021 to strengthen the protection on business secrets.

Document control: In accordance with the regulations of the "Information Classification Management Measures" access permissions are set for documents and files in each department, ensuring that unauthorized individuals are not allowed to browse or download them.

Accessing relevant documents or information requires following the application process specific to each department. Once approved, the accessed information must be used within the scope of the application and handle with confidentiality, strictly prohibiting reproduction or disclosure to third parties.

• Access control: Access control cards must be swiped in and out at the control areas as well as kept the access records. Visitors need to register at the counter and only access to the public areas. Each functional laboratory has access control with authority permissions. Non-laboratory related personnel are not allowed to enter, and photography or filming is prohibited inside the laboratory to protect operational confidentiality and prevent data theft.

External cooperation: In 2022, the Company joined Taiwan Association for Trade Secrets Protection (TTSP) to continue establishing and strengthening systems and measures related to business secret protection as well as follow up relevant law changes and industrial situation.

Seminars related to intellectual property rights

- Held an online educational training course, "Introduction to Intellectual Property Rights". We used explanation that is easy to understand and real-life examples to enhance employees' awareness on intellectual property protection. In 2022, there were 355 participants with training hours of 130.86 hours. The course designed an after-lecture test to find out the effectiveness of the training. The average score was 89.79, and the average pass rate was 97.53%.
- Held an online educational training course, "How to Create Valuable Patents". The objects of the training was R&D engineers in specific departments. There were 83 participants with training hours of 132.5 hours.

Appendix

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inclusion

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3.1.2 Responsible products



Being a pioneer of cloud services and global supply, we also pursue co-prosperity with environment and ecology while enhancing the growth of the enterprise. We design products in line with economy, society, and environmental protection to practice actions for sustainability and create a triple win.



Policy and Commitment

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

Resource

Implementing IECQ QC 080000 Hazardous Substance Process Management System, ISO 14001 Environmental Management System, Green Product Management System (GPM), and Product Lifecycle Management System (PLM).

Grievance Mechanism

Stakeholders can file a complaint via the telephone number and email address provided on the "Stakeholder Section" in Wiwynn's official website.

Evaluation Mechanism

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

Wiwynn put the spirits of sustainability and innovation to each detail by considering the whole product life cycle from design, material, production, delivery, use, and recycling. We not only create the value of the product but also devote to reduce carbon footprint, lower energy consumption, and implement hazardous substance control to pursue a virtuous cycle of ecological balance. Meanwhile, Wiwynn follows laws related to environmental protection and customer requirements and provides customers green products that are safe, low hazard, recyclable, and with better energy efficiency.

Hazardous substance control

Based on three key areas, including products, batteries, and packaging materials, we established "Hazardous Substance Control and Management Procedures". We also implement Green Product Management System (GPM) and Product Lifecycle Management System (PLM) to manage ingredients of materials used by suppliers and the analytical reports. Through the certification of IECQ QC 080000 Hazardous Substance Process Management System, we continue conducting effectiveness assessment on the management mechanism to ensure the material management in Wiwynn fully comply with international laws and customer requirements. In 2022, there was no violation against prohibition of hazardous substance or complaints caused by the breach of customers' requirements. The percentage of halogen-free materials and parts on all the new products developed in the three most recent years is increasing every year from 80.6% to 91.2%.

PLAN

- Formulating hazardous substance free policies
- Establishing hazardous substance management procedures

ACTION

- Updating hazardous substance demands
- Continuous monitoring the internal system

Continuous improvement of hazardous substance management

6

DO

 Adopting Green Design Guide Executing parts approval operation



CHECK

Executing risk evaluation on materials Testing hazardous substance on incoming materials

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2022 SUSTAINABILITY REPORT	Introduction	Sustainability management	Corporate governance	Innovative value	Environmental protection	Social inclusion	Appendix
		management	governance	value	protection	Inclusion	

Integration of Hazardous Substance Control Process with GPM System



Environmentally Hazardous Substance Management Plan

Added two new controlled

Packaging Clearinghouse, including phthalates

substances published by

United States Toxics in

andPer fluoroalkyl

substances.

Wiwynn Corporation Hazardous Substance Control and Monitoring

Product (composition	materials)	2020	2021	2022					
EU RoHS prohibited and restricted	Prohibited and restricted substances based on EU RoHS Directive 2011/65/EU and its extended directive (EU) 2015/863.		Product Restricted Substance Control						
substances		Established 10 restricted substances based on	Added five new substances, which are	Added five new	(
Wiwynn controlled substances	Items listed in Material Declaration Standards IEC 62474 published by International Electrotechnical Commission and requirements from customers.	RoHS Directive, including lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls,	persistent bioaccumulation toxic substances listed in United States Toxic Substances Control Act,	substances, which are prohibited and restricted substances listed in Prohibition of Certain Toxic Substances Regulations	dic p				
Wiwynn monitored substances	Substances that are under the classification of environmental protection and concerned by customers but have not been banned; they shall be monitored continuously for the basis of reduction or elimination evaluation in the future.	polybrominated biphenyl ethers, and phthalates.	Decabromodiphenyl oxide, Isopropylated phenol phosphate,	published in Canada, including hexabromocyclododecane, polybrominated diphenyl					
Halogen-free product-controlled substances	In response to the requirements from customers on hazardous substance free, we introduced halogen-free or low-halogen regulations to specific products.		2,4,6-Tri-tert-butylphenol, hexachlorobutadiene, and pentachloro thiophenol.	ethers, perfluoro octane sulfonic acid, perfluorooctanoic acid, and long-chain perfluorinated	é				
EU REACH substance of				carboxylic acid.					
very high concern	announced by European Chemicals Agency.		Product Halogen Free Control Plan						
Battery EU Batteries Directive controlled substances. Carrying out control on storage battery and button cell battery according to EU Batteries Dir		Achievement of halogen free: 80%	Achievement of halogen free: 85%	Achievement of halogen free: 90%					
			Packaging	Material Control Plan					

Established four prohibited

listed in EU Packaging and

Packaging waste Directive,

and restricted substance

including lead, cadmium.

mercury, hexavalent chromium.

Packaging material

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EU Packaging Directive controlled substances

Controlling packaging materials and its waste according to Directive on Packaging and Packaging Waste (Directive 94/62/EC).

free: 90%	than 90% of the medium and long- term goals.
laterial Control Plan	
Added mineral oil, which is a controlled substance for packaging and printed matter listed in Mineral Oil Act in France.	Continue monitoring the updates of Packaging and Packaging Waste Directive in EU and United States as the medium and long-term goals for complying with legal regulations on prohibited and restrict substances for Packaging materials.

2025

Continue monitoring the

prohibited and restricted substance plan on per/poly

fluoroalkyl substances

proposed by European Chemicals Ágency as the medium and long-term

complying with the legal requirements of prohibited and restricted substances.

Continue achieving more

goals for products

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Product design that saves energy and reduces carbon

Per year, each cooling tank can save approximately

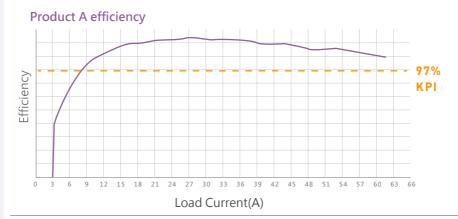
35,740.8kWh

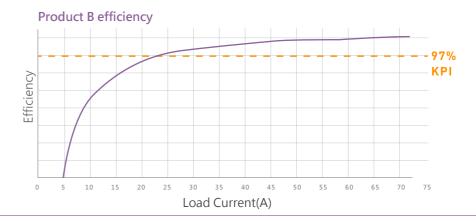
Per year, each server can save approximately



Cooling pPUE (partial power usage effectiveness) tested after actual operation of the new immersion cooling tank is lower than 1.03. It is estimated the whole PUE is 1.08. Compared to the traditional air-cooling solution, which is 1.2, it has more outstanding performance in heat dissipation. After calculation, each cooling tank can save around 4.08kWh of energy. For the operation of consecutive one year, it can save electricity of 35,740.8 kWh, which is equivalent to the reduction of CO₂e emission in 18,192.1 kg every year.

Along with the increasing advance application, like high performance computing (HPC) and artificial intelligence (AI), in data centers every year, the load capacity and power required by the system are increasing constantly. Wiwynn focuses on the development of 48V/54V power conversion system. Through innovative design of power conversion, the back panel mounting power-supply system is optimized. After verification, the actual conversion efficiency is over 97%. It is better than the standards requested by customers. The calculation of power conversion solution from 48V to 12V reveals that the operation of each server in one consecutive year saves 130.3kWh. It is equivalent to the reduction of CO₂e mission in 66.3 kg every year. For power conversion solution from 54V to 12V, it saves 44.32 kWh on each server for running in one consecutive year. It is equivalent to the reduction of CO₂e mission in 22.6 kg every year.





Per year, each server can save approximately

165.8kWh

With the element of Metal-Oxide-Semiconductor Field-Effect Transistor (MOSFET) in the new manufacturing process, we effectively enhance the overall PCBA power conversion efficiency at least 91% via circuit board design and circuit integration and further reduce total power consumption of the system. It is better than the conversion efficiency requirement established by customers in 90%. After calculation, each server operating for one consecutive year will save around 165.8 kWh in average. It is equivalent to reduce CO₂e emission of 84.4 kg.

Tested figure of overall terminal plate power conversion rate

Product C Product D Product E	91.02	92.88 %	92.01%
	Product C	Product D	Product E

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Product design that saves energy and reduces carbon

Meet 3R requirements

Reuse 80% Recycled rate 80% Recovery rate 85%

Reduce approximately 489.5 ton CO2e Followed Waste Electrical and Electronic Equipment Directive (WEEE), the objectives of our product design are easy to disassemble, recyclable, and environmental protection. The products developed Since 2020, all products developed have undergone WEEE-3R assessment and verification, following the operational process. The product designs comply with 3R requirements (Reuse and Recycled rate = 80%, Recovery rate = 85%). Additionally, the products are labeled with the WEEE recycling symbol, indicating the prohibition of indiscriminate disposal of waste electrical and electronic equipment (WEEE).

In the stage of product design, Green Design Guide is adopted. With the infrastructure of ISO 9001 Quality Management System, the implementation of recycled materials will be gradually increased. In 2022, recycled plastics have been introduced to all new products. Total usage of plastics in products was 545.9 tons. Among them, the accumulated usage of recycled plastics was 191.8 tons. Around 35% of the plastic materials used was recycled plastics, compared with only the virgin materials used, it is equivalent to reduce CO₂e emission of 209.1 tons. We will continue introducing it to other products and implement circular economy through responsible production to create positive effects to environment. Other than plastics used in products, plastic EPE used for packaging materials is recycled EPE(Extruded Polyethylene). The accumulated usage was 468.3 tons. Compared with only virgin materials used, it is estimated to reduce CO₂e emission of 280.4 tons.

	Total plastics used (tons)	Total recycled plastics used (tons)	Ratio (%)	Carbon reduction effect (ton CO₂e)
Product Recycled plastics implementation	545.9	191.8	35%	209.1
Packaging materials Recycled EPE mplementation	468.3	468.3	100%	280.4

Note: Calculation method limited to confidential commercial information, based on third-party verified carbon footprint data provided by suppliers.

Based on the sales volume of low-carbon products in 2022, the electricity saved from one

year of operation is estimated to be 355,253.88 kWh. Additionally, the carbon reduction

benefit from the adoption of recycled plastics is estimated to be 670.3 metric tons,

approximately equivalent to the annual carbon absorption of 1.7 Daan Forest Parks.

The environmental benefit

7 Forest Park

	Energy saved (kWh)	Carbon reduction effect (ton CO₂e)
Product operation efficiency	355,253.88	180.8
Recycled plastics implementation	-	489.5

3.1.3 Customer relationship management



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Wiwynn attaches great importance to the safety of products used by customers. We avoid using substances that contain risks or hazards to the human body and the environment on our products in order to ensure the health and safety of customers and enhance the customer's confidence and affirmation on products provided by the Company.

Policy and Commitment

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

Resource



Budgeting for application to international safety certification as well as implementing ISO9001 Quality Management System, IECQ QC 080000 Hazardous Substance Process Management System, Green Product Management system (GPM), and Product Lifecycle Management System (PLM).



Grievance Mechanism

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

Evaluation Mechanism

- According to the ISO9001Quality Management Systems, customer feedback problem are managed, and monthly product quality meeting are conducted to track and improve.
- Assessing customer satisfaction through Quarterly Business Reviews (QBRs).
- The third-party verification of ISO9001 and QC080000, internal audits, and irregular audits from customers.

Approximately the carbon absorbed

Introduction

Social

inclusion

The policy in quality and hazardous substance free is "delivering zero-defect and competitive green products and services to customers on time".

Wiwynn attaches great importance to the safety and health impact when customers use our products. We continue evaluating and improving at different stages in product development, certification, and user experience among customers. Besides, we demonstrate it on the presentation of product quality to enhance product safety and reliability.

In 2022, we did not receive any grievances from customers regarding safety and health, and our products and services did not involve with any violation against laws and regulations for health and safety.

The information labels on products and services are handled in accordance with relevant laws and regulations. Customers can obtain product information from the product, user manual, or the Company's official website. In 2022, there was no product and service information label that violates laws and regulations or violates laws and ordinances due to false sales.

> Use and service

Mechanism design optimization, tool-less

To enhance the operational convenience and safety for customers, the product design is based on tool free for disassembly, effort-saving, and safety structure. An electronic device with IO, hot plugging, and extraction structure is installed in the front end of the product. The maintenance on each device can be done by just pulling the drawer open. It alleviates the occupational injury caused to product operators over a long time. In addition, it also prevents workers carrying out operation at the area of heat in the data center to reduce the risk of hazards to human body. All products are provided with instructions and handbook for assembly and troubleshooting to help customers understand the correct operation method and the strengthen operation safety.



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Paying attention on the feedback from customers

Information security protection

In the early stage of product development and design, we actively inquire product operators for anything related to the operational mode and pay attention to the feedback from product operators, such as issues like electricity safety and power configuration in the working environment in order to integrate them into product design as soon as possible.

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

Certification

Product safety regulations and verification mechanism

Materials due diligence investigation

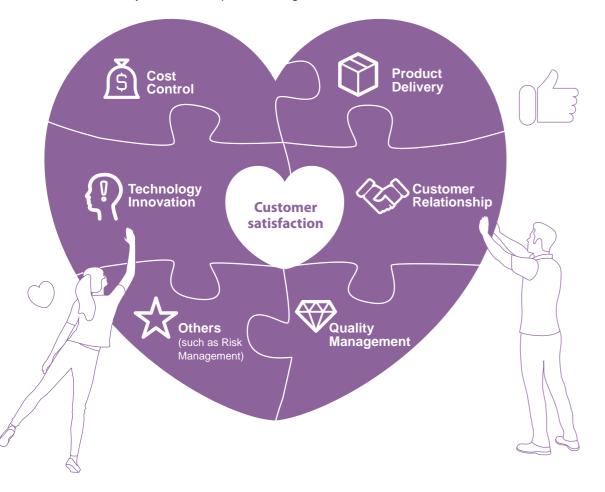
For the safety of product operators, we pass the relevant verification mechanism based on the international specifications or the safety certification required by different countries. In addition, to reduce the impact of hazardous materials to human health, we carry out due diligence on the materials and implement hazardous substance test on the materials received effectively.

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

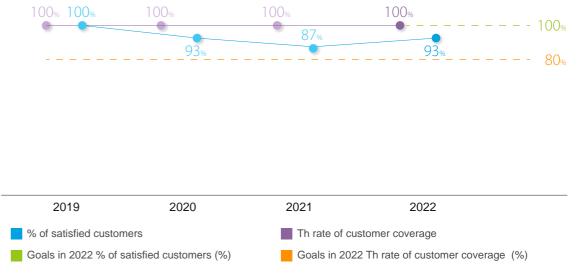


Process of handling complaints from customers

The Company implements customer feedback management and improvement based on the Quality Management System. If receiving complaints from customers, PM or sales personnel will find out the problems that customers encountered first and pass the issues to the Customer Service Unit for subsequent handling. The Customer Service Unit is responsible for judging the types of the complaints and coordinating with relevant responsible units to handled the issues together in the shortest time until they are solved to protect the rights and interests of customers.



Wiwynn carries out regular customer satisfaction investigation and assessment through Annual Customer Satisfaction Survey, Quarterly Assessment, and Customer Audit to ensure the demands from customers handled satisfactorily and properly. Over the past four years, the customer coverage rate in our surveys has reached 100%, and the assessment scores have all been rated as satisfactory or above.



Note: Satisfaction rating criteria A: 80% or above satisfaction; B: 60%-80% average; C: Below 60% requires improvement.

Based on the results of various satisfaction indicators, an analysis will be conducted to identify areas for improvement. The management level will assign a senior manager to develop top-down improvement policies and strategies, as well as coordinate with relevant internal units to ensure their effective implementation and monitor the progress of improvement. This ongoing commitment to self-improvement aims to enhance customer satisfaction.

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Social inclusion

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)4 ENVIRONMENTAL PROTECTION

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 Climate 	change

· Energy management

· Environmental management

· Biodiversity and forest conservation

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2022 SUSTAINABILITY REPORT

Social inclusion

Performance

2030 100% Renewable Energy Usage

2040 Net Zero Emissions

27.73% Global renewable energy utilization rate

Headquarters (HQ) Full Area

HQ full area achieves renewable energy switching.

94.42% Waste recycling rate

penalties imposed

Consecutive five years No incidents of environmental non-compliance or

-538,067kwh Energy-saving measures performance

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inclusion

Climate change



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

Policy

Enhancing the implementation of solutions for climate change

Commitment

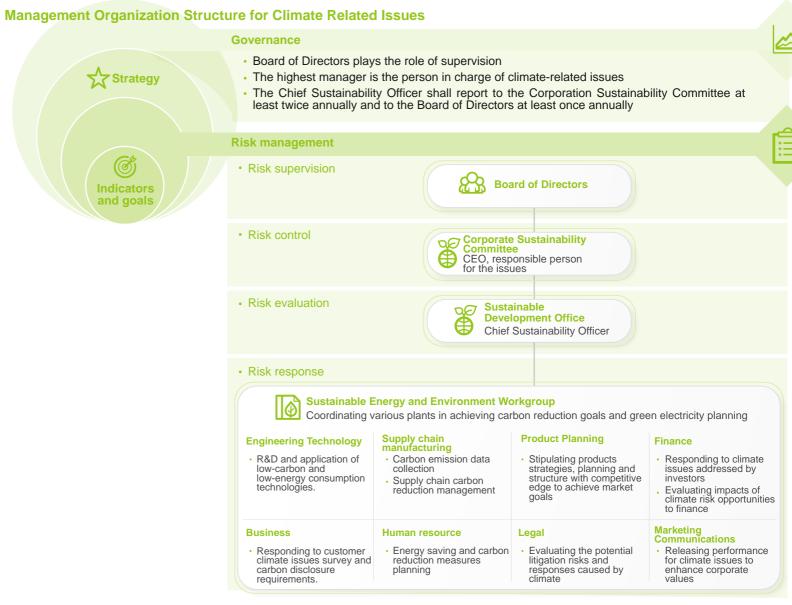
Lowering greenhouse gas emission and enhancing efficiency of energy utilization

Resource

Establishment of "sustainable energy and environment workgroup" and introduced management systems such as ISO 14064-1: 2018 (Green House Gases Inventory Management Systems) and ISO 50001: 2018 (Energy Management Systems)

Evaluation Mechanism

Board of Directors, Corporate Sustainability Committee



inclusion

4.1.1 Climate governance and strategies

In recent years, under the influence of climate change, the concept of using earth energy and resources has changed, and it has also brought operational challenges to various economies. In order to make sure the transparency of the information related climate-related risks and opportunities, Wiwynn started to disclose information related to climate change on the Corporate Sustainability Report in 2019 according to the TCFD framework. We will continue to respond to the operational challenges and opportunities brought by the climate change through the implementation of various plans. Meanwhile, we introduce climate change-related information into operation and investment decisions to enhance the realization of the solutions for climate change. We also commit to reducing the greenhouse gas emission to fulfill our corporate social responsibility.

Highest governance unit for issues related to climate

The "Corporate Sustainability Committee" is the highest governance unit for issues related to climate. This committee is a functional committee under the board of directors and consists of four directors. The CEO, the highest executive in the management hierarchy, serves as the person in charge of climate issues, responsible for assessing and managing climate-related issues. President, senior vice presidents and independent director are committee members. At least two meetings should be held every year, and chief Sustainability Officer is required to report to the Board of Directors at least once a year. In 2022, "Corporate Sustainability Committee" held two meetings. The latest report submitted to the Board of Directors was on February 22, 2023.

Climate-related risks integrating to the overall risk management system

At least once every year, "Sustainable Development Office" follows the global risk evaluation report to identify risks and opportunities in the upstream, organization, and downstream of the value chain. In recent years, climate risk has become one of the closely watched important risks in the global risk evaluation report. In 2022, we identified the speed-up of net zero trend in the future, the widespread of carbon pricing implementation to adjust financial impacts, business continuity management of climate risks, energy resource management, and price increasing, and material shortage caused by the changes of natural resources. We incorporated them into the overall risk evaluation and established management plans. Corporate Sustainability Committee reviewed the management plans and objectives before reporting to the Board of Directors. When the Board evaluates and instructs the Company's production, R&D, supply chain management, and customer relationship, all the issues related to climate must be considered in order to control the implementation and promotion of relevant plans. In 2022, Wiwynn established goals of carbon reduction and commitment of using renewable energy as well as report it to the Board of Directors. In 2023, to deepen ESG performance management, we established goals of saving energy on products and reducing carbon during the manufacturing process. It is linked to the remuneration of high-level managers (like CEO, highest manager of each function and the head of plant) to approve their variable compensation based on the implementation status of the goals.

4.1.2 Strategy

Wiwynn defines short-term, medium-term, and long-term timeline as 1-3 years, 3-5 years, and more than 5 years. The risks identified contain transitional risks and physical risks, including existing regulations, emerging regulations, techniques, markets, goodwill, lawsuit, acute disasters, and long-term disasters. In 2022, the climate-related risks identified that have significant impacts on business operation or finance were mainly transitional risks. Among them, the possibility and impact caused by technical transformation were higher. It followed by the changes of supply chain requirements, such as the trend and commitment of using renewable energy, as well as legal risks, like total volume control/ emission trading, carbon tax, energy tax, and renewable energy regulations. The last was the impact of physical risks, such as the changes of temperature and rainfall as well as the changes of average temperature. According to IPCC AR6 evaluation report, global warming will rise temperature 1.5°C in the short term (2021-2040). Therefore, to control the rise of temperature, net zero trend was advanced from 2050 to 2040. In order to enhance emission reduction mechanisms, each country will establish stricter standards for energy consumption and carbon emission on products. Net zero trend and product energy efficiency legal standards (CBAM) are the main two emerging risks that we concern. The uncertainty towards product and service requirements in the market will also affect the Company's medium-term and long-term strategy planning.

In terms of opportunities related to climate, except Taiwan upgrading Greenhouse Gas Emission Reduction and Management Act to Climate Change Response Act, each country established many restrictions on carbon emission to respond to climate changes, such as EU CBAM. Issues of climate change are not limited to one area; instead, it is a global impact and has expanded to each enterprise as supply chain effects. The emission reduction of products and services is closely linked to the value chain. To this, Wiwynn is currently introducing a carbon management platform and collecting emission data in the organization and in the supply chain via a digital and automatic method as the accordance for carbon management. We continue arranging the purchase of renewable energy. In the future, when we expand the construction of plants, we will consider the design of green buildings in priority. We will also take initiative to invest the development of new heat dissipation technology and integrated solutions to grasp business opportunities in the market.

inclusion

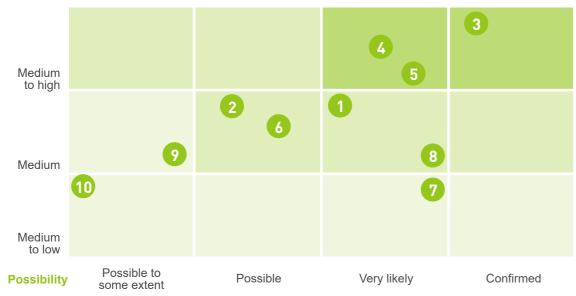
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4.1.3 Risk identification, evaluation, and management

The "Sustainable Energy and Environment Workgroup" was established under the "Sustainable Development Office" to collect climate-related issues from each unit. Besides, considering the existing and emerging legal requirements related to climate change, such as "Climate Change Response Act", "Renewable Energy Development Act", and "Autonomous Regulations of Low-carbon City Development", we conducted matrix analysis based on the possibility and level of impact to assess the impact (Note) on the Company's financial position caused by climate change risks and opportunities. This assessment was carried out using coefficients from the SSP Public Database, TCCIP future scenario forecasts, and reports on international industry trends. We regularly follow up the subsequent situation of our climate strategies and course of action. The CEO monitors issues related to climate through the monthly meetings of the "Sustainable Energy and Environment Workgroup", and Chief of Sustainability officer reports to the "Corporate Sustainability Committee" every half a year.

Climate Risk Matrix

Impact intensity



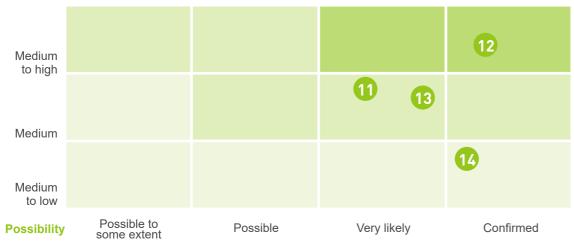
Note: Please refer to "2022 Wiwynn TCFD Climate-related Assessment Report" for climate transformation and physical scenario analysis in 2022.

Item	Level of risk	Location	Time	Impact/ financial implication	Management method	
			Transiti	ional risk		
Domestic and ov	erseas regi	lations and poli	cies			
1. Greenhouse gas emission cost	Medium	In the organization	Short term	Increased operating costs and expenses	Introducing carbon platform management to establish carbor emission data and monitor potential carbon costs timely.	
2. Carbon market	Medium	In the organization	Long term	Reduced revenue		
Technical transfo	ormation					
3. Product technology transformation	Medium to high	In the organization	Medium term	Enhanced R&D expenditure and increased development costs	The Company continues introducing innovative technologies and lowering potential costs required for significant transformation on products and manufacturing process in order to assist customers reduce PUE (power usage effectiveness) by providing higher-efficiency heat dissipation solutions and develop sustainable data centers.	
 Production and manufacturing technology transformation 	Medium to high	In the organization	Medium term	Increased capital expenditure and direct costs		
Change of supply	y chain req	uirements				
5. Trend of renewable energy utilization	Medium to high	Upstream or supply chain, in the organization, downstream or customers	Short term	Enhanced energy costs and increased expenses	Timely monitoring the trend of renewable energy to relatively reduce procurement costs. Through the implementation of the carbon platform, it aims to integrate supply chain carbon emission data and effectively promote carbon reduction plans.	
 Supply chain carbon reduction management 	Medium	Upstream or supply chain and in the organization	Medium term Long term	Increased costs and expenses		
Carbon reduction	n performar	ice				
7. Attention of stakeholders	Low	In the organization and downstream or customers	Short term Medium term	Increased personnel costs and management fees	Introducing carbon platform management to integrate supply chain carbon data management and for transparent disclosure. It is expected to present the	
8. Carbon emission disclosure	Medium	In the organization	Short term	lees	performance in carbon reduction via diverse carbon reduction effec every year and enhance positive company brand image.	
			Physi	cal risk		
9. Extreme climate causes hazards and affects the operation of enterprises	Medium	In the organization	Short term	Endangered employee safety so that the enterprise's labor costs, and management costs were increased; reduced productivity caused the reduction of revenue; impairment loss of assets caused the increase of capital increase.	The Company has established business continuity managemen (BCM) and various business continuity plans (BCPs). It is anticipated that the introduction of relevant systems and drill plans of cost approximately NTD 1 million to NTD 2 million. This investmen aims to effectively control the risl of operational disruptions and	
 Global warming, the rise of sea level, and erratic rain fall 	Low	In the organization	Long term	Increased indirect costs	mitigate financial losses or personnel injuries caused by business interruptions.	

W	2022 SUSTAINABILITY REPORT
Wiwynn	2022 SUSTAINABILITY REPORT

Climate Opportunity Matrix

Impact intensity



Item	Level of risk	Location	Time	Impact/ financial implication	Management method
				Opportunity	
11. Efficient use of resources	Medium	In the organization	Short term Medium term	Enhanced resource efficiency, lowered electricity fee, and reduced expenses	 We introduced energy-saving buildings to the plant in Malaysia that is currently under the construction. It is estimated to achieve 30.37% energy efficiency and save around 6,361,646 kWh (1kWh=NT\$3). It saves NT\$19.1 million every year. In 2022, it was estimated the energy-saving and carbon reduction measures saved 528,067 kWh every year as well as reduced around NT\$1.85 million of electricity fee.
12. Low-carbon products or service	High	In the organization and downstream or customers	Medium term	Satisfied customers' demands on energy-saving products and increased revenue	The Company has continued introducing low-carbon projects to our products, such as 48V and 54V, high power conversion efficiency, recycled plastics, and liquid cooling. In 2022, it was estimated saving 355,253.88 kWh and 670.3 tons CO ₂ e carbon reduction efficiency.
13. Low-carbon energy	Medium	Upstream or supply chain	Medium term	Enhanced the use of renewable energy and lowered the expense on the rising fossil fuel prices in the future	Currently, the utilization rate of renewable energy is 27.73%. It is expected to increase every year to grasp potential opportunities.
14. Changes of customer behavior	Low	Downstream or customers	Medium term	Enhanced the willingness of long-term investment from investors and reduced the significant fluctuations on the value of stock	Performance of carbon reduction is presented via diverse carbon reduction efficiency every year to enhance positive company brand image.

4.1.4 Climate indicators and targets



The Company follows Decarbonization Pathway established by SBTi to calculate and estimate relevant indicators for climate mitigation and adaptation. Year 2021 is used as the base year. Emissions of Scope 1+2 will achieve an

absolute reduction of 2.5% every year. By 2031, Scope 1+2 will be reduced 25% and 12.3% for Scope 3 (Note). Besides, Wiwynn also promises to achieve 30% utilization of renewable energy in 2030. In 2022, our global renewable energy utilization rate was 27.73% with an achievement rate of 92.43%. In 2023, Wiwynn further sets two key long-term goals of 100% renewable energy utilization in 2030 and net zero emission in 2040.

Target achievement rate calculated by Carbon Reduction Pathway established by SBTi based on 2021.

Border	Target coverage rate	Scope 1+2 achievement rate	Scope 3 achievement rate
Taiwan	35%	9%	99%
Global (Taiwan and Mexico)	100%	55%	9970

Greenhouse gas emission and energy management

Wiwynn deems "environment" as a part of the corporate sustainable development and integrates green conceptions into daily operation. We have implemented ISO 14001: 2015 (Environmental Management Systems) and IECQ QC 080000: 2017(Hazardous Substance Process Management Systems). In 2020, we implemented ISO 14064-1: 2018 (Green House Gases Inventory Management systems) and ISO 50001: 2018 (Energy Management Systems) to establish database for greenhouse gas inventory as the accordance for internal environmental management.

Greenhouse gas emission

The Company takes reference to Greenhouse Gas Protocol (GHG protocol) and follows ISO 14064-1:2018 to carry out greenhouse gas inventory. Organizational border is set based on the right of business control, and greenhouse gas inventory was implemented with reference to GHG protocol and the regulations of ISO 14064-1:2018. Operating sites that have emissions less than 5% of total emissions or the emission data is less than one complete fiscal year were excluded. The rest sites were all verified through a third-party institution. The sites include Taipei Operation Headquarters, Tainan Branch Office, and the subsidiary in Mexico; the data collection coverage rate achieved 100%.

The emissions in the two most recent years showed a significant increase compared to that in the past years was mainly because the subsidiary in Mexico started to have the capacity of production and manufacturing from July 2021; the scale of business was expanded. In 2022, the greenhouse gas emission was 27,148.2085 tons CO₂e. Among that, 1,186.6308 tons CO₂e was from Scope 1 area and 25,961.5777 tons CO₂e was from Scope 2 area. The main source of emissions is the CO₂ emission generated by the purchased electricity, and it accounted for 95.63%.

To link with international carbon reduction pathway, the Company's carbon reduction target was approved by SBTi in January 2023. The Company is proactive in arranging renewable energy procurement. In 2022, all the self-owned electric meters in Taipei Operation Headquarters have completed renewable energy transfer. Besides, to enhance renewable energy utilization rate, we adopted the mode of single electric meter multiple users for the renewable energy transfer in the office building. Combining with the purchase of renewable energy certificate, the Scope 2 market-based emission was 19,170.5147 tons CO₂e and the renewable energy utilization rate was 27.73%.

Greenhouse gas emission statistics over the years

G	reenhouse gas	emission (tons CO2	e) 2019	2020	2021	2022
	Stat	ionary combustion	0	0	187.4227	845.9931
	Scope	Mobile combustion	10.7562	16.8122	139.8305	183.1985
		facturing emission	0	0	0	0
		Fugitive emission	23.1872	27.2657	33.8733	157.4392
		Subtotal	33.9434	44.0779	361.1265	1,186.6308
	Scope	Location-based	3,689.3964	5,913.0248	14,785.6430	25,961.5777
	2	Market-based				19,170.5147
	Sum of	Location-based	3,723.3398	5,957.1027	15,146.7695	27,148.2085
	Scope 1+2	Market-based				20,357.1455
	Unit revenue	Location-based	2.28	3.19	7.86	9.27
	emission (tones of CO₂e/ NT\$100 million	Market-based				6.95
	Listed renewabl certificate amou		Tai	wan	Mexico	Total (kWh)
	Self-declaratio	on (A)	460	,000	15,501,000	15,961,000
	ISO14064-1 ve	erification (B)	309	,000	15,501,000	15,810,000
	Difference (A)	-(B)				151,000

Remark • ISO14064-1 is based on date of power generation in the fiscal year reported.

 The difference is because the date of power generation in 151,000 kWh was in the second half of 2021 while the certificate issuing date was in the early of 2022. It didn't meet the criteria recognized by ISO14064-1.

- Note 1: The self-declaration follows Green-e Standard regulations, recognizing renewable energy certificates based on power generation dates, including certificates from six months before and three months after the report year.
- Note 2: GWP value follows AR6 report. In Taiwan, Scope 1 adoptedGreenhouse gas emission coefficient management table, Edition 6.0.4. In Mexico, it adopted IPCC and heating values published by the local energy bureau. The electricity carbon emission factor in Taiwan was 0.509 kgCO₂e and 0.423 kgCO₂e in Mexico.
- Note 3: The subsidiary in Mexico expanded its operating function to production and manufacturing in the second half of 2021. The statistical data started to be included from the second half of the year. It was the result of self-inventory without being verified by a third-party institution.

Www.ynn° 2022 SUSTAINABILITY REPORT	Introduction	Sustainability management	Corporate governance	Innovative value	Environmental protection	Social inclusion	Appendix	仚
		management	governariee	varac	protection	interasion		

The subsidiary in Mexico was established on February 14, 2019. Its operating function was expanded to production and manufacturing in the second half year of 2021. To line up emission border, we adopted the method of economic data allocation to disclose the annual emissions in the Mexican subsidiary between 2019 and 2021. The production emission per unit in the three most recent years was 0.012. To actively fulfill the carbon reduction targets, we reduced the production emission per unit to 0.009 in 2022 through the purchase of renewable energy.

Greenhouse gas emission statistics over the years (tons CO ₂ e) (tons CO ₂ e)						
		2019	2020	2021	2022	
Scope 1		733.6264	1,127.6788	1,115.9605	1,186.6308	
Scope 2	Location-based	14,649.8611	17,464.5190	23,581.8583	25,961.5777	
	Market-based				19,170.5147	
Sum of	Location-based	15,383.4875	18,592.1978	24,697.8188	27,148.2085	
Scope 1+2	Market-based				20,357.1455	
Unit productior emission	1 Location-based	0.036	0.012	0.012	0.012	
(tons CO₂e/ unit production PCS)	Market-based				0.009	
cope 1 Types c	of greenhouse g	as emissions			(tons CO2e)	
scope 1 Types c	of greenhouse g	as emissions 2019	2020	2021	(tons CO ₂ e) 2022	
cope 1 Types c	of greenhouse g		2020 16.1463	2021 323.5978		
	of greenhouse g	2019			2022	
CO ₂	of greenhouse g	2019 10.3062	16.1463	323.5978	2022 976.6564	
CO ₂ CH ₄	of greenhouse g	2019 10.3062 0.0925	16.1463 0.1624	323.5978 2.2605	2022 976.6564 41.0140	
CO2 CH4 N2O	of greenhouse g	2019 10.3062 0.0925 0.3576	16.1463 0.1624 0.5035	323.5978 2.2605 1.3949	2022 976.6564 41.0140 12.3222	
CO2 CH4 N2O NF3	of greenhouse g	2019 10.3062 0.0925 0.3576 0	16.1463 0.1624 0.5035 0	323.5978 2.2605 1.3949 0	2022 976.6564 41.0140 12.3222 0	
CO2 CH4 N2O NF3 HFC	of greenhouse g	2019 10.3062 0.0925 0.3576 0 23.1871	16.1463 0.1624 0.5035 0 27.2657	323.5978 2.2605 1.3949 0 33.8733	2022 976.6564 41.0140 12.3222 0 156.6157	

In 2022, the main sources of emissions in Scope 3 were the purchased products and services, as well as the use of sold products. According to the investigation and calculation, the emissions reduction in Scope 3 amounted to 1,793,008.64 CO₂e, which accounted for 30.08% of the total emissions in 2022 (excluding the reduction data in the table below). We will continue to strengthen supply chain management, engage with suppliers to establish carbon reduction targets, and collaborate with customers to develop environmentally beneficial products. Additionally, we will strive to improve product energy efficiency continuously.

Scope 3 Greenhouse gas emission

(tons CO₂e)

	2019	2020	2021	2022
★ Purchased products and services	4.04	14.95	1,848,446.65	1,408,286.77
★ Capital goods	-	-	4,306.39	133,171.11
★ Fuel and energy related activities	348.82	1,266.25	1,306.64	1,656.48
✤ Upstream transportation and distribution	-	-	393.96	1,084.20
Waste generated in operations	1.05	17.18	8.25	3.63
Business travel	492.64	30.84	13.36	144.34
★ Employee commuting	-	-	3,433.37	5,335.03
Upstream leased assets	-	-	Note1	Note1
★ Downstream transportation and distribution	-	-	13,115.94	5,735.47
★ Processing of sold products	-	-	1,526.51	1,769.36
★ Use of sold products	-	-	2,310,467.87	2,588,632.28
★ End of life treatment of sold products	-	-	13,093.07	21,016.04
Downstream leased assets	-	-	Note2	Note2
Franchises	-	-	Note2	Note2
★ Investments	-	-	91.01	238.94
Total	846.55	1,329.22	4,196,203.02	4,167,073.65

Note: * It is not included for the investigation/ incomplete scope of investigation of the fiscal year.

Note1: It has been included in Scope 1 and Scope 2. Therefore, no double counting.

Note2: There is no relevant operating activity.

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Appendix

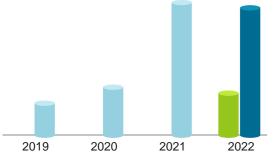
🦻 Energy management

In 2022, the total renewable energy usage was 57,459,600 MJ, and the non-renewable energy usage was 164,878,801 MJ. The total non-renewable energy usage per unit revenue reduced 2.65% compared with that in 2021. The main source of energy utilization was the purchased electricity followed by small amount of natural gasand liquefied petroleum gas. We plan to install roofsolar panelsin the self-owned plant constructed in Malaysia to generate electricity for the use in the plant. In the future, new plants will also adopt the idea of green buildings to introduce energy-saving design and reduce the use of non-renewable energy.

Energy management performance indicators

 0
 0
 0
 19,619,09

 15,016.97
 22,225.28
 57,827.24
 56,296.45



Total renewable energyconsumption per unit revenue (MJ/NT\$ 100 million)

Total non-renewable energy consumption per unit revenue(MJ/NT\$ 100 million)

Energy	consumption	statistics
--------	-------------	------------

		Unit	2019	2020	2021	2022
	Self-generation and	kWh	0	0	0	0
	self-usage renewable	MJ	0	0	0	0
Electricity		kWh	0	0	0	15,961,000
Electricity	Purchased renewable	MJ	0	0	0	57,459,600
	Purchased non-renewable	kWh	6,783,087	11,475,618	29,698,749	41,595,542
	Purchased non-renewable	MJ	24,419,113	41,312,225	106,915,496	149,743,951
Gasoline		kL	4.5540	7.1340	6.6230	7.7125
Gasonne		MJ	148,720	232,975	216,288	251,866
Diesel fuel		L	0	0	1,400	1,750
Diesei tuei		MJ	0	0	49,237	61,546
Natural gas		L	0	0	90,929	361,696
Natural yas		MJ	0	0	3,045,612	12,114,775
Liquefied petr	oloum das	kg	0	0	41,888	97,434
	oleum gas	MJ	0	0	1,163,624	2,706,663
Total						
Total renewable	e energy	kWh	0	0	0	15,961,000
consumption	e energy	MJ	0	0	0	57,459,600
Total non-renev	wable	kWh	6,824,398	11,540,333	30,941,738	45,799,667
energy consun		MJ	24,567,833	41,545,200	111,390,257	164,878,801

Note 1: Total non-renewable energy includes purchased non-renewable electricity and all fossil fuels.

Note 2: Mexican subsidiary has been included to the border of statistics from the second half of 2021.

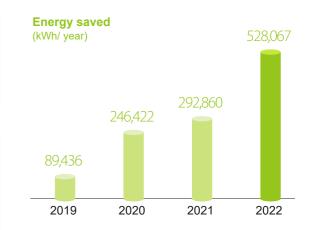
Measures of energy saving and carbon reduction

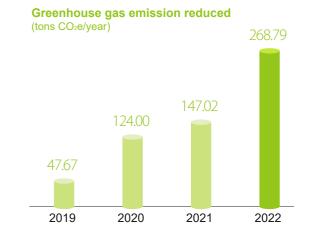
It was estimated that 528,067 kWh of electricity could be saved every year through the energy saving and carbon reduction measures implemented in 2022. It also reduced around NT\$1.84 million electricity expense at the same time, which was equivalent to reducing emission of 268.79 tons CO2e. Wiwynn will continue enhancing equipment efficiency to ensure effective utilization of energy.

To achieve emission reduction goals, Wiwynn has established the "Energy Conservation and Carbon Reduction Incentive Operation Procedure," which includes bonus incentives for employees who propose ideas for greenhouse gas reduction and improving energy efficiency.

Nun Energy-saving measure/ Energy-saving Estimation	nber of kWh saved (kWh/year)	Greenhouse gas emission reduced (ton CO₂e/year)
Taipei Operation Headquarters C₀F main water-cooled wat	ter chiller unit repla	cement
 Old reciprocating unit: Total electricity consumption in 2021was 166,480 kWh. New magnetic levitation unit: Total electricity consumption in 2022 was 129,040 kWh. Annual energy saving was 37,440 kWh in total. 	37,440	19.06
Taipei Operation Headquarters- Rack Integration Testing Lab uses natural air inlet to adjust	st temperature	
 Natural air inlet: PUE 1.41 Traditional air cooling: PUE 1.77 Annual energy saving was 303,888 kWh in total. 	303,888	154.68
MAU energy saving Adjust air outlet temperature of MAU from 15°Cto 14°Cto reduce MAU	heater electricity cons	umption
 The air outlet temperature of MAU heater was reduced from 15°C to 14°C Projected annual energy savings based on actual measurements is 103,494.3 kWh/year. 		52.68
MAU cooling water energy saving Adjust MAU air outlet humidity from 75% to 85% to reduce the usage	of MAU cooling water	
 Full flow of MAU pipeline is 158CMH. When MAU air outlet humidity was adjusted from 75% to 85%, it is estimated to saving 5% of flow. 	83,245	42.37
 It is expected to save 57,259CMH of cooling water. It is equivalent to 83,245 kWh of electricity.		
Total	528,067	268.79









Appendix 🏠

Environmental management

4.3.1 Waste



Committed to creating common good between corporate operations and the environment as well as continue strengthening sustainable actions to fulfill circular economy.

Policy and Commitment

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

Resource

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

Grievance Mechanism

Employees can make grievances to the environmental safety department in the Company via face-to-face, telephone, email or other methods.

Stakeholders can make grievances through the phone and email address provided at "<u>Stakeholder</u> <u>Section</u>" in Wiwynn's official website.

Evaluation Mechanism

ISO 14001 third-party verification, annual performance examination, regular audit and guidance to clearance and disposal institutions.

Retrospective Reduction and Management Life Advocacy and Promotion

Compliant Filing and Disposition

Resource Recycling and Regeneration

The Company uses innovative technology to provide solutions for various products and systems to hyperscale data centers and cloud infrastructure. The raw materials put into production operation mainly include key components, electronic materials, mechanism materials. To reduce the harm to the environment during production and operation as well as by the end of product life cycle, Wiwynn focuses on the procurement, product design and manufacturing and follow the regulations specified in Green Design Guide and Waste Electrical and Electronic Equipment Directive ("WEEE" in short) to implement environmentally friendly design that is low-pollution, easy disassembly, and recyclable. In addition, through daily operation advocacy on waste reduction, we implement proper waste sorting to enhance recycling and reutilization rate and devote to reduce impacts to the environment. Wiwynn achieved ISO 14001 data collection coverage rate in 100% Note. In 2022, a minor defect was addressed for improvement by the ISO 14001 third-party audit institution, and it has been completed in the same year. With the actual implementation process of P-D-C-A, Wiwynn has involved with no environmental violation or penalty for five consecutive years.

Note: Approximately 98.92% of global branches have obtained ISO 14001 certification, calculated based on the number of employees. The remaining sites undergo an internal audit process and form reviews to complete the relevant assessments.

Corporate Innovative governance value

e Environmental protection Appendix

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Management Process



Operating activities

Product improvement

- Improved product design (using recycled materials, reduced materials in manufacturing)
- Products are easy disassembly and recyclable.

Output

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Waste disposal procedure

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

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

Clearance, processing organizations, and processing personnel must have waste treatment licenses and qualified certificates of Class A technology personnel to handle the relevant matters according to the contract signed. If there is a violation of laws and regulations, the contract will be terminated immediately. In 2022, the clearance and processing institutions were audited according to relevant procedures and no defects were found.



Results of waste statistics

Social

inclusion

In 2022, the total global waste was 8,520.24 tons. It increased significantly compared to that in 2021. It is mainly because the Mexican subsidiary expanded its operating function to production and manufacturing from the second half of 2021. The waste it generated has been included to the statistics from 2022. Waste output per unit revenue in Taiwan reduced 0.05 compared to that in 2021, and the global waste recycling rate was 94.42%.

In Taiwan, we will increase waste reutilization channels step by step and strengthen recycling and circulation system to effectively enhance resource recycling and reutilization rate. In Mexico, we will carry out reduction based on the source of waste or seeking the opportunity to reuse in the plant to reduce waste and increase reutilization in order to continue improving environmental performance.



					2022	ton
	2019	2020	2021	Taiwan	Mexico	Total
Hazardous waste						
a. Reutilization	0	2.94	1.20	0.82	0	0.82
b. Recycling	0	0	0	0	0	0
c. Other disposal (recovery) operation	0	0.25	0	0	1.62	1.62
d. Incineration (including energy recycling)	12.27	0	12.56	14.42	0	14.42
e. Incineration (excluding energy recycling)	0	152.36	50.10	69.10	0	69.10
f. Landfill	0	4.04	0	0	0	0
g. Other disposal operation	0	0	0	0	0	0
Non-hazardous waste h. Reutilization	0	192.13	1.83	2.62	0	2.62
i. Recycling	26.22	27.61	169.62	222.45	7,653.67	7,876.12
j. Other disposal (recovery) operation	0	0	123.86	163.30	0	163.30
k. Incineration (including energy recycling)	0	0	94.83	100.52	0	100.52
I. Incineration (excluding energy recycling)	16.16	25.44	24.61	11.50	0	11.50
m. Landfill	0	0	0	0	278.52	278.52
n. Other disposal operation	0.02	0	0.90	1.70	0	1.70
Hazardous waste	0	0	0	0	0	0
		0			0	0
p. Off-site	12.27	159.59	63.86	84.34	1.62	85.96
Non-hazardous waste						
q. On-site	0	0	0	0	0	0
r. Off-site	42.40	245.18	415.65	502.09	7,932.19	8,434.28
Total	54.67	404.77	479.51	586.43	7,933.81	8,520.24

Note 1: Data of 2019 was revised. The total waste after revision was 54.66264 tons. Data between 2019 and 2021 were re-classified according to Business Waste Declaration Principle.

Note 2: The border between 2019 and 2021 was Taiwan. Border statistics of 2022 included the data from the subsidiary in Mexico.

Waste management performance indicators

2019 2	2020 2	2021 Ta		022 exico	Total							
Hazar	dous waste o	output per unit	t revenue (tons/	NT\$100 millio	n)							
0.01	0.09	0.03	0.03	0.00	0.03							
Non-haz	ardous wast	e output per u	nit revenue (to	ns/ NT\$100 mi	llion)							
0.03	0.13	0.22	0.17	2.71	2.88							
Waste output per unit revenue (tons/ NT\$100 million)												
0.03	0.22	0.25	0.20	2.71	2.91							
	Waste ree	cycling and re	utilization rate	Note								
47.97%	55.07%	61.84%	66.37%	96.49%	94.42%							

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

Educational training

To implement traceability for reduction and proper waste sorting for the enhancement of resource recycling and reutilization rate, Tainan Branch offered training to 30 seeded employees to complete 30 hours of educational training on waste education.



Introduction Sustainability Corporate Innovative Environmental Social Appendix management governance value protection inclusion Appendix

4.3.2 Water

The operation of Wiwynn is mainly involved with household water consumption. No water is required in the manufacturing process and no water is contained in products. Therefore, there is no water consumption. The source of water includes tap water, recycled rainwater, and groundwater. It causes no significant impact to natural water sources, and the wastewater generated is only general household water waste.

Water consumption statistics

				Million liters
	2019	2020	2021	2022
Based on the source				
A. Tap water	21.44	41.66	72.30	120.48
B. Surface water (lake, river)	0	0	0	0
C. Groundwater	0	0	51.31	67.02
D.Recycled rainwater	0.60	0.09	0.62	0.33
E.Total water consumption	22.04	41.75	124.23	187.83
Based on the destination				
F.Total discharge	22.04	41.75	124.23	187.83
G.Water consumption (E-F)	0	0	0	0

Note: Statistical border started to include the subsidiary in Mexico from the second half of 2021.

The Company adopts Aqueduct Water Risk Atlas published by World Resources Institute (WRI) to analyze the water resource pressure index in our global operating sites, evaluate the risk level of water resources, and disclose the source of water, drainage receiving waters, and wastewater treatment units. Currently, there is one operating site located in the area with higher water pressure index. We will actively find out and respond to the impact caused to the local society and environment to protect the precious water resource.

Water resource pressure index

	Taipei Operation Headquarters	Tainan Branch Office	WYMX Subsidiary
Water pressure index	Medium low	Medium low	High
Source of water	Xinshan Reservoir	Baihe/ Wushantou/ Tsengwen/ Nanhua/ Agongdian Reservoir	Hueco Bolson Aquifer Mesilla / Conejos Medanos Basin
Drainage receiving waters	Tamsui River	Yanshuei River	Use in agricultural irrigation
Wastewater treatment unit	Dihua Sewage Treatment Plant	Tainan Science Park Sewage Treatment Plant	Valle de Juarez water treatment plant

Water management performance indicators

	2019	2020	2021	2022
Water consumption per unit revenue (million liter/ NT\$ 100 million)	0.01	0.02	0.06	0.06

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4.3.3 Air

The Company only uses isopropanol (IPA) during the manufacturing process for cleaning purposes. No other gas emissions, such as ODS, NOx, Sox, POP, HAP, and PM, are involved. Presumed isopropanol (IPA) is 100% volatile, it is estimated the VOCs emission in 2022 was the one-year usage of isopropanol (IPA), which was 17.62 tons. The figure is lower than the limits regulated by laws.

In addition, Montreal Protocol on Substances that Deplete the Ozone Layer lists ozone depleting substances (ODS) as the control for hazardous substance and strictly requests no such substance shall be contained in the materials delivered by the supply chain. Annual audit in Wiwynn's manufacturing plant in Taiwan was carried out, including 8 types of cleaning solvents and chemicals. No ODS substance, like chlorofluorocarbons (HCFCs), halon, carbon tetrachloride (CCl₄), 1,1,1-trichloroethane, hydrobromofluorocarbons (HBFC), and methyl bromide. The Company will continue declaring and monitoring according to Air Pollution Control Act to meet legal requirements and environmental protection regulations.

Volatile organic gas emission

	2019	2020	2021	2022
Isopropanol (tons)	10.03	16.86	13.16	17.62

Isopropanol usage and management



Environmental management performance indicators, targets, and achievement rate



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Biodiversity and forest conservation

To respond to the emphasis on biodiversity and forest conservation from international communities, Wiwynn starts from its own operation. In the future, we will work with our sustainable supply chain and value chain partners and engage with the opinions from external stakeholders to support the maintenance of biodiversity and forest conservation as well as establish relevant mechanisms and systems step by step.

Wiwynn launched a coastal forest planting program in 2021 and chose Taijian National Park which is near its operating site in Tainan as the second location for coastal plantation in 2022. Taijian National Park has abundant cultural and ecological resources. Of which, Qigu Lagoon is one of the remains of old Taijian inland sea silting floating lands. It is surrounded by offshore barriers to create a stable inland sea environment and becomes the habitat for many precious and rare species, including more than 200 types of migratory birds, like Black-faced Spoonbill, and 200 types of fish, shrimps, and shellfish. Among them, 3 types are listed as critically endangered, and 4 types are listed as endangered species by International Union for Conservation of Nature and Natural Resources (IUCN). However, under the impact of global climate change and the aging of offshore barrier coastal forest, Taijian inland sea starts to show shoal narrowing and retracted shoreline. To protect WangziliaoShoal in Taijian National Park and maintain the wetland ecology of Qigu Lagoon, Wiwynn works with Tse-Xin Foundation for afforestation in the shoal under the assistance of professional partners. We planted 6,000 saplings to create shoal coastal forest, enhance ecological habitat functions of wetland and coast and restoration capabilities of biodiversity, increase environmental adaptation to climate change, strengthen natural carbon sink, preserve cultural heritage, and promote sustainable development of ecology.

In 2023, except continue promoting Taijing shoal afforestation program, Wiwynn will also commit the restoration and afforestation program in Wuling Farm. Wuling area is the hometown of Formosan landlocked salmon in Taiwan. Its main habitat is the high-mountain streams with temperature below 17°C. In the past, the overexploitation of mountain forests and natural disasters damaged the habitat of Formosan landlocked salmon. Their living environment was under serious threat, and it caused significant decrease of Formosan landlocked salmon. To restore the habitat ecology for Formosan landlocked salmon, Wiwynn plans to plant trees near its main habitat to restore forest environment, slow down the outflow of soil and rock, effectively cultivate the source of water, and stabilize water temperature to provide Formosan landlocked salmon a steady habitat environment and source of food. Through the restoration program, each sapling planted by Wiwynn represents a tree of hope for national land restoration and Formosan landlocked salmon habitat ecology recovery.

Environmental

protection

Innovative

value

Social

inclusion

Appendix

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Sustainability

management

Introduction

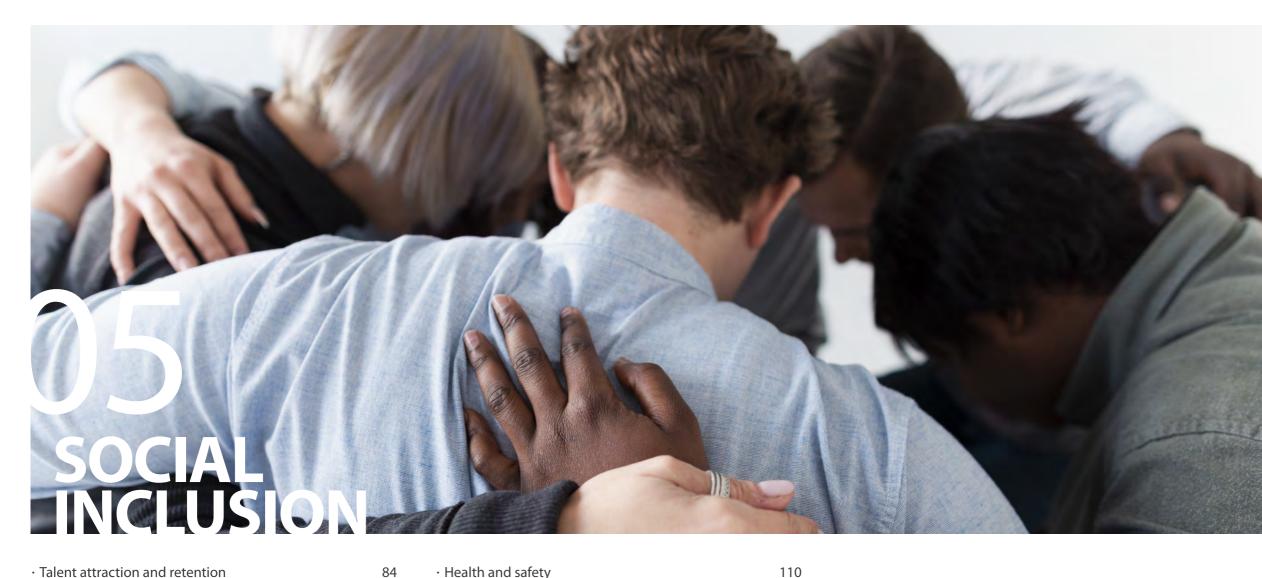
Corporate

governance

81



118



\cdot Talent attraction and retention	84	 Health and safety
• Talent cultivation	96	· Social welfare

104

82



Sustainability Introduction management

Performance

32.78% % of female managers

-2.62% Total turnover rate of the global employees compared to the previous year.

31.65 hours Average training hours for all staff

10,036 persons 136,961.8 hours

The number of people and hours of learning on the online platform

10 internal instructors

35 courses The number of internal instructors, and the classes in total delivered by internal instructors

1.3%

The growth rate of female in STEM fields compared to the previous year.

90.96% The reinstatement rate after the parental leave

NTD 1,101 Average training cost

157%(Persons)

514%(Hours)

The growth rate of the number of individuals and training hours for language-related courses compared to the previous year.

7,601 persons

8,128 hours

The number of individuals and training hours for occupational safety-related courses.

338%

The growth rate of new employees compared to that in 2019

Social

10.69%

The growth rate of the passing rate of English proficiency tests compared to the previous year.

35,569 hours

Training hours of professional courses (11.2 hours per employee on average).

Social

Appendix <u>س</u>

Talent attraction and retention



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

Policy ПП

Happy Wiwynn, a diverse and inclusive friendly workplace.

Commitment

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

Resource

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

Grievance Mechanism

The Company provides the employee grievance hotline and email address on the internal portal and has a grievance handling method available to clearly define processing procedures and incentives & punishments. Stakeholders can make grievances through the phone and email address provided at "Stakeholders Section" in Wiwynn's official website.

Evaluation Mechanism

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

5.1.1 Diversity

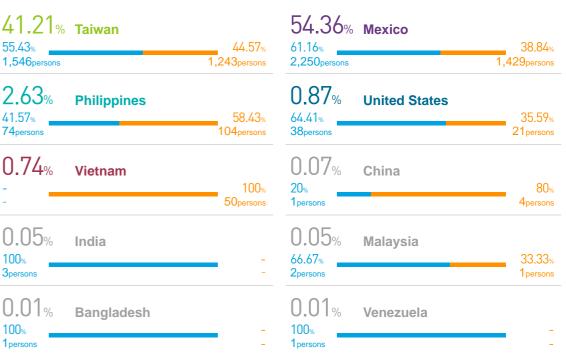
Wiwynn respects every employee, guarantees gender equality in work rights, performs diversified employment, abides by the "Labor Standard Act", "Act of Gender Equality in Employment", and "Employment Service Act" as well as prohibits employment discrimination to ensure candidates in different gender,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

The total number of employees in Wiwynn in 2022 was 6,768 people; among them, 4,624 people were direct employees while 2,144 people were direct employees (including managerial officers). The average age of the employees was 32 years old, and the average years of service were 2.26 years. The ratio of male employees to female employees among the total number of employees was 6:4. The ratio of female employees taking the managerial post was above 32.78%. In terms of middle management, the ratio of female managers is increasing every year. It shows Wiwynn's inclusion for a diverse workplace as well as provides employees fair opportunities for promotion and good career development.

Global employee analysis in 2022

Nationality





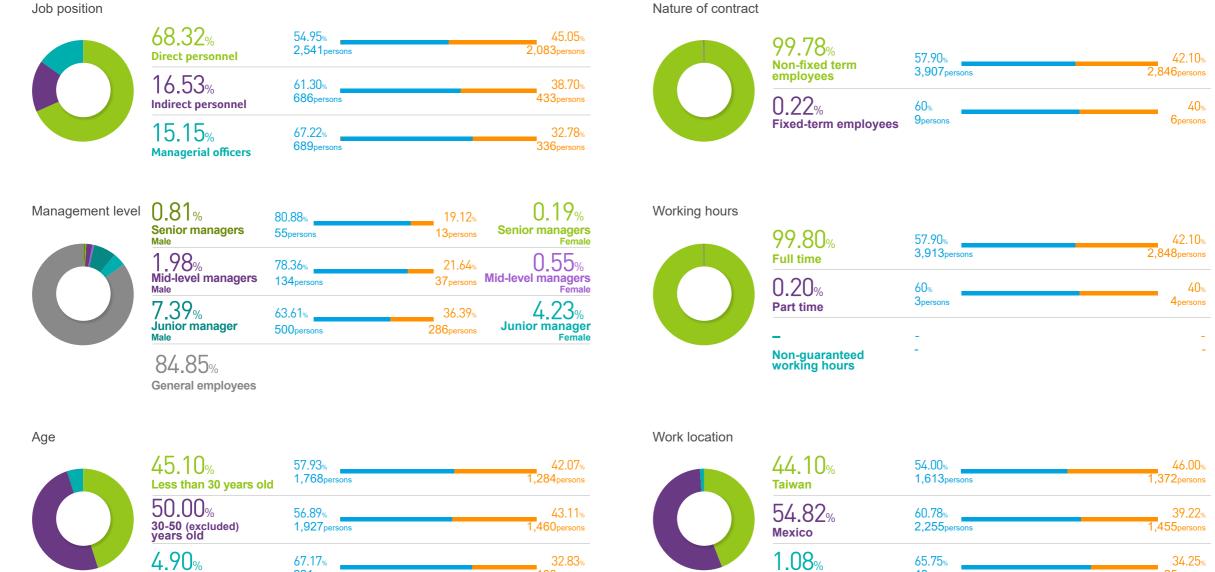
Male Female

	2022 SUSTAINABILITY REPORT
Wiwynn °	2022 SUSTAINABILITY REPORT

48persons

United States

Job position



108persons

221persons

Above 50 years old

25persons

85



Employee analysis- nature of the contract

Category	Туре	Gender		Number of people (persons)	Та 	iwan Ratio to the employees in Taiwan(%)		United S Number of people (persons)		Ratio to the mployees in United tates and Mexico(%)
	Non-fixed term	Male		1,604		53.74%		2,303		60.88%
Nature of	employees	Female		1,366		45.76%		1,480		39.12%
the contract	Fixed-term	Male		9		0.30%		0		0%
	employees	Female		6		0.20%		0		0%
	Full time	Male		1,610		53.94%		2,303		60.88%
		Female		1,368		45.83%		1,480		39.12%
Working		Male		3		0.10%		0		0%
hours	Part time	Female		4		0.13%		0		0%
	Non-guaranteed working hours	Male		0		0%		0		0%
		Female		0		0%		0		0%

Note: There was no employee with non-guaranteed working hours.

Employment status of female managers

2019	2020		2021		2022								
% of female managers													
25.97%	27.94%		32.09%		32.78%								
% of female senior managers													
29.27%	21.57%		21.15%		19.12%								
% of female mid-level managers													
8.33%	12.50%		15.87%		21.64%								
	% of female) junio	r managers										
30.99%	35.14%		36.20%		36.39%								
	% of female managers at the unit of revenue to the total number of managers												
61.54%	65.22%		74.20%		72.20%								
	% of female	STEN	I personnel										
25.08%	26.28%		25.52%		26.82%								

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

Note 2: Units of revenue include sales, PM, and Marcom.

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

Introduction Sustainability Corpor management governa	orporate Innovative Environmental vernance value protection	Social Appendix G	ን
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Wiwynn is committed to create a diverse and inclusive workplace, respects the uniqueness and difference of each employee, and hopes to bring multiple perspectives to the organization to drive the opportunity of continuous growth of Wiwynn.Currently, Taiwan and Mexico are Wiwynn's two major operating sites. The composition of employees comes from 9 different countries. Among them, the ratio of the top three countries are Taiwan, Mexico, and Philippines, accounting for 98% of total number of employees.

Nationality distribution of global employees

Ratio to the total number of employees				Ratio c	Ratio of taking managerial post								
2020		2021		2022		2020		2021		2022			
Mexico													
-	T	-	I	54.36%	I	-	I	-	Ι	29.95%			
Taiwan													
94.20%	Т	94.80%	I	41.24%	I	100%	I	100%	I	63.60%			
Philippines													
5.50%	T	4.70%	I	2.63%	I	-	T	-	Ι	2.05%			
United States													
-	T	-	T	0.87%	I	-	I	-	Ι	3.71%			
				Vie	etna	m							
-	T	-	I	0.74%	I	-	T	-	Ι	-			
				С	hina	1							
0.20%	T	0.20%	I	0.07%	I	-	T	-	Ι	0.39%			
				h	ndia								
-	T	0.10%	T	0.04%	I	-	I	-	Ι	-			
				Ма	lays	ia							
0.10%	T	0.20%	Ι	0.04%	I	-	I	-	Ι	0.20%			
				Ven	ezu	ela							
-	T	-	T	0.01%	I	-	I	-	I	0.10%			

Wiwynn treats all employees fairly and equally without affecting by factors of gender, religion, race, nationality, age, and ethnic minorities. We provide a diverse working environment. In 2022, we employed 18 disabled employees and 15 aboriginal employees as well as create a friendly workplace for the disabled employees by installing armrest in the toilet and the accessible ramp in the office area to provide a safe and secure workplace to our employees.

Employment status of aboriginal and disabled employees in Taiwan

	20	020	20)21	2022			
	Number of people employed (persons)	Ratio to the total number of employees	Number of people employed (persons)	Ratio to the total number of employees	Number of people employed (persons)	Ratio to the total number of employees		
Disabled employees	11	0.64%	11	0.57%	18	0.60%		
Aboriginal employees	15	0.87%	15	0.78%	15	0.50%		

Employees at each operating site are mainly local residents. The ratio of hiring local residents for managerial posts and general employees in Taiwan was above 99%, and the ratio of hiring local residents as general employees in Mexico was also above 99%. It shows the Wiwynn's market position in the location of the operation. The local members included in the management level not only strengthen human capital but also enhance local economic benefits.

Ratio of local residents employed

Region/ typ	be of employees	Local (persons)		Non-local (persons)		Ratio of residents
	Management level	648		5		99.23%
Taiwan	General employees (IDL)	810		8		99.02%
	General employees (DL)	1,325		189		87.52%
	Management level	343		29		92.20%
United States and	General employees (IDL)	285		16		94.68%
Mexico	General employees (DL)	3,104		6		99.81%
Total		6,515		253		96.26%

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



5.1.2 Talent attraction

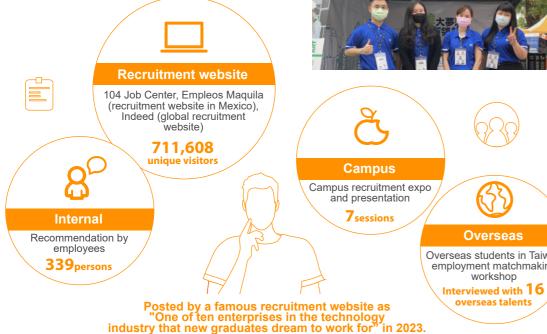


Actively invest resources to recruit excellent and potential talents as well as attract and retain proper talents to create a wonderful future.

Diversified recruitment channels/ recruiting diverse professional talents

Excellent talents are the essential condition for Wiwynn to offer high-quality products and services as well as maintain corporate innovative energy. With global and multiple channels, Wiwynn actively recruits like-minded talents to pour in continuous energy to Wiwynn, including campus recruitment, employment matchmaking conference held by Institute for Information Industry, global recruitment website, and employees' recommendation, to attract diverse and excellent talents.

Global talent recruitment channels



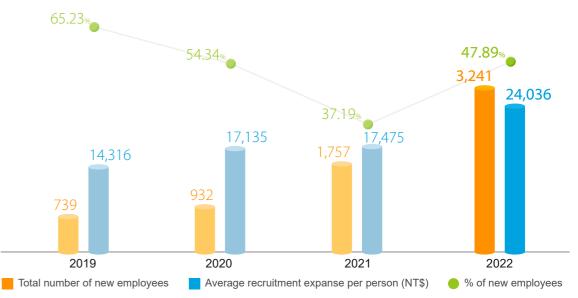
N) vivvmn a wiwvnn[°]緯 **Overseas** Overseas students in Taiwan employment matchmaking workshop

Literacy of human resources

To recruit excellent talents, Wiwynn's new employees have undergone strict selection standards and passed English and professional tests as well as the evaluation through face-to-face interview. In 2022, Wiwynn Corporation introduced a global well-known testing system to adopt AI digital skills assisting managers during the process of interview in order to grasp the behavior disposition and potential capabilities of the job seekers more precisely and create the human resource analysis capacity for digital transformation of workplace. Along with the demands of the Company's development and growth dynamics, the number of new employees recruited by Wiwynn increased to 3,241 persons from 739 persons in 2019. The growth rate achieved 338%. The main distribution of workplace is Taiwan and in Mexico and 50% of them are below 30 years old to bring new energy of innovation to Wiwynn.

Statistics of new employees

Wiwynn started to expand the scale of business in 2019. Except the establishment of Tainan Branch, the subsidiary in Mexico also expanded the business function in the second half of 2021 and became a subsidiary that also deals with production and manufacturing so that the number of global new employees continued increasing. The rate of new employees achieved 47.89% in 2022.

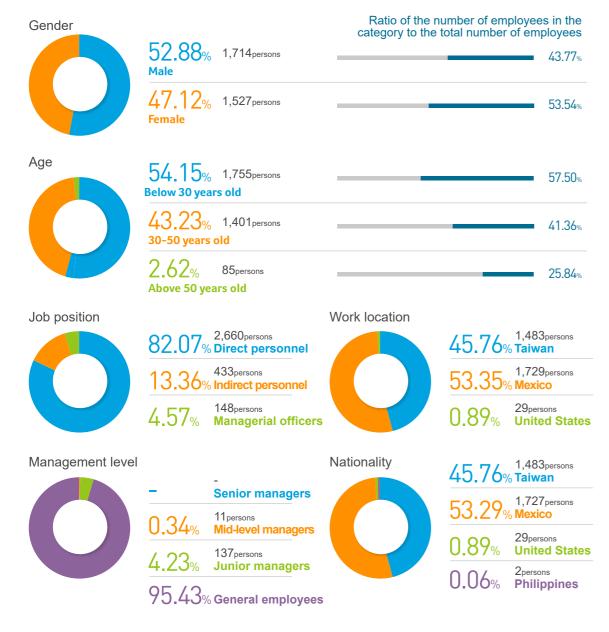


Note : Rate of new employee (%) = The number of new employees of the year/ the total number of employees by the end of the year.

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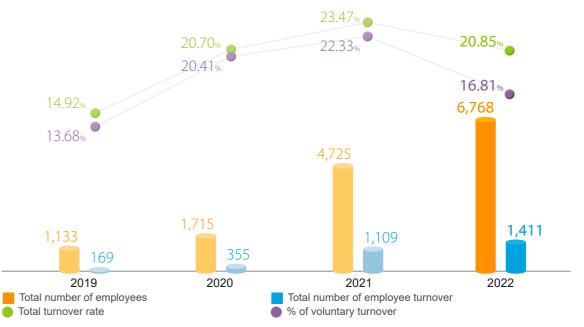
Analysis of new employees in 2022



Statistics of employee demission

The total turnover rate of the global employees in 2022 was 20.85%. It reduced 2.62% compared to the 23.47% in 2021. It is mainly because the implementation of job leveling projects. It is also expanded to the overseas operating sites to establish a consistent global career development framework. It is also combined with talent recruitment and cultivation to promote competency development, increase the diverse development opportunities for global employees, and enhance loyalty among employees. Besides, Wiwynn Corporation also tries to understand the reasons why employees left the company through resignation interview to ensure continuous improvement of the Company and achieve the effect of excellent talent retention and turnover rate reduction.

For employees who are not resigned voluntarily, the Company will pay for relevant fees and deal with redundancy notification according to Labor Standards Act and Employment Service Act. The calculation of severance pay is based on the seniority of old retirement scheme or new scheme that is suitable to the relevant employees. We will also issue involuntary separation certificate for them to apply for unemployment compensation from public employment service institutions.

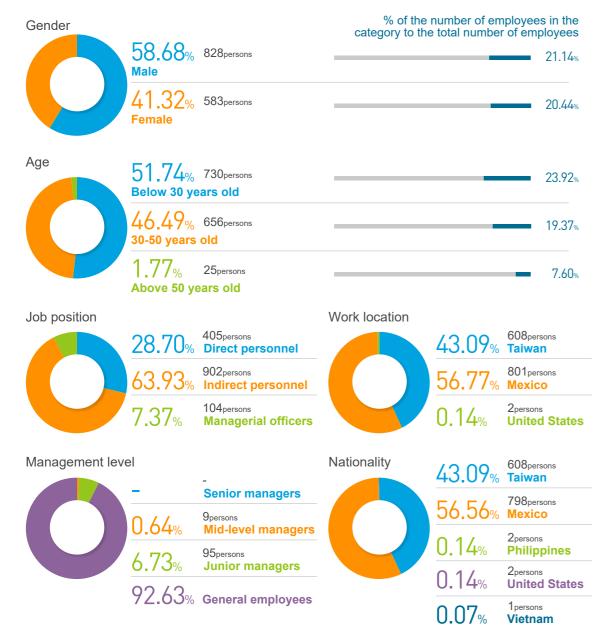


Note 1: Temp workers are excluded from the statistics of the number of employee turnover.

- Note 2: Annual turnover rate= total number of turnover of the year/ the number of employees at work by December 31 of the same year.
- Note 3: Voluntary turnover includes retirement.
- Note 4: Voluntary turnover rate= the number of voluntary turnover of the year/ the number of employees at work by December 31 of the same year.
- Note 5: The original number of employee turnover disclosed in the report of 2021 was 1,055 persons, excluding employees with short contracts or who were laid off. After re-definition, the number of employee turnover includes those who were in short contract and laid off. There were 54 persons added, and the total number of turnover was 1,109 persons. The higher turnover rate was because the number of part-time employees in the summer vacation was higher than that over the past years, and it is a short-term contract of two months.



Analysis of departed employees in 2022



Competitive and fair salary and compensation system

Wiwynn provides competitive overall salary and compensation and established a performance reward system. The salary of employees is determined by their academic background and work experience, job duty, performance and market conditions and will not be treated differently due to gender, race, religion, and political stance. We regularly review the Company's internal salary management system and external salary standard survey every year and have performance reward measures in place. If there is any profit, a fixed rate will be appropriated as employee compensation to encourage employees grow and share profits with Wiwynn.

Establishing a fair salary management process

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

Compliance with labor rights related laws

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

Cash incentives via performance reward system

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

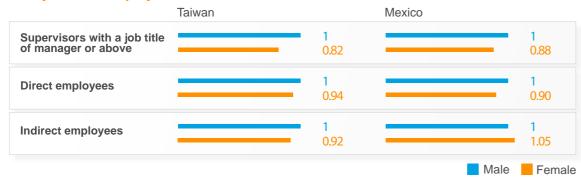
In 2022, the distribution of employee compensation was NT\$935,000 thousand. It increased 62.89% compared to that in 2021.

Salary at different regions

% of standard salary of grass-root employees to the local	al minimal salary Taiwan		Mexico
Direct employees	1.15		1.0179
Indirect employees	1.19	1	1.0179

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

Salary ratio of employees in different levels



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

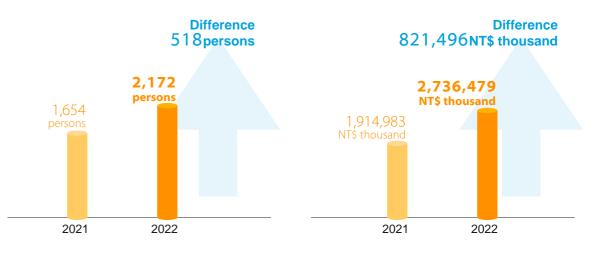
Information of global salary



Number of non-managerial full-time employees, their average salary and salary median in 2022 as well as the differences with those in 2021:

Number of employees

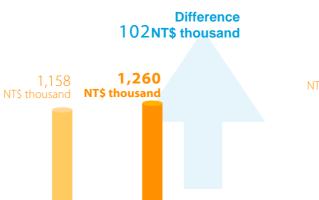
Total employee salary



Employee salary "average"

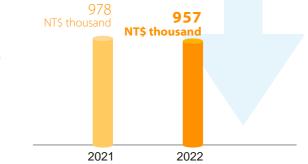
2021

Employee salary "median"



2022





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Employee care

To encourage fertility and cultivate young children in the country, we formulated the "Incentives for Employee Birth Giving". Each newborn baby will receive a subsidy of NT\$ 60000. Besides, we encourage male employees to take pregnancy checkup leave and paternity leave to accompany his partner throughout the pregnancy and birth delivery and seek balance between work and the family life. In addition, the "Friendly Charging Station for Expectant Mothers" is available on the employee portal website, which provides items such as the application of breastfeeding room, pregnancy and parenting guides, and health manager consultations so that employees can find a balance between career development and the demand of family care.

Birth-giving incentive

In 2022, a total of 61 employees applied for such incentive, with an accumulated amount of NT\$ 2,030,000 issued.

Note: NT\$60,000 will be issued in 12 installments

Breastfeeding room

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





Statistics on parental leave in global operating sites

	Male		Fem	Total	
	Number of people (persons)	Ratio	Number of people (persons)	Ratio	
Number of employees who were qualified for application in 2022	175	70%	75	30%	250
Actual number of applicants in 2022 (A)	101	62%	63	38%	164
Number of employees to be reinstated in 2022 (B)	104	63%	62	37%	166
Actual number of employees reinstated in 2022 (C)	103	68%	48	32%	151
Reinstatement Rate (C/B)	Ş	9.04%		77.42%	
Actual number of employees reinstated in 2021 (D)	89	71%	36	29%	125
Number of employees having worked for 1 continuous year after reinstatement in 2021(E)	58	69%	26	31%	84
Retention rate (E/D)	6	65.17%		72.22%	

Note: Because the data acquisition in the subsidiary in Mexico was limited, so the number of qualified employees was equal to the actual number of application.

Application for parental leave

In 2022, a total of 164 employees applied for parental leave. The reinstatement rate of parental leave of the year was 90.96%, and the retention rate from such leave was 67.2%. The main reason for the non-reinstated employees was the need to continue the cares to the family, and they decided to give up such reinstatement. For the reinstated employees, the Company also arranges reinstatement-related matters in advance, including education training in the department, to assist the employees to quickly reconnect to the job and return to the workplace smoothly.

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Wiwynn2022 SUSTAINABILITY REPORTIntroductionSustainability managementCorporate governanceInnovative valueEnvironmental inclusionSocial Appendix	Appendix 🏠
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Generous and sound welfare system

Wiwynn has developed a welfare system

Various welfare measure in significant operation locations



working hours can be submitted by employees or supervisors. The company will then enter into a salary compensation plan for reduced working

hours with the respective employee.



Appendix 分

Clubs and group activities

Year-end Party

It was delivered through an on-line party in 2022.



The Group will hold different games, such as badminton, volleyball, softball, and table tennis. Through the games, athletic abilities and skills are sharpened. Wiwynn employees also delivered excellent performance in many games.



Badminton games

Table tennis games



Softball games

Volleyball games

🔀 Social club activities

Wiwynn encourages employees to establish and participate in different types of clubs, such as Cycling Club, Badminton Club, Mountain-Climbing Club, Softball Club, Coffee Study Club, Film Appreciation Club, and LOHAS Club. Through shared interests, it links the interaction and exchange among colleagues and provide them more funs and entertainment at their free time of work to create happiness in their life.



Social

inclusion

Badminton games



Coffee Study Club

Corporate Volleyball League

Mountain-Climbing Club



LOHAS Club



Annul meal party at the Singing Study Club Film Appreciation Club

Softball Club



Pokémon Club



Gaming Club





Clubs and group activities

Team day

To promote the interaction among different units and enhance the team cohesion, we hold Team Day each year. CEO and President will lead all the colleagues to carry out team fun competition.





Group insurance and retirement system

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- Wiwynn takes care of the employees and their families. In addition to full subsidization of the employee's group insurance (including the employee's own life insurance, accident and medical insurance), the employee's family members can also take the group insurance provided by the Company at a more favorable premium.
- To improve the life guarantees of employees after retirement and to strengthen relations between labors and the employer, we established Pension Regulations in accordance with the "Labor Standards Act" and the "Labor Pension Regulations". The employee pension is allocated monthly according to relevant laws and regulations.

Pension plan	Ratio of the amount of appropriation to the salary	Custodian account Employed for appropriation ratio (%)		
New Pension System	Employer: 6% Employee: self-appropriation at 0-6%	Custodian account for 99.7% appropriation	99.7%	
Old Pension System	Employee: 2% Employee: 0%	Company Custodian Pension Account		

Note: Cumulative allocation as of end of 2022 can be referred to the 2022 Wiwynn Financial Reports.

心

Social

inclusion

Talent cultivation



Policy

work performance.

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Commitment

Resource

platform.

"knowing people's subordinates and assigning them the right work at the right place to ensure talent cultivation and retention". Employees grow and develop together with the organization to achieve the maximal corporate effectiveness.

Enhancing human quality, strengthening core functions, and increasing

Regardless of gender, race, class, nationality, sexual

opportunities for studying and development.

orientation, age, and marital status, each employee has equal

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

Wiwynn employees

view



Wiwynn human capital development strategy

Grievance Mechanism

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

Introduced seven training systems and electronic learning

Evaluation Mechanism

Performance appraisal, reward system, and promotion meetings.





Enhancing human resources literacy

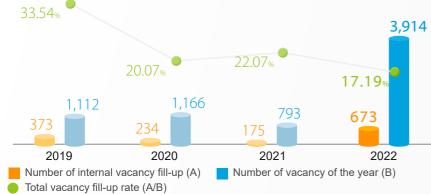
Job rotation to support interdisciplinary development

We encourage and respect employees to learn job skills and communication skills from different angles as well as cooperate with the development of the organization to arrange and plan personal career development.

There were **673 global** applications for internal transfers in 2022, including **11 employees** for cross-department transfers

Wiwynn actively fulfills on-the-job training to enable employees to give full play to their strengths. We arrange job rotation according to personal wishes to promote the flow of internal talents.

Status of internal vacancy fill-up



Note: Starting from 2022, internal vacancies will also include positions within subsidiary in Mexico.

Analysis of the internal vacancy situation in 2022

Category	Total vacancy fill-up rate 17.19%	Gender	Male 401
	Non-management 416	Gender	Female 272
B astrian	Junior managers 177		Less than 30 322 years old
Position	Mid-level managers 62	Age	30-50 years old 332
	Senior managers 18		Above 50 years old 19

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

Wiwynn actively engages in talent cultivation and hopes to provide employees training resources through diverse channels to enhance their working efficiency. We make good use of digital resources to enrich the e-learning platform. After the online training system launched in 2020, we made our greatest efforts to expand e-learning courses so that the learning will not be interrupted due to time, region, and the epidemic to achieve self-learning. We integrated global learning resources and introduced the training system to the subsidiary in Mexico in the second half of 2021.

In 2022, the number of people participated in online learning courses was **10,036 persons**, and the total learning hours were **136,961.8 hours. Both increased significantly compared to that in 2021**.

Cultivating talents of international view

Wiwynn dedicates to the development of international talents. To enhance working skills and create a learning and developing opportunity for employees, we offer abundant resources for English learning as well as set up goal of English proficiency test for them based on different job description and positions to increase their international literacy and develop them into elites in the world.

• To improve the foreign language skills of our employees

A total of 5 language courses were held in 2022, including TOEIC pre-exam boosting class, Business Email, Global Environment, and series courses of English grammar. There were **177 participants** for the training courses, and **the total training hours were 2,638 hours.**

• We launch the Wiwynn English Corner on the employee portal to introduce practical phrases used in the articles for current affairs or analyses.

From 2020 to the end of 2022, an accumulated 155 pieces of information had been posted on Wiwynn English Corner to help employees enhance their English skills.

- Two regular English tests are held every year, and employees can confirm their learning results through the tests.
- The number of participants in the 2022 English test was 383. There were 1,030 employees who have passed the Wiwynn English standard with a passing rate of 78.69%, of which 288 employees achieved the performance equivalent to the proficiency of TOEIC score of 800 or more.

Inheritance of Knowledge and Experience

To make Wiwynn's core values, professional knowledge, experience and skills preserved, communicated and developed in the Company, various training courses held in the Company and internal training courses run by each department are delivered by the managers to pass on knowledge and experience internally.

In 2022, there were 35 classes in total delivered by internal instructors in courses hosted by HR.

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Strengthening core competency

Seven training systems for core competency training

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



R_{\oplus} New employee training system

We plan complete training on new employees to deliver the Company's vision, system, and regulations in full. Other than the Company introduction and guided tour of environment on the enrolment date, new employees also need to complete the required general online courses designed exclusively for new employees within one month, including code of ethical conducts, hazardous material training, corporate sustainability and social responsibility, legal knowledge, and occupational safety and information security advocacy. Besides, we also provide a mechanism of consultant to help new employees quickly blend into the big Wiwynn family. Up to the end of 2022, the completion rate of the new employee training courses was 97.41% ^{Note}.

Note: Some new hires left before completing their training, or the completion dates for some employees' training spanned across different calendar years.

Profession training system

Checking and establishing professional competency for key technology areas. Career development training roadmap is used as the basis of subsequent design training programs.

Professional training courses will be designed and established by each business department for the educational training, such as Introduction to Open System Firmware Coreboot/LinuxBoot and Mechanical Fundamental Knowledge Introduction. Some of them were reproduced to online courses and stored in the training platform for employees' self-learning.



Management training system

To respond to the Company's strategic goals and direction of talent development, we established and published the core competency of Wiwynn in 2022. Through the courses related to competency, trainers were told how to adopt their competency to the daily management and talent management policies to comprehensively enhance the management thinking, knowledge, and skills of colleagues with a management post.



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Y Internal instructor training system

Internal instructors impart their knowledge and experience to colleagues to motivate their engagement and learning motivation. As of the end of 2022, we have trained several internal instructors to deliver training courses related to language and general education.



د Management system training courses

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



A Language training system

To respond to the demands of international talents, we provide diverse resources for English training courses, such as the courses of Business Email and Global Environment held in 2022 to enhance English abilities through the discussion of business and international trend related topics.

General training system

• To enhance employees' working efficiency and the corporate image, we arranged courses of strategic presentation skills, workplace high-efficiency communication and practical skills, and international business etiquette.



• We continue promoting MOT Critical Moment Course, which is highly valued and recognized shared culture in the Company. Managers were served as the training instructors to pass on the know-how of using the four steps of exploration, proposal, action, and confirmation to create values to customers, the Company, us and further enhance business performance. This course is a compulsory general education course for all employees in Wiwynn.

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Training hours and expenses

Wiwynn emphasizes talent cultivation and provides employees abundant learning proposals. Meanwhile, to respond to the overseas business expansion, we fully promote global online learning resources as well as introduce courses for core competency and professional competency to enhance employees' management literacy and advance their professional abilities in order to strengthen personal and organizational effectiveness and competitiveness.

In 2022, the average training hours for indirect personnel were 43.98 hours and the average training hours for global employees were 31.65 hours. The average training expense for each employee was more than NT\$1,101.

		Number of people (persons)	2019 Total training hours	Average hours per person	Number of people (persons)	2020 Total training hours	Average hours per person	Number of people (persons)	2021 Total training hours	Average hours per person	Number of people (persons)	2022 Total training hours	Average hours per person
Mid-level	Male	70	2,275.60	32.51	74	2,439.14	32.96	85	3625.27	42.65	189	7,075.64	37.44
and senior managers	Female	19	911.35	47.97	23	889.25	38.66	24	1,024.13	42.67	50	2,984.93	59.70
Indirect	Male	508	9,324.11	18.35	633	18,374.94	29.03	728	27,230.78	37.40	1,375	63,035.48	45.84
personnel	Female	247	6,094.06	24.67	321	10,423.70	32.47	409	15,414.53	37.69	769	31,266.70	40.66
Direct	Male	179	2,029.9	11.34	362	2,874.92	7.94	373	7,868.24	21.09	2,541	62,115.65	24.45
personnel	Female	199	2,318.49	11.65	399	3,279.39	8.22	411	7,632.64	18.57	2,083	57,761.57	27.73

Note: To align with the calculation of training expenditure boundaries in the table below, the number of trainees and training hours for 2021 are disclosed only for the taiwan region.

								Unit: NTD\$
	20	19	:	2020		2021	:	2022
	Expense	Average expense per person						
Male	5,560,274	8,094	8,054,424	8,094	2,045,293	1,858	4,464,430	1,140
Female	3,609,726	8,094	4,960,804	6,890	1,286,166	1,568	3,100,786	1,087

Note: From 2022 includes data for Mexican subsidiaries

Analysis of global training status in 2022

Training hours (hours)

		Female		Male					
	Number of people (persons)	Training hours (hours)	Average training hours (hours)	Number of people (persons)	Training hours (hours)	Average training hours (hours)			
Taipei Operation HQ	459	15,208.31	33.13	688	24,867.16	36.14			
Tainan Branch	913	20,159.96	22.08	925	25,102.97	27.14			
Subsidiary in Mexico	1,480	53,660.00	36.26	2,303	75,181.00	32.64			
Total	2,852	89,028.27	31.22	3,916	125,151.13	31.96			

Training expense

Unit: NTD\$

		Female		Male				
	Number of people (persons)	Training expense	Average cost	Number of people (persons)	Training expense	Average cost		
Taipei Operation HQ	459	1,123,590	2,448	688	2,250,559	3,271		
Tainan Branch	913	1,042,980	1,142	925	1,050,390	1,136		
Subsidiary in Mexico	1,480	934,216	631	2,303	1,163,481	505		
Total	2,852	3,100,786	1,087	3,916	4,464,430	1,140		

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	ustainability nanagement	Corporate governance	Innovative value	Environmental protection	Social inclusion	Appendix	1
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		Taipei Operation HQ	Tainan Branch	Subsidiary in Mexico		Total
	Number of people (persons)	-	1,514	3,110		4,624
Direct employees	Training hours (hours)	-	32,499.22	87,378.00		119,877.22
	Average training hours (hours)	-	21.47	28.10		25.93
	Number of people (persons)	1,147	324	673		2,144
Indirect employees	Training hours (hours)	40,075.47	12,763.71	41,463.00		94,302.18
	Average training hours (hours)	34.94	39.39	61.61		43.98
Mid-level and	Number of people (persons)	165	17	57		239
senior managers	Training hours (hours)	4,504.80	912.72	4,643.05		10,060.57
managers	Average training hours (hours)	27.30	53.69	81.46		42.09
	Number of people (persons)	982	1,821	3,726		6,529
Non-management position	Training hours (hours)	35,570.65	44,352.21	124,195.97		204,118.83
position	Average training hours (hours)	36.22	24.36	33.33		31.26

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Return on investment of human capital

	2019	2020		2021		Unit:NTD\$ thousand 2022
Revenue (a)	163,600,423	186,927,647		192,625,942		292,876,040
Operating expense (b)	3,188,474	4,059,275		4,234,105		6,144,997
Personnel expense (c)	1,806,575	2,260,237		2,999,238		4,963,478
Human capital ROI (a - (b-c)) / c	89.79	81.91		63.81		58.77

Establishing professional competency and cultivating agile hard skills

Embracing technological innovation and focusing on exploring advanced technology are the unchanged persistence carried by Wiwynn Corporation. To continue enhancing employees' professional abilities and maintain industrial competitiveness, we specify skills and conditions required for each position through the comparison of popular skills required in the market and professional competency items checked by internal experts. According to the level of competency defined for each job grade, we develop professional training road maps for each area as an important foundation for the professional course design each year. Moreover, it is applied to the talent recruitment and high-potential talent training at the same time. We gathered 41 managers at the level of departments and divisions and experts of different fields in total from the end of 2021 to 2022 to establish professional competency for 14 professional areas, including R&D, engineering skills, sales, and supply chain management.

Among them, the accumulated hours of professional training courses in Taiwan in 2022 were 35,569 hours. The average training hours for each employee were 11.2 hours.

To respond to the Company's strategies and talent layout, the Company launched training development items and key points. We established a comprehensive learning development system and training road maps based on the demands of competency development and continue investing in resources to offer employees abundant and diverse learning channels. Besides, corresponding evaluation indicators were planned based on the training objectives to ensure the training plans effectively implementing the goals of operation strategies.

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Training performance in 2022

Use Kirkpatrick Model to examine and present training results.

	• 🚯 L1 Reaction evaluation	自創 L2 Learning evaluation	L3 Behavior evaluation	• 🗟 L4 Result evaluation
Item Description	healthy and friendly working environment To respond to the organizational sustainable development strategies and topics of emphasizing human rights, Wiwynn Corporation Tainan Branch hosted peer counselor trainings in 2022 to train several peer counselors to be seeding personnel and delivered a training on the topic of "harassment" to help employees understand the conditions, types, and risks of harassment. After the training, peer counselors promoted the concepts to employees again and reminded them to pay attention to colleagues on whether they encountered unreasonable treatment and provide timely assistance in order to maintain the operation of a friendly workplace and establish a secured working environment.	To enhance employees' awareness towards intellectual property protection through explanation and life examples that are easy to understand.	Introducing core competency to shape Wiwynn's corporate culture Establishing the five core Wiwynn's competency and delivering the core competency through diverse channels. Besides, the core competency is applied to daily management and system, like talent recruitment and performance evaluation, to guide employees to fulfill the concepts to the daily behavior, enhance managers' leadership, and employees' recognition and cohesion to the enterprise.	• Unleash the Power of Digitalization, implementing digital transformation Providing employees digital tool learning course and platforms. We host Wiwynn Hackathon Competition every year to stimulate employees' creativity, solve pain points at work, enhance working efficiency, and combine with corporate operating goals to create operating efficiency.
Object/ number of people	There were 34 peer counselors cultivated and 1,305 employees received training.	In 2021, there were 745 persons participated in the training. In 2022, the training continued with a total of 237 trainees.	17 sessions were held in total, and the number of people receiving training was 542 persons.	Number of people participating in the course was 403 persons, and the training hours were 1,365.72 hours.
Result	 88% of the employees interviewed understood the internal channels to file suggestions and complaints. The satisfaction rate enhanced 10% from that in the previous year. 95% of the employees interviewed said they understand how to propose suggestions or report complaints related to the workplace. 	A post-training test was implemented to track the effectiveness of the training. In 2021, the average score of the pre-training was 79.98 while the average score of post-training was 87.82; the average score improved 7.84. In 2022, the average post-training test was 89.79. It enhanced 2.2% compared to that in 2021. The average passing rate was 97.53%.	 The turnover rate reduced 2.62% compared to that in 2021. High-potential talent ratio enhanced from 40.7% in 2021 to 44.6% in 2022. 153 employees were promoted to managerial positions. 	Through digital tools, we established work instant monitoring, feedback, and graphic analysis for IPQC (In Process Quality Control to prevent defective products, timely correct errors, and stop the defective products proceeding to the next workstation. Over 20,000 work hours were saved in a year, enhance 57% working efficiency, and reduce the cost of invalid production in around NT\$3. million a year.
tem	Employee forum		 Information security protection How to produce valuable patent 	
Description	To deliver the Company's vision and regulations.	To ensure employees understand the purpose of information classification and to implement corresponding protective measures according to the results of information classification.	 The increased frequency of working from home in the post-epidemic era and the increasing serious threat of malicious emails and phishing emails prompted us to launch new information security training course, "the distance between us and information security", in 2020. The course has been implemented for two consecutive years and to match with relevant promotional activities to strengthen employees' awareness of protection. Encouraging R&D colleagues to be more creative to produce valuable patents. 	
Object/ number of people	Participants: 230 persons	In 2022, 1,157 employees were requested to participate in the training. The total training hours were 288 hours.	 Cybersecurity courses: The number of employees participating in the training was 7,654 persons. The total number of trainings achieved 289,620 hours. The coverage rate was 100%. Patent courses: The object for the training was R&D engineers in specific departments. The number of participants was 83 persons, and the training hours were 132.5 hours. 	
Result	The result of the forum satisfaction survey: 4.6 (out of 5).	In 2022, the average score of pre-training test was 63.47 while the average score of post-training test was 100. The average scores improved 36.53.	In 2022, two social engineering drills were implemented. The rate of employees mistakenly clicking through phishing emails reduced to 10% from the 13% in the previous year. It shows significant effects in enhancing employees' internet phishing preventive abilities. In 2022, the number of patent proposals grew by 54% compared to the previous year. The total number of patents approved increased 23.3% compared to that in 2021; among them, the invention patent accounted for 90%.	

Enhancing work performance





Top-Down organizational performance

Wiwynn established job description and core competency for each position. The set objectives and performance evaluation are based on work duties and core competency.

To link individual performance with organizational development and achieve annual organizational goals, we establish KPI for the unit and for each individual based on the goal set by the Company each year and decentralize it from tope-down to each employee. When setting annual KPIs, supervisors carry out two-way communication with employees on the employee's core expertise, core competency and phased career development to enhance employees' recognition towards the performance system. A performance evaluation will be conducted every half a year. After the employees' self-evaluation, they can obtain supervisor's suggestions and feedback through the face-to-face communications or via inquiry on the system to ensure the performance evaluation is clear and fair. In 2022, all employees were included to performance evaluation, and the coverage rate was 100%.

Type of personal performance evaluation



To ensure the personal performance link with the organizational development and achieve the annual organizational goals, unit and personal goals (KPIs) will be established every year based on the objectives established by the organization and allocated to each employee from top to down.

Agile performance evaluation

Frequency: Irregular, such as weekly meetings, bi-weekly meetings, and monthly meetings.

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Employees can find out the suggestions and feedback from supervisors through interview or inquiry on the system to ensure the performance evaluation is clear and fair.

In addition, the agile performance assessment of direct employees is conducted through morning and evening meetings to drive the achievement of production goals and evaluate the performance of direct personnel based on this approach.

Incentive system to boost employee performance

Innovative

value

Through linkage between the performance evaluation and incentive systems, such as performance bonus, employee dividend and promotion system, we expect to boost personal work performance, to assist employee in career development, and to maximize organizational effectiveness.

Environmental

protection

Social

inclusion





Social

Human rights management



Based on people orientation, Wiwynn fulfills respect, equality and inclusiveness to build a friendly workplace and environment.

Policy

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

Commitment

Maintaining labor human rights, respecting labor rights, complying with the "Wiwynn RBA Code of Conducts Commitment" to perform our commitment in social responsibility as well as supporting and encouraging the affiliated tier-1 suppliers to follow the same guidelines.

Resource

Introducing EAP employee assistance program, providing multiple communication platforms and channels, establishing "Wiwynn RBA Management Committee", implementing external validated audit process, and carrying out education training on social responsibility management systems.

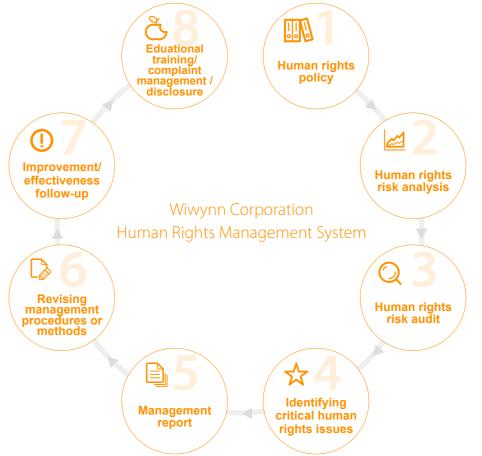
Grievance Mechanism

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

Evaluation Mechanism

Employees Relations Promotion Committee, RBA SQA Self-Evaluation, External Audit Verification (VAP)

Wiwynn complies with the labor and human rights regulations specified in the "Labor Standards Act" and "RBA Responsible Business Alliance Code of Conducts" as well as the International Human Rights Code to formulate several management procedures and regulations. We promise to guarantee labor human rights. If the employment relation must be terminated due to significant operational changes, it will be given notice in advance according to law to protect labor rights and interests. We will continue extending the influence to suppliers and requesting them to comply with the same RBA Code of Conducts. We also continue complying with RBA policy of "zero payment", and all the expenses related to the recruitment will be covered by the Company to protect the interests and rights of foreign labors. Between 2019 and 2022, there was no work suspension caused by strike or labor-management disputes.





Human rights policy

Established a policy of human rights to support and follow United Nations Guiding Principles on Business and Human Rights, Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy published by International Labor Organization, Declaration on Fundamental Principles and Rights at Work published by International Labor Organization, OECD Guidelines for Multinational Enterprises, Universal Declaration of Human Rights published by United Nations, United Nations "Global Compact", and Responsible Business Alliance Code of Conduct, The policy is applicable to all the Wiwynn's stakeholders, including employees, customers, suppliers, partners, and joint ventures, to clearly express Wiwynn's commitment to human rights.

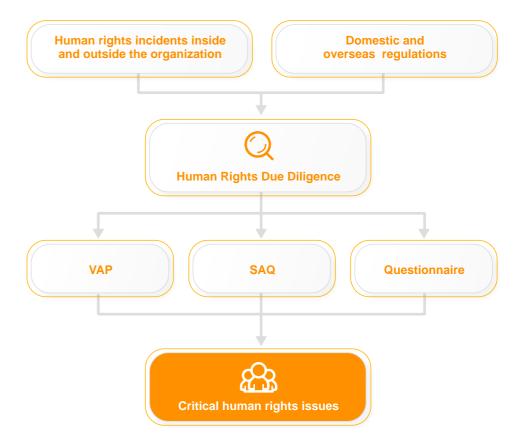
Wiwynn promotes responsible business alliance (RBA) audit verification in each of the global site one after another to ensure the Company has consistent framework and standards to manage issues related to human rights. The status of RBA VAP verification and SAQ implementation in the plants all over the world is as below. Relevant information is disclosed transparently in RBA-online platform.

	Taiwa	an	Mexico		
	Taipei Operation HQ	Tainan Branch	Subsidiary in Mexico		
VAP	-	Approved	Expect to complete VAP verification in 2024		
SAQ	99.3	92.9	89		

Note: ≥ 85 refer to low risks.

Process of human rights risk analysis

Wiwynn identifies human rights incidents inside and outside the organization as well as changes of domestic and overseas relevant laws to establish a checklist. Each operating site carries out human rights due diligence through RBA SAQ, VAP audit procedures, and questionnaire survey to identify critical human rights issues. Improvement policies and measures are established according to the level of impact of each issue to different operating site and the impact objects to carry our risk control and remedy as well as track the improvement effectiveness.





Based on the risk evaluation results in each operating site, there are 7 items listed as medium and high risks. Among them, "working hours", "wage and welfare", and "harassment and sexual harassment" are listed as medium and high risks in all the operating sites. They will be listed as the priority items for risk control.

U Working hours	S Wage and welfare	Harassment and sexual harassment				
	Description					
 Overtime Attendance over 6 days	 Wage and welfare satisfaction Equal pay for equal work Discrimination. 	 Promotion of complaint channel and effect of operation 				
Critical human rights issues corresponded						
 Forced labor. Safe and healthy working environment Physical and mental health as well as balance between work and life 	 Anti-discrimination and equal work opportunities 	 Sexual harassment prevention 				
	Operating site/ level of risk					
 Taipei Operation HQ/ medium risk Tainan Branch/ medium risk Subsidiary in Mexico/ medium risk 	 Tainan Branch/ high risk Subsidiary in Mexico/ high risk 	 Taipei Operation HQ/ medium risk Tainan Branch/ medium risk Subsidiary in Mexico/ high risk 				
Objects impacted						
 Direct employees/ indirect employees 	 Direct employees/ indirect employees 	 All employees / Female employees 				
Risk evaluation						
 Working hours exceeding the standards of local regulations will be exposed to the risk of penalty and damage the Company's reputation as well as affect the achievement rate of recruitment. Employee turnover rate will affect the Company's operation. It affects employees' physical and mental health and reduces productivity. 	 Unsatisfied wage and welfare will affect the management of the department and the effect of motivation and further enhance employee turnover rate. 	 Employees are not sure about channels for complaints, and it has hidden risks. The effect of the complaint channel operation is not disclosed transparently, and it causes employees' distrust. 				

Risk mitigation and remedy measures

Risk mitigation Remedy measures Ban on forced labor Description: It is forbidden to impose illegal or inhumane disciplinary measures and forced labor on employees. Promulgation of "Management Procedure for Establishing a human rights policy and reinforcing the Anti-Discipline, Forced Labor and Prison Labor" promotion. Specifying in the work regulations that if there is a need In 2022, all employees signed "Code of Conduct". for overtime work, the employee's consent must be Training courses were provided to all employees. The obtained, and overtime pay, or compensatory time off employee coverage rate, signing rate and will be provided afterwards. training-receiving rate all achieved 100%. Establishing grievance channels for supervision and Specifying clear violation treatment, consultation management. person, and reporting procedures in the "Code of Conduct". Establishing a working-hour monitoring system to generate reports regularly every week and automatically send alarm to departments with high risks. HR must take initiative to coordinate and investigate at the same time and develop relevant improvement measures. Safe and healthy working environment Description: Prevention of occupational illness to provide employees a safe and healthy working environment. Arranging health checkup for general employees every In 2022, we offered online sedentary stretching year and specific health checkup for employees having exercise courses. It achieved a satisfaction of 91.3%. operations under noisy environment or in contact of Activated prevention of overwork related illness ionizing radiation. programs. According to the investigation of the Implementing health advocacy and occupational safety Overwork Survey and the results of employee annual health examination report, we calculate the risk of educational training. suffering from cardiovascular diseases within 10 years. Introducing ISO 45001Occupational Safety and Health The level of risk and the interview form suggested there Management System. were 34 medium-risk cases in 2022, and 4 of them Health Management Center was established in 2020 to required interview arrangement for doctors to provide enhance healthcare to employees. them medical and health instruction and suggestions. We will continue following up and caring the situation of Regularly convening Occupational Safety and Healthy Committee meetings. the employees. Suppliers' human rights management Description: Complying with RBA conduct specifications, encouraging and supporting the affiliated tier-1 suppliers to follow the same guidelines.

Established "Supplier Code of Conduct".

Supplier RBA audits.

Supplier risk evaluation of sustainability.

• Please refer to "Sustainability Supply Chain Management" for more information.



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Risk mitigation

Remedy measures

Physical and mental health & balance between work and life

Description: Assisting employees to maintain physical and mental health and work-life balance.

- Regularly arranging "one-on-one doctor consultation" service, providing employees health management, preventive health care, chronic disease diagnosis and prevention, and counseling on physical and mental issues.
- Hosting diverse events (e.g., Team day, Family Day) and club activities.
- Introducing the employee assistance program (EAP), providing 24-hour employee assistance, and all consultations are protected according to the privacy policy.
 Employee Assistance Hotline 0800-025-008 / service@ffceap.com.tw
- A total of 384 employees applied for one-on-one doctor consultation in 2022. The consultation includes health management, consultation of the abnormality on the health report, preventive health care, chronic disease diagnosis and prevention, and counseling on physical and mental issues.
- In 2022, a total of 37 employees used the consultation/counselling assistance system to seek assistance in aspects of interpersonal relations, career development, legal advice, and family parenting.

Anti-discrimination and equal working opportunities

Description: For the recruitment and employment process (e.g., training, salary, promotion, dismissal, or retirement, etc.), no discriminatory behavior due to differences in employee conditions is allowed.

- · Promulgation of "Anti-Discrimination Management Procedure".
- · Conducting recruitment and employment procedures in accordance with the law.
- Male and female employees are applied with the same salary system without disparity difference due to gender.
- Giving all employees equal opportunities to learn develop according to their functions.
- Fulfillment of performance appraisal and two-way communication to ensure clarity and fairness in performance evaluation.
- Establishing grievance channels for supervision and management.

• The average employee welfare expense and average employee salary in 2022 enhanced 6.68% and 7.39% respectively compared to that in the previous year.

 The amount of employee compensation distribution in 2022 was NT\$935,000 thousand, and it increased 62.89% compared to that in 2021.

Sexual harassment prevention

- Description: Creating a gender-friendly workplace and rejecting sexual harassment at workplace.
- Promulgation of "Workplace Sexual Harassment Grievance and Discipline Regulations"
- Promotingharassment and sexual harassment prevention as well as grievance channels for sexual harassment on the TV walls in the Company and EIP of intranet.
- Establishing sexual harassment prevention hotline.



Established "Stalking and Harassment Prevention Act" in June 2022 and included it to the Directions for Prevention and Management of Unlawful Infringement in the Performance of Duties.

- Highlighting on the New Employee Handbook and New Employee Seminar that they can reflect any relevant issue through grievance channels and the suggestion mailbox.
- Employee grievance is disclosed transparently in the sustainability report to ensure the effective operation of the grievance channel.
- Trained nearly 40 peer counselors for the sensitivity towards unreasonable behaviors, and carried 113 sessions of internal educational training, Peer Coach, through the peer counselors to create a friendly workplace. In 2022, the number of employees who completed the training was 1,305 persons; the completion rate was 99%.

Training results: 88.0% of the interviewed employees understood the internal suggestion and grievance channels provided by the Company, and the satisfaction enhanced 10% from the previous year. 95% of the interviewed employees expressed that they know how to propose suggestions or report any complaint towards the workplace.

Educational training and advocacy

To help employees understand their own rights and interests as well as the policies and practices on issues such as labor, human rights, health and safety, environment, and ethics implemented by the Company through training courses, a number of RBA related courses have been introduced since 2020. We aim for completing trainings on all our employees and including compulsory course for new employees. In 2022, we continued carrying out refresher training and implementing new employee training.

Name of the course	Number of Training people hours (persons) (hours)
Taiwan RBA-related courses	1,892 1,316.5
Mexico RBA-related courses	6,531 7,419
Cultural inclusion and respect	6,190 9,699

In addition, to maintain Wiwynn's workplace safety and enhance the knowledge of the Company's human rights policy among security personnel, we carried out educational training related to human rights on all the security personnel in the Tainan Plant in 2022. There were 9 people received the training with the training hour of 2.5 hours, and the training completion rate was 100%.



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Diverse communications channels

Wiwynn attaches great importance to the opinions and rights of employees, builds a

Internal Portal EIP

Educational training

Irregular

 Official Website "Wiwynn News Center" Employees can obtain the contract person, telephone number, and email address for all channels through internal portal and TV wall.



In 2022, we received 47 cases of employee suggestions and grievance. 1 of them was related to forced labor. After filing the case, we immediately reviewed the working hours management system again and adjusted the rest time for employees. After communicating fully with employees, it has been successfully closed.

There were 3 cases of workplace sexual harassment established. According to Principles of Managing Sexual Harassment Cases, these have been investigated and handled by the Sexual Harassment Complaint Handling Team. The employees involved with improper behaviors were punished according to the level of seriousness of the plot. If the complainant or the respondent has different opinions on the resolution, either of them can submit a written application for reviewing the case again to establish a fair and complete grievance procedure.

Handling principles of sexual harassment cases

Isolation

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Depending on the evaluation of the case situation, an isolation of the complainant from the respondent shall be implemented to avoid secondary revictimization.

Punishment

Once the case of sexual harassment is confirmed, a punishment based on the level of seriousness of the plot and the regulations established by the Company will be given. If it is critical, the dismissal will be granted.

Follow-up

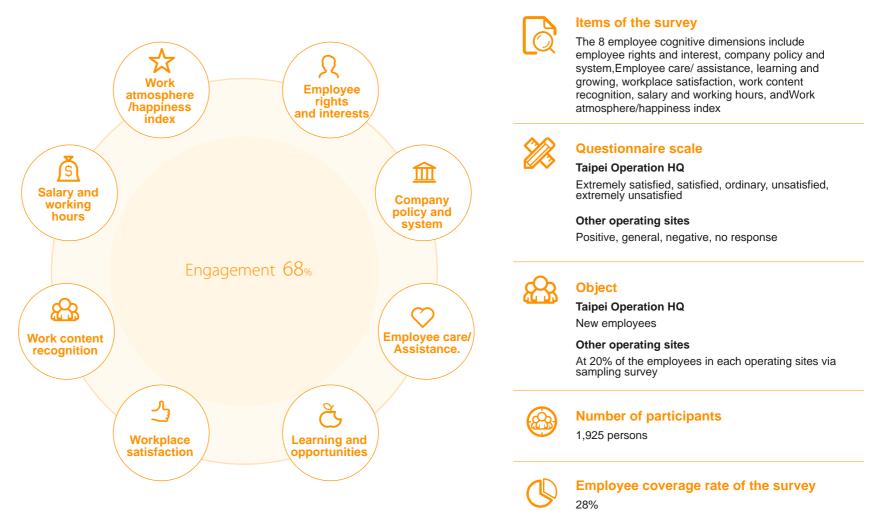
If the case requires supervision or medical care, the Company will provide necessary assistance and support to ensure a smooth return to the workplace.

Supervision

Carrying out case follow-up to ensure the effectiveness of punishment, supervision, and prevention measures and avoid the happening of retaliation. A discussion based on the case shall be carried out to be used as the reference to adjust working environment and systems.

Global engagement survey

With the concern to employees and the emphasis on employees' opinions, Wiwynn finds out the voice of the employees through diverse approaches to increase employee satisfaction and engagement continuously. In 2022, we carried out the engagement survey based on the 8 employees' cognitive dimensions. There were 1,925 participants, 28% of employee coverage rate, and the result of the engagement survey was 68%. Based on the opinions of the employees, the Company carried out an in-depth analysis and scheduled improvement solutions and implemented follow-up every month. We also invited external adviser to offer the training of workplace respect to managers, supervisors, and general employees to try our best to win the recognition among employees and become an enterprise with the sense of belongings.



Appendix 1n1

Health and safety

5.4.1 Employee care

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



Prevention Programs for Musculoskeletal Diseases Induced by Repetitive **Operations**

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

Hosting online LIVE health promotion courses and inviting sports specialists to offer the course of sedentary stretching exercise.

Prevention Programs for Diseases Induced by Abnormal Workload

Based on the investigation via fatigue scale and the results of employee annual health examination, the risk of cardiovascular disease within ten years is calculated. According to the risk level and the interview recommendation table, cases with medium risk and above are selected.

Operation Program for Prevention of Unlawful Infringements During Performance of Duties

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

Maternity Health Management

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4 major labor health protection programs

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

The plant area has dedicated parking spaces of scooter/ car to those who have maternity demands and health concern.

Effect achieved in 2022

33

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

Course satisfaction survey achieved

34 persons in total, and 4 of them required interview arrangement.

Through the interview with the doctor, we provide employees instructions and suggestions related to medical health education and will continue tracing and caring for the status of these employees.

There were no abnormal situations requiring the activation of preventive measures in 2022.

34 persons	Listed as the objects of maternity health protection.
11 persons	Adjusted working sessions or location based on the suggestion of the doctor.
100%	Consultation rate and improvement rate.



Health examination

Wiwynn provides the frequency of health examination that is better than the legal regulations and hosts employee health examination every year. In addition to general health checkups, 596 employees who were required to undergo special health checkups due to noise in the working environment or exposure to ionizing radiation. For those who were qualified for the examination under the labor insurance, they have all completed special health checkups in 2022.

Management by different levels is carried out according to the results of the annual health checkup, and a total of 115 employees were required to receive health management tracking and treatment. In 2023, we have completed health counseling through the consultation service of physicians and the guidance of factory health education.

-	Taiwan	Co	overage rate		Mexico		Coverage rate
	Number o	of empl	oyees receiv	ving ge	neral health	exan	nination
	2,508	1	100%		4,326		100%
	Number	of empl	oyees recei	ving sp	ecial health	exan	nination
	251	I	100%	I	345		100%

Resident clinic service

We arrange the resident clinic service to provide personal health consultation, help improving the working environment, and promote the physical and mental health of workers in the workplace. The service includes health management, consultation on abnormal health examination reports, employee post-injury care and reinstatement counseling and evaluation, preventive health care, chronic disease diagnosis and prevention, and counseling on physical and mental issues. A total of 384 employees received consultation in 2022.

EAP Employee assistance program (EAP)

We introduced the EAP program and established an employee assistance hotline to provide 24-hour employee assistance programs. All the consultations are protected by the privacy policy. In 2022, a total of 37 employees used the consultation/counselling assistance system to seek assistance in aspects of interpersonal relations, career development, legal advice, and family parenting.

Health promotion

The Company establishes "healthcare" zone on the portal website for health promotion. In 2022, we held 48 sessions of health promotion, including health education related to epidemic prevention notification, health promotion, and preventive healthcare as well as hosted various activities for health promotion.

Name of the activity	Effect of the promotion
Health 2.0 weight loss	There were 156 participants and a total of 107kg was reduced; the rate of weight loss was 1%.
Body condition testing– InBody + bone mass density examination (pre– and after–test)	There were 384 participants with 98.2% satisfaction.
Blood donation	There were 97 participants with 96.7% satisfaction.
Handle autonomic nerves- biofeedback device experience	There were 75 participants with 98% satisfaction.
신 Healthcare exercise- aerobic yoga, Pilates	There were 52 participants with 99% satisfaction.
S Vision care	There were 77 participants with 96.5% satisfaction.
W Health promotion	There were 6,180 participants, and the total training hours were 8,454 hours.

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Epidemic prevention measures

To respond to COVID-19, the Company actively cooperates with the government's epidemic prevention policy and continues promoting employee healthcare plans to create a healthy workplace. We took the initiative to provide employees COVID-19 care leave and vaccination leave during the epidemic as well as encouraged employees for vaccination to fully support the government's epidemic prevention. We also implemented the mode of working from home. All employees worked from home to fight against the epidemic and provided employees the safest workplace.

Other than working remotely, Wiwynn Corporation also provided personal protective equipment to those few employees who had to work from the office during the level-3 alert of COVID-19, including medical masks, googles, protective clothing, rubbing alcohol, and food and snacks.

In addition, considering the demands of overseas trips, we also provided personal protective equipment to employees who undertook business trips, including medical masks, N95 masks, googles, protective clothing, examination gloves, rubbing alcohol, digital thermometers, and COVID-19 rapid-test kit. Other than the business trip COVID pack, we also provided PCR/ travel clinic reservation assistance, epidemic prevention measures from different countries, and notice and reminder for the international trip to care their physical condition and provide necessary assistance at the first moment.



Health monitoring and results of promotional activities

In 2022, we received the Excellent Healthy Workplace- Heath Management Award of Healthy Workplace Certification by Health Promotion Administration, MOHW. It shows Wiwynn Corporation works hard to promotion corporate social responsibility and provides a safe working environment to reduce the incidence rate of occupational injury, protect employees' safety and health, and implement the behaviors of occupational injury management and prevention. Through annual health examination and labor health insurance plans, we fulfill various health management programs.



	2022 SUSTAINABILITY REPORT
🥄 wiwynn [®]	2022 SUSTAINABILITY REPORT

Social

inclusion

5.4.2 Occupational safety and health



Policy

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

Complying with regulations for continuous improvement and reduction

Work Safety Assurance

Safety Culture Promotion

Healthy Workplace Construction Shared Good with Corporate Partners

Workers performing activities under the control of the Company:



Commitment

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



of occupational disasters.

Resource

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

Grievance Mechanism

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



Evaluation Mechanism

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

Note 1: Number of people entering the plant every month in average, including cleaning personnel, security guards, and contractors.

Note 2: Number of contractors entering the plant every month in average.

Occupational safety and health management framework

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

Regulatory compliance and educational training

To maintain the validity of ESH management systems, a total of 271 occupational safety related certificates were possessed by our employees in Taiwan in 2022. It is better than the legal requirements. We continue maintaining the validity of the professional certificates through retraining and dispatched training as well as strictly forbade any personnel carrying out relevant operation before completing the training, e.g. ionizing radiation operations, to maintain employee safety in the workplace.



Dedicated personnel

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To enhance employees' concepts of occupational safety and health, we host diverse occupational safety and health and first-aid training course and encourage employees to participate. In 2022, the number of participants was 7,601 persons, and the training hours were 8,128 hours.

Na	me of the course / Objects	People	Hours
	Internal courses		
	Occupational safety and health educational training All and new employees	7,018	7,137
K	Firefighting safety and practical exercise Firefighting groups	69	69
¢	First aid and operational practice Health administrator, occupational safety and health personnel, emergency responding group, and first-aid personnel	74	248
/ \	Road safety driving training High-risk employees and seeded staff in the department	112	224
v v	Radiation equipment operation Operating personnel	35	105
<u></u>	Emergency response personnel training ERT personnel	197	197
្រ	Hearing protection program Operating personnel	79	79
	External courses		
	Disaster reduction advanced seminar, Earthquake protection, Fire prevention, Firefighting responding command, Electrical and mechanical safety, Occupational safety practice and promotion workshop, Workplace bullying prevention	17	69



Occupational Safety and Health Educational Training



First-Aid Course CPR+AED Practice



Fire Safety Seminar





Emergency Responding EvacuationPersonnel Training and Exercise



First-aid Personnel Training



Motorcycle Safety- Riding Educational Training



Disaster Drills



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Implementation of ISO45001

To prevent occupational disasters and ensure the safety and health of workers, Wiwynn has established standardized safety and health management procedures and implemented ISO45001: 2018 management systems and passed third-party verification. The group evidence-collection rate is around 100%^{Note}. Currently, there are 29 documents for management procedures at all levels, and a total of 9 management procedures were revised in 2022 to continue ensuring the implementation of the management procedure conforming to the current situation and containing completeness and validity. In 2022, 1 minor defect and 20 rectification opportunities were proposed in an external audit, and they had all been improved in the same year.

Note: Calculation by the number of employees at the operating sites that obtained ISO45001 to the number of employees at all operating sites was around 98.92%

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

Laws and regulations identification

An audit registration form has been established through the laws and regulations identification. Currently, a total of 26 applicable laws and regulations have been registered. We will continue confirming the internal operation procedure complies with the statutory specifications, providing necessary safety and health equipment and measures, and reducing the probability of occurrence of occupational hazards.

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Hazards identification

In 2022, hazard identification was carried out to 835 operations based on routine and non-routine operations as well as internal and external events. Risk evaluation was implemented from the aspects of influence on personnel injury and illness as well as the integrity and validity of protective facilities. Among them, 16 operation was with unacceptable risk. After immediate discussion and implementation of responding measure, it was reduced an acceptable risk.

Risk and opportunity evaluation

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

Internal audit

In 2022, there were two minor defects found through the internal audit. Both items of observation have been completed the improvement.

State of risk and opportunity evaluation in 2022 and the status of implementation

Risk assessment to determine the level of risk	Setting the goals and measures based on the risk Matrix	Regular reviewing goal achievement status
Identified	List cases with high risks for improvement and establish management goals and indicators.	Setting goal achievement progress table
370 items of opportunities and risks in total.	5 items of management goals and 80 items of management indicators were established.	Improvement measures are expected to be completed between Q4 2022 and Q1 2023.

Occupational injury and illness management and prevention

Occupational injury and illness investigation and corrective procedures



To reduce losses caused by occupational disasters and to prevent the recurrence of similar incidents, the incident handling and investigation management procedures are drawn up to implement the correction procedures based on the investigation results of the incidents. 7 cases of occupational incidents in Taipei Operations HQ and 1 cases in WYMX were reported in 2022. The total injury index FSI was below 0.08 with a majority of injuries in cuts, burns, bruises, contusion, etc. An immediate medical care was given now when accidents happened. In addition, correction measures were carried out through interviews with relevant personnel, such as advocacy through meetings and training to raise employees' awareness must fulfill our commitment in workplace safety. There was no event of occupational diseases and no deaths of workers caused by occupational disasters in 2022.

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Occupational injury statistics and analysis

		Та	aiwa	an		Me	xico
	2019	2020		2021	2022	2021	2022
Number of injuries (incidents)	0	3		5	7	16	1
Number of people injured (persons)	0	3		5	7	16	1
Days of loss (days)	0	7		4	26	198	12
Total working hours (hours)	1,710,919	3,329,995	3	,701,954 5,	005,997	2,706,396	6,580,785
FR (Disabling Frequency Rate)	0	0.9		1.35	1.39	5.91	0.15
SR (Disabling Injury Severity Rate)	0	2		1	5	73	1
FSI (Frequency-Severity Indicator)	0	0.04		0.03	0.08	0.65	0.01
Near-miss rate	0	0		0	0	0	0
Number of deaths	0	0		0	0	0	0

Note 1: Traffic accidents were not included. The original number of injury disclosed in 2019 was a traffic accident, and it was modified here.

Note 2: Tainan Branch commenced its operation from the second half of 2019.

Note 3: The subsidiary in Mexico, WYMX, expanded its operation and human resources. In July 2021, it became a subsidiary that has the capacity of manufacturing. The statistics were included from the second half year in 2021.

Employee occupational injury statistics

		Taiw	Mexico			
	2019	2020	2021	2022	2021	2022
Number of people (persons)	1,229	1,755	2,041	2,820	2,804	3,716
Total working hours (hours)	1,710,919	3,329,995	3,701,954	5,005,997	2,706,396	6,580,785
Major Types of Work Injury	None	Bruised or cut injury during operation	Crush injury or fall	Sprain or fall	Contusion	Contusion
Occupational injury rate	-	0.180	0.270	0.28	1.18	0.03
Occupational disease rate	0	0	0	0	0	0
Loss-day ratio	-	0.420	0.22	1.04	14.63	0.79
Total number of deaths caused by job duty	0	0	0	0	0	0

Note 1: Occupational injury rate (IR)= (number of occupational injury/ total working hours) *200,000. Note 2: Occupational disease rate (the number of occupational disease/ total working hours) *200,000. Note 3: Loss-day ratio (LDR)= (number of day of occupational injury loss/ total working hours) *200,000. Note 4: The statistics shown in the table were full-time employees.



Employee absence rate

The absence rate in Wiwynn Corporation over the past four years was 1.97%, 2.09%, 1.86%, and 1.35% respectively; all within a reasonable and stable range. Wiwynn values employees' health and welfare and works hard to create a good working environment. Other than annual leave, Wiwynn also provides additional 7-day vitality holidays to help employees achieve balance between work and life, strengthen employees' sense of identity, and further enhance working efficiency and productivity.

	2019	2020	2021	2022
Employee absence rate	1.97%	2.09%	1.86%	1.35%

Note: Total hours of sick leave, personal leave, and work-related injury leave applied by employees / total hours of work.

Occupational injury statistics for non-employee personnel

		Taiwa	Mexico			
	2019	2020	2021	2022	2021	2022
Number of people (persons)	10	16	16	16	0	0
Total working hours	26,400	42,524	42,636	43,052	0	0
Major Types of Work Injury	NA	NA	NA	NA	NA	NA
Occupational injury rate	0	0	0	0	0	0
Occupational disease rate	0	0	0	0	0	0
Loss-day ratio	0	0	0	0	0	0
Total number of deaths caused by job duty	0	0	0	0	0	0

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

Contractor management

Before contracting operators enter the factory for work, they are required to join the contractor labor safety and health agreement organization managed by the Company and conduct coordination meetings. Safety and Health Office will carry out hazard notification and the educational training on the code of safety to the contractor to enhance their safety protection awareness. Besides, irregular audits will be conducted. If there is any violation, it will be required to improve within a specific time. All the relevant improvements have been checked and completed in 2022.

	Taiwan	Mexico
	2020 2021 2022	2022
Number of contractors trained	360 persons 346 persons 601 persons	666 persons
Number of violations	6 cases 2 cases 9 cases	0 cases
Number of violations - Remedied within the specified deadline.	6 cases 2 cases 9 cases	0 cases

Note: Contractor training hours is 1 hour/ per employee.

Creating a safe workplace

To create a safe working environment, all the managers of the Company in different levels support various safety and health promotional businesses launched by the environmental safety and health management competent authorities as well as encourage all the subordinates to participate. Taiwan Branch receives Green Occupational Safety Signal granted by Tainan Science Park in three consecutive years from 2020 to 2022. In 2022, one of our colleagues was awarded Outstanding Occupational Safety and Health Personnel other than the company receiving National Excellent Healthy Workplace Award.



Social welfare

5.5.1 Social engagement

Wiwynn actively engaged with talent enhancement and the public welfare activities of humanistic concern and environmental conservation. We hope to allocate the resources most appropriately through Wiwynn's core operation and stakeholders' demands as well as continue giving back to the society and expanding positive impacts. Through the four key strategies, we plan our role of corporate citizen and engage with stakeholders, like schools, vulnerable groups, and local communities, to established partnership of mutual trust as well as put in resources to actively promote overall social development and create social value. Meanwhile, we will also devote to promote sustainable development and external initiative of core business areas. Through engagement and conversation, we deepen the Company's impact in sustainable innovation.

36.67% **Talent cultivation**

Actively cultivate young students, provide intern opportunities, and create learning and growing environment so that they can involve with workplace situation in advance and reduce the time spent for adaptation and enhance competitnesness.



9.63% Humanistic concern

Through charitable purchase from vulunearble groups, we creae employment opprotunities. We sponsor schools to participate in innovative competitions to create innovative capacity.

Social

5.35% **Culture enhancement**

Host seminars related to sustainability and environmental protection to support culture development and deliver sustainability as well as ensure a beautiful world to next generation.

48.35% Nature procetion and environmental education

Through reforestation along lagoon, we aim to protect shoal and steady the coastline ecology.



36.67%

Talent cultivation

Intern programs

ESG development map



48.35% Nature protection and environmental education



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Ocean Hugs coastline reforestation

Enhance natural solutions to environment.

Restore habitats for living beings and biodiversity

Talent incubation to develop new skills.

5G core talent cultivation programs

• Promote the development of 5G technology and cultivation of core talents



Item

Effect

Wiwynn spares no effort in cultivating young students. Other than providing professional mentors for guidance, Wiwynn also devotes to create an environment full of learning and growth. Through actual participation in the Company's internal projects, diverse training courses, and cross-department exchange and cooperation, we help intern students understand different aspects of business operation more comprehensively.

Meanwhile, Wiwynn also values the opinions and suggestions from intern students a lot. We provide opportunities for them to express their opinions and aim to create a corporate culture that is positive and full of energy. In Wiwynn's intern programs, students not only learn professional knowledge and skills but also experience the core value of Wiwynn's corporate culture, such as teamwork, innovation, and sense of responsibility, to further enhance personal professionalism and competitiveness.

In 2022, 9 departments participated in the intern programs, including R&D, engineering, legal affairs, supply chain planning (warehousing), and market promotion. We recruited 24 interns. We also arranged a summer intern performance presentation. Other than providing students an opportunity to present their learning results, managers and peers could also experience the development of intern students at the same time.



Since 2021, Wiwynn activated the activity of "Ocean Hugs" to devoted to coastline reforestation. In 2022, the topic of the activity was "protecting Qigu Lagoon and planting trees along the coast". We invited nearly 300 people to join the activity, including directors, employees, and family members, and planted 6,000 saplings in Taijian National Park to add greenery to the shoal that originally had no tree at all. It also establishes a foundation for protecting the long-stretching coastline.

In accumulation, we have planted 6,800 saplings so far, and it covers an area of 3.4 hectares. Through the cooperation with Tse-Xin Foundation, the annual reforestation inspection and maintenance in the future will be implemented to enhance the survival rate of the trees. Wiwynn shows our emphasis to environmental ecology in action. In the future, we will continue delivering our corporate impact and passing on the concept of sustainability to more people.





people in Taiwan been seen by the world.



denerations.



Wiwynn refers to the standards promoted by London Benchmark Group (LBG) and classifies the social engagement in "the type of activities" and "the approach of engagement". We evaluate the benefits and impact caused by the engagement to assist making reasonable resource allocation. Besides, we review the benefits from the resource invested to effectively combine financial and non-financial information together. At the same time, we satisfy the expectations from multiple stakeholders to create the shared value. In 2022, we invested around NT\$10.05 million on social engagement. Over the past two years, we focus on the community investment as the main item and donate in cash. In terms of the key points of investment, we attach our emphasis on "nature protection and environmental education" and "talent cultivation". Combining Wiwynn's vision and focus, we continue promoting social engagement and fulfill Wiwynn's impact to the society.

	2020 Amount of Ratio money (%) invested (NT\$)	2021 Amount of Ratio money (%) invested (NT\$)	2022 Amount of Ratio money (%) invested (NT\$)
Charitable activities	260,000 11.66%	340,000 7.94%	100,000 0.99%
Community investment	287,130 12.88%	2,253,048 52.62%	6,268,178 62.34%
Business activities	1,682,367 75.46%	1,688,391 39.44%	3,687,255 36.67%
Total	2,229,497 100%	4,281,439 100%	10,055,433 100%
Donation in cash	1,969,497 88.34%	2,798,491 65.36%	8,743,605 86.95%
Donation in supplies	260,000 11.66%	516,310 12.06%	0 0.00%
Volunteer	0 0.00%	98,788 2.31%	231,828 2.31%
Management cost	0 0.00%	867,850 20.27%	1,080,000 10.74%

5.5.2 Initiative organization

External initiative engagement

Complying with the code of conduct published by Responsible Business Alliance (RBA), promising to provide employees a safe and secured working environment, protecting and respecting our employees, improving environmental protection and following the code of ethics, and working hard to guarantee the rights and interests of all the employees and supply chain personnel, Wiwynn Corporation RBA Code of Conduct Commitment was published after the approval of Vice President and CEO.

In addition, to link to the international carbon reduction pathway, we submitted the targets of carbon reduction to SBTi and have been approved. We will work with our suppliers to achieve the targets of carbon reduction and show our determination of global carbon reduction in real actions.

Wiwynn actively participates in international institutions and organizations to exercise the impact to the industry and continue monitoring the movements in the industry and in the technology. Besides, we also join relevant industrial and public associations to maintain good interaction and exchange with members in the industry.

	Open Networking Foundation	Member
	Open Compute Project	Member
	Open Radio Access Network	Member
	Cloud Computing & IoT Association in Taiwan	Member
Technology	Taipei Computer Association	Member
	The Allied Association for Science Park Industries	Member
	PCI-SIG	Member
	VCCI Council	Member
	Telecom Infra Project, Inc. (TIP)	Member

	High-tech Information Security Alliance	Member
え	Taiwan Climate Partnership	Member
Others	Taiwan Association for Trade Secrets Protection	Member
	CommonWealth Sustainability Association	Member

Name of the organization



Appendix 🕥



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About the report

Wiwynn Corporation (hereinafter referred to as "Wiwynn" or "the Company") has released non-financial information reports since 2020. In June 2022, Wiwynn releases its 2022 Sustainability Report (hereinafter referred to as "the Report") to present the Company's performance in environment(E), society (S) and governance (G) between January 1 and December 31, 2022, allowing all stakeholders caring for Wiwynn to, through this Report, understand the efforts we made on various issues. In addition, we continue to showcase commitment and determination on fulfillment of sustainable development to all stakeholders.

Wiwynn's Sustainability Reports over the past years in Chinese and English can be downloaded from the dedicated zone of <u>Sustainability</u> on our official website. The last edition was issued in June 2022.

Scope and border of the report

The scope disclosed in the Report is based on the subsidiaries^{Note} that have the production capacity incorporated in the consolidated statements of Wiwynn Corporation. Reasons and results for modifications to materiality, border, or any information as set in the Report will be specified in each chapter.

Note: Please refer to the chapter of "About Wiwynn Corporation" for the information about the subsidiaries incorporated in the consolidated statements of the Company. Among them, the subsidiary with the production capacity is WYMX (the subsidiary in Mexico). The calculation of the scope disclosed in the Report related to environment (E), society (S), and governance (G) by the coverage rate of the number of employees shows an achievement rate of 98.92%.

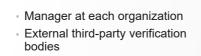
Report preparation principles

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

Compilation
 Each functional group
Sustainable Development Office
Preparation

Sustainable Development Office

Review



Finalization

Sustainable Development Office



- The Report has undergone verification of BSI Taiwan Branch in accordance with type 2 of AA1000 AS V3 standard.
- The assessment of disclosure to be in conformance with the applicable SASB industry standard(s) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement.
- The Statement of Opinions on Verification by Independent Third Parties is appended in Appendices of the Report.
- Financial data disclosed at economic aspects is information excerpted from Consolidated Financial Reports publicly announced after audited and attested by KPMG Taiwan.
- ISO 9001: 2015(Quality Management Systems), QC 080000: 2017 (Hazardous Substance Process Management Systems), ISO 14001: 2015(Environmental Management Systems), ISO 45001: 2018 (Occupational Safety and Health Management Systems), ISO 14064-1: 2018 (Green House Gases Inventory), ISO 50001: 2018 (Energy Management Systems) introduced by the Company have all passed verifications by third-party verification bodies.

Feedback

We welcome any suggestion concerning the Report or related to the sustainable development of Wiwynn.



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Email

esg@wiwynn.com

Responsible unit Sustainable Development Office









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Social inclusion

Appendix 分

GRI Standards Comparison Table œ

	ent of use Corporation reports the content betweer	n January 1 and December 31, 2022	2, based	on GRI Stand		dition of GRI 1 RI 1: Foundation 2021	Applicable GRI industry prac	tice	
	Disclosed item	Corresponded chapter	Page	Remark		Disclosed item	Corresponded chapter	Page	Rema
	Genera	l disclosure				Genera	l disclosure		
	2-1 Organizational details	About Wiwynn Corporation	04	-		2-15 Conflicts of interest	Accountable Governance_ Operation of the Board of Directors	28 31	-
	2-2 Entities included in the organization's sustainability reporting	About Wiwynn Corporation	05	-			Accountable Governance_ Business Ethics	51	
	2-3 Reporting period, frequency and contact point	About the Report	123	-		2-16 Communication of critical concerns	ESG implementation framework	16	-
	2-4 Restatements of information	About the Report	123	-		2-17 Collective knowledge of the highest governance body	Accountable Governance_Operation of the Board of Directors	29	-
	2-5 External assurance	The third-party verification opinion statement	134	-		2-18 Evaluation of the performance of the highest governance body	Accountable Governance_ Operation of the Board of Directors	29	-
	2-6 Activities, value chain and other business relationships	About Wiwynn Corporation Sustainable Supply Chain	04 46	-		2-19 Remuneration policies	Accountable Governance_Operation of the Board of Directors	30	-
		Management Green Innovation_Customer Relationship Management	63			2-20 Process to determine remuneration	Accountable Governance_ Operation of the Board of Directors	30	-
GRI 2: General	2-7 Employees	Talent Attraction and Retention_ Diversity	84	-	GRI 2: General	2-21 Annual total compensation ratio	Total annual compensation rate: 46.74		-
Disclose		Talent Attraction and Retention_	85		Disclose		Total annual compensation change rate: 0.32		
2021	2-8 Workers who are not employees	Diversity	00		2021	2-22 Statement on sustainable development strategy	Messages from the chairperson	01	-
	2-9 Governance structure and composition	Accountable Governance_ Operation of the Board of Directors	26	-		2-23 Policy commitments	Accountable Governance_ Business Ethics	31	-
	2-10 Nomination and selection of the	Accountable Governance_	27	-		2-24 Embedding policy commitments	Accountable Governance_ Business Ethics	32	-
	highest governance body	Operation of the Board of Directors				2-25 Processes to remediate negative impacts	Materiality Analysis and Engagement	17	-
	2-11 Chair of the highest governance body	Accountable Governance_ Operation of the Board of Directors	28	-		2-26 Mechanisms for seeking advice and raising concerns	Accountable Governance_ Business Ethics	32	-
	2-12 Role of the highest governance body in overseeing the management of impacts	ESG implementation framework	28	-		2-27 Compliance with laws and regulations	Risk Management_ Regulatory Compliance	37	-
	2-13 Delegation of responsibility for managing impacts	ESG implementation framework	10	-		2-28 Membership associations 2-29 Approach to stakeholder engagement	Social Welfare_ Initiative Organization		-
	2-14 Role of the highest governance body in sustainability reporting	ESG implementation framework	10	-		2-30 Collective bargaining agreements	No Collective Bargaining Agreement Singed		As describ in the l



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302-4 Reduction of energy consumption

302-5 Reduction in energy requirements of products and services

GRI 302: Energy

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	Disclo	osed item	Corresponded chapter	Page	Remark		
Material topics							
GRI 3: Material	3-1	Process to determine material topics	Materiality Analysis and Engagement	13	-		
Topics 2021	3-2	List of material topics	Materiality Analysis and Engagement	14	-		

Disclosed item	Corresponded chapter Page Reasons fo omission
Material topics_ ES	SG strategy and vision
GRI 3: Material 3-3 Management of material topics Topics 2021 Image: Comparison of the second	Materiality Analysis and 09 - Engagement
Specific topic	ESG implementation framework 09 -

		Material topics_ Ethic	al management		
GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Analysis and Engagement	31	-
GRI 205: Anti-Corruption	205-1	Operations assessed for risks related to corruption	Accountable Governance_ Business Ethics	32	-
	205-2	Communication and training about anti-corruption policies and procedures	Accountable Governance_ Business Ethics	32	-
	205-3	Confirmed incidents of corruption and action taken	Accountable Governance_ Business Ethics	32	-
GRI 206: Anti-Competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Risk Management_ Regulatory Compliance	37	-
GRI 415: Public Policy	415-1	Political contributions	Accountable Governance_ Business Ethics	31	-

Material topics_ Information security and customer privacy

GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Analysis and Engagement	38	-
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security_ Privacy Protection	42	-

	Disclo	sed item	Corresponded chapter	Page	Reasons fo			
Material topics_Sustainable supply chain management								
GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Analysis and Engagement	45	-			
GRI 204: Procurement Practices	204-1	Proportion of spending on local supplies	Sustainable Supply Chain Management	48	-			
GRI 308:	308-1	New suppliers that were screened using environmental criteria	Sustainable Supply Chain Management	49	-			
Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and action taken	Sustainable Supply Chain Management	51	-			
GRI 414: Supplier Social	414-1	New suppliers that were screened using social criteria	Sustainable Supply Chain Management	49	-			
Assessment	414-2	Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain Management	51	[
	N	laterial topics_ Product/ ser	vice R&D and innovation					
GRI 3: Material Topics 2021	3-3 M	anagement of material topics	Materiality Analysis and Engagement	56	-			
GRI 203: Indirect Economic Impacts	203-2	Significant indirect economic impacts	Green Innovation_ R&D and Intellectual Property	56	-			
		Material topics_ Intellec	tual property rights					
GRI 3: Material Topics 2021	3-3 M	anagement of material topics	Materiality Analysis and Engagement	58	-			
Specific topic			Green innovation_ R&D and Intellectual Property	59	-			
		Material topics_ sust	ainable products					
GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Analysis and Engagement	60	-			
GRI 301: Materials	301-2	Recycled input materials used	Green Innovation_ Responsible Products	63	-			

Green Innovation_ Responsible Products

Green Innovation_ Responsible Products 62

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	Disclo	sed item	Corresponded chapter	Page	Reasons omission
	l	Material topics_ customer rel	ationship management		
GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Analysis and Engagement	63	-
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security_ Privacy Protection	42	-
	Ma	terial topics_ Climate change	and energy managemen	t	
GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Analysis and Engagement	68	-
GRI 201: Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	Climate Change_ Strategy Climate Change_ Risk Identification, Assessment, and Management	69 70	-
	302-1	Energy consumption within the organization	Energy Management	74	-
GRI 302 Energy	302-3	Energy intensity	Energy Management	74	-
	302-4	Reduction of energy consumption	Energy Management	75	-
	302-5	Reductions in energy requirements of products and services	Energy Management	75	-
	305-1	Direct (Scope 1) GHG emissions	Climate Change_Climate indicators and goals	72	-
	305-2	Energy indirect (Scope 2) GHG emissions	Climate Change_ Climate indicators and goals	72	-
	305-3	Other indirect (Scope 3) GHG emissions	Climate Change_Climate indicators and goals	73	-
GRI 305: Emissions	305-4	GHG emissions intensity	Climate Change_ Climate indicators and goals	72	-
	305-5	Reduction of GHG emissions	Climate Change_ Climate indicators and goals	72	-
	305-6	Emissions of ozone-depleting substances	Climate Change_ Climate indicators and goals	80	-
	305-7	Nitrogen oxides, sulfur oxides, and other significant air emissions	Climate Change_ Climate indicators and goals	80	-

	Disclo	sed item	Corresponded chapter	Page	Reasons for omission
		Material topics_ Custome	er safety and health		
GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Analysis and Engagement	63	-
GRI 416: Customer Health and	ealth and impacts of product and service categories		Green Innovation e_Customer Relationship Management	64	-
Safety			Green Innovation e_Customer Relationship Management	64	-
		Material topics_ Wast	te management		
GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Analysis and Engagement	76	-
	306-1	Waste generation and significant waste-related impacts	Environmental Management_ Waste	77	-
GRI 306: Waste	306-2	Management of significant waste-related impacts	Environmental Management_ Waste	77	-
(2020)	306-3	Waste generated	Environmental Management_ Waste	78	-
	306-4	Waste diverted from disposal	Environmental Management_ Waste	78	-
	306-5	Waste directed to disposal	Environmental Management_ Waste	78	-

		Material topics_ Talent attr	action and retention		
GRI 3: Material Topics 2021			Materiality Analysis and Engagement	84	-
GRI 201: Economic Performance			Talent Attraction and Retention_Talent Attraction	95	-
202- GRI 202: Market		Ratios of standard entry level wage by gender compared to local minimum wage	Talent Attraction and Retention_ Talent Attraction	91	-
Presence	202-2	Proportion of senior management hired from the local community	Talent Attraction and Retention_Diversity	87	-
GRI 401:	401-1	New employee hires and employee turnover	Talent Attraction and Retention_Talent Attraction	89	-
Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Attraction and Retention_Talent Attraction	93	-
	401-3	Parental leave	Talent Attraction and Retention_Talent Attraction	92	-



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Disclosed item			Corresponded chapter	Page	Reasons for omission	
		Material topics_ Talent att	raction and retention			
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Accountable Governance_ Operation of the Board of Directors Talent Attraction and Retention_ Diversity	88	-	GRI 3 Topic
	405-2	Ratio of basic salary and remuneration of women to men	Talent Attraction and Retention_ Talent Attraction	91	-	
		Material topics_ Human	capital development			
GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Analysis and Engagement	96	-	
				1	1	

Topics 2021		Engagement		
	404-1 Average hours of training per year per employee	Talent Cultivation	100	-
GRI 404: Training and Education	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Attraction and Retention_Talent Attraction	92	-
	404-3 Percentage of employees receiving regular performance and career development reviews	Talent Cultivation	103	-

	Materi	al topics_ Employee care and	d human rights manager	nent	
GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Analysis and Engagement	104	-
GRI 402: Labor/ Management Relations	402-1	Minimum notice periods regarding operational changes	Human Rights Management	104	-
GRI 406: Non-Discrimination	406-1	Incidents of discrimination and corrective action taken	Human Rights Management	107	-
GRI 409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights Management Sustainable Supply Chain Management	106	-

	Disclosed item		Corresponded chapter	Page	Reasons for omission
		Material topics_ Occupa	tional safety and health		
GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Analysis and Engagement	113	-
	403-1	Occupational health and safety management system	Health and Safety_Occupational Safety and Health	115	-
	403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety_Occupational Safety and Health	115	-
	403-3	Occupational health services	Health and Safety_ Employee	110	-
			Health and Safety_Occupational Safety and Health	113	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety_ Occupational Safety and Health	113	-
GRI 403: Occupational Health and	403-5	Worker training on occupational health and safety	Health and Safety_Occupational Safety and Health	114	-
Safety(2018)	403-6	Promotion of worker health	Health and Safety_ Employee Care Health and Safety_ Occupational Safety and Health	111 114	-
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety_Occupational Safety and Health	115	-
	403-8	Workers covered by an occupational health and safety management system	Health and Safety_Occupational Safety and Health	113	-
	403-9	Work-related injuries	Health and Safety_Occupational Safety and Health	116	-
	403-10	Work-related ill health	Health and Safety_ Occupational Safety and Health	116	-
		GRI 200: Eco	nomic Series		
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	nd Financial Performance	07	-
	201-4	Financial assistance received from government	Tax Governance	44	-

Note: Except GRI 403 using 2018 edition and GRI 306 using 2020 edition, others all adopt 2016 edition.



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SASB Standards Comparison Table

Industrial specific indicators

	Disclosed item No.	Description	Response	Corresponded chapter	Page
Product Safety	TC-HW-230a.1	It describes the methods to identify and solve product data security risks.	Based on customers' demands in hardware, software or firmware, Wiwynn Corporation customizes product development design and provides security protection mechanism to products. Wiwynn commits to follow the highest security standards to protect customers and their information. Please refer to the chapters of "Information Security" and "Green Innovation" for more information.	Information Security Green Innovation	39 64
Employee Diversity and Inclusion	TC-HW-330a.1	Ratios of gender and ethnic groups of (1) managerial officers (2) technical personnel, and (3) all other employees.	Please refer to the chapter of "Talent Attraction and Retention" for the details of gender, nationality, and the proportion of Wiwynn's managerial officer, direct personnel (technical personnel), and indirect employees.	Talent Attraction and Retention	85
C ^e Product Life Cycle	TC-HW-410a.1	Revenue ratio of products containing substances disclosed in IEC 62474.	Wiwynn's main product is products for data centers. We follow requirements of the items of material declaration standards, IEC 62474, published by International Electrotechnical Commission. Products containing IEC 62474 claimed substances account for 100% of revenue ratio.	Green Innovation Financial Statements for 2022	61
	TC-HW-410a.2 TC-HW-410a.3	Ratio of qualified products complying with the requirements of EPEAT registry or equivalent conditions (based on income). Ratio of qualified products complying with ENERGYSTAR® standards (based on income).	Wiwynn Corporation adopts a business model of B2B. All the product output meets local regulations for environment and energy efficiency. It is not applicable to EPEAT and ENERGYSTAR® standards.	Green Innovation	64
	TC-HW-410a.4	Weight and recycling percentage of the recycled scrapped products and electronic waste.	Wiwynn's core business is to provide product and system solutions for hyperscale data centers and cloud infrastructure. We also follow the requirements of Waste Electrical and Electronic Equipment Directive (WEEE) to design products that are easy to be disassembled and recyclable. Our product design meets the regulations of 3R (reuse and recycled rate=80% and recovery rate-85%). After products are scrapped, customers are responsible for disposal. Wiwynn does not recycle any scrapped products. We plan to work with customers from 2023 to recycle components on products by the end of the life cycle that can be reused and to re-install them in the new products of the customer for testing and verification in order fulfill cycle utilization and present the effect of circular economy. Please refer to the chapter of "Environmental Management" for more information about the weight of electronic waste.	Environmental Management	78

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	Disclosed item No.	Description	Response	Corresponded chapter	Page
Supply Chain Management	TC-HW-430a.1	Ratio of the Tier 1 supplier factories that passed RBA verification and audit process (VAP) or equivalent audit to (a) all factories and (b) high-risk factories	Wiwynn Corporation conducts an annual SAQ questionnaire survey on the suppliers accounting for 95% of procurement amount or above. The content of the questionnaire incudes five dimensions in "transparency and business ethics", "business continuity management", "labor human rights", "environmental management", and responsible procurement". The audit process is carried out through written questionnaires. In 2022, there were 32 suppliers investigated and audited with a ratio of 14.95%. The results of risk evaluation in 2022 revealed no high-risk suppliers. The upstream suppliers that Wiwynn purchases from are all well-known manufacturers. We obtain steady supply and maintain good interaction from and with them for a long time. In addition, the risk evaluation procedures implemented to suppliers with 95% of procurement amount or above have been included. It shows the proper control on the risks of supply chain. Please refer to the chapter of "Sustainable Supply Chain Management" for more information.	Sustainable Supply Chain Management	50
	TC-HW-430a.2	(1) The non-compliance rate between Tier 1 suppliers and RBA VAP or equivalent and (2) the relevant corrective measure rate of (a) priority non-compliance items and (b) other non-compliance items.	Based on the validity of two years of RBA VAP, Wiwynn Corporation disclosed the non-compliance rate of 48.48% in the audit for 2021. Among which, the priority non-compliance rate was 0%, and the completion rate of corrective measures for other non-compliance item was 100%.	Sustainable Supply Chain Management	50
S Material Procurement	TC-HW-440a.1	It describes risk management related to the key materials used.	Wiwynn Corporation established "Hazardous Substance Control and Management Procedures" based on the three key scopes of products, batteries, and packaging materials to ensure the Company's material management fully complying with international regulations and customer requirements. In addition, we established "Conflict Mineral Policy" and included risk management policy of suppliers violating regulations in the operating procedures to implement due diligence. Please refer to the chapters of "Green Innovation" and "Sustainable Supply Chain Management" for more information.	Green Innovation Sustainable Supply Chain Management	61 53

Activity indicators

No.	Item	Chapter	Page
TC-HW-000.A	Unit quantity produced based on the production category	About Wiwynn Corporation	04
TC-HW-000.B	Plant area	About Wiwynn Corporation	04
TC-HW-000.C	Percentage of self-owned capacity	About Wiwynn Corporation, Financial Statements for 2022	05



Appendix **M**

TCFD indicators comparison table I⊞Ì

	Indicators	Corresponded chapter	Page	Information related to climate	
	Governance			IRisks and opportunities caused by climate change to the Company, and the relevant responding	
	(a)Describing risks and opportunities related to climate overseeing by the Board of Director.	4.1.1	69	measures adopted by the Company.	
	(b)Describing the function of management level in evaluating and managing risk and opportunities related to climate.	4.1.1	69	Item Status of implementation 1. The "Corporate Sustainability Committee" is the highest governance unit for issues related to climate the state of the state	
	Telated to climate.			The Corporate Sustainability Committee is the highest governance unit for issues related to climate the board of directors and consists of four directors	
(Å)	Strategy			Describing supervision The CEO, the highest executive in the management hierarchy, serves as the person in charge of	
	••	44.0	69	and governance on Climate issues, responsible for assessing and managing climate-related issues. President, senior	
	(a)Describing the short-term, medium-term, and long-term risks and opportunities related to climate identified by the organization.	4.1.2	69	related to climate implemented by the held every year, and chief Sustainability Officer is required to report to the Board of Directors at least once a year. In 2022, "Corporate Sustainability Committee" held two meetings. The latest report	
	(b)Describing risks and opportunities related to climate that generate critical impacts to the business, strategy, and financial planning of the organization.	4.1.3	70	management level. Governance and Strategy" in the Report for more information.	
	(c)Describing the organizational strategic resilience and considering different scenarios of climate change, including a scenario of 2°C or lower.	"Wiwynn Corporation 2022 Climate Evaluation Report"	70	2. Wiwynn defines the short-term, medium-term, and long-term timeline as 1-3 years, 3-5 years, and years or above respectively. The risks identified cover transitional and physical types, including existing laws, emerging regulations, skills, markets, reputation, lawsuits, emergency disasters, and long-term disasters. The risks identified in 2022 that have significant impacts to operation or finance are transitional types. Among them, the potential and impact level of technical transition are greated are transitional types.	l e r.
r≏()				affect the enterprise's business, strategy, and The impact of physical risks includes the change of temperature and rainfall or the change of average temperature. According to IPCC AR6 Evaluation Report, global warming will increase 1.5°C in a sh	age
Ē	Risk management (a)Describing the process used by the organization to identify and evaluate risks related to climate.	4.1.3	70	finance (short term, medium term, and long term). term (2021-2040). Therefore, to control the rise of temperature, net zero trend is brought forward fr 2050 to 2040. To enhance the emission reduction mechanism, each country adopts more and more strict standards in product energy consumption and carbon emission standards. Net zero trend and	rom e d
	(b)Describing the process adopted by the organization to manage risks related to climate.	4.1.3	70	product energy efficiency regulations and standards (CBAM) are the two main emerging risks that pay attention to. The uncertainty of the requirements to products and services in the market will als affect the medium- and long-term strategy planning of the Company.	
	(c)Describing how the organization integrates the process of identifying, evaluating, and managing risks related to climate into the overall risk management.	4.1.1	69	In terms of the opportunities related to climate, climate issues are not limited in one area only but global impacts. It expands to each enterprise through the effect of supply chain, and the emission reduction of products and services is closed linked with the value chain. For this, Wiwynn Corporat currently introducing a carbon management platform to collect the emission data from the	ie is
\$	Indicators and goals			organization and the supply chain in a digital and automatic method as the accordance of carbon management. We continue arranging green power procurement and will consider green building	
	(a)Disclosing the indicators used by the organization to evaluate risks and opportunities related to climate in compliance with strategies and the process of risk management.	4.1.4	71	design in priority for the expansion of plants in the future. Besides, we actively develop new heat dissipation technology and integration solutions in order to obtain business opportunities in the market. Please refer to the chapter of "4.1.2 Strategy" in the Report for more information.	
	(b)Disclosing the emissions of Scope 1, 2, and 3 (if applicable) and relevant risks.	4.1.4	71]
	(c)Describing the organization's goals when managing risks and opportunities related to climate, and the performance of the relevant goals.	4.1.4	71		

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Item	Status of implementation	Item	Status of implementation				
3. Describing the impacts of extreme weather events and transition actions to the finance.	Wiwynn conducts matrix analysis on climate issues based on the possibility and the level of impact before confirming impacts caused by the risks and opportunities of climate change to the Company's finance according to SSP Public Database, TCCIP future scenario estimation as well as international industrial trend reporting. Please refer to the chapter of "4.1.3 Risk Identification, Evaluation, and Management" in the Report and <u>"2022 Wiwynn TCFD Climate-related Assessment Report"</u> for more information.	7. If using internal carbon pricing as the planning tool, please explain the basis of the pricing.	We haven't use internal carbon pricing as the planning tool.				
4. Describing how to integrate the identification,	Through global risk evaluation reports, Wiwynn Corporation identifies the risks and opportunities in the upstream, the organization, and downstream of the value chain. In recent years, climate risk has become one of the important risks that are closely watched in global risk evaluation reports. In 2022, we identified the speed-up of net zero trend in the future, common implementation of carbon pricing to adjust financial impact, business continuity management of climate	8. If setting any target related to climate, please explain the	Wiwynn sets Year 2021 as the base year to calculate the goal achievement rate in 2022 according to SBTi Carbon Reduction Pathway as below: Goal Achievement coverage rate Achievement rate of Scope 1+2 Achievement				
evaluation, and management process of	risks, energy resources management, and price increase and material shortage caused by the changes of natural resources. Moreover, overall risk evaluation is incorporated into the establishment of management plans. Corporate	activities covered, scope of greenhouse gas emission, schedule	Taiwan 35% 9%				
climate risks into the management system for overall risks.	Sustainability Committee reviews management plans and goals before reporting to the Board of Directors. When the Board of Directors reviews or instructs the Company's production, R&D, supply chain management, and customer relationship, issues related to climate will be included for consideration to control and monitor the implementation and promotion of	planned, and the progress to be achieved every year. If using carbon offset or renewable energy	Global (Taiwan and Mexico) 99%				
	relevant plans. Please refer to the chapter of "4.1.1 Climate governance and strategies" in the Report for more information.	certificates (RECs) to achieve the targets, please explain the	The self-declaration follows Green-e Standard regulations, recognizing renewable energy certificates based on power generation dates, including				
5. If scenario analysis is	Wiwynn evaluates transitional risks from the three dimensions of regulations, skills, and markets. The external scenario used includes three types. One is NDC, the second is to achieve SSP1-1.9 pathway in IPCC AR6, and the third is to achieve net zero before 2050 as required in Science Based Carbon Reduction Target, a net-zero goal (SBT-NZ) of reducing 4.2% every year. Physical risks treat extreme rainfall as the level of hazards to consider four scenarios, including RCP2.6, RCP4.5, RCP6.0, and RCP8.5 as well as adopt flooding, landslide, and mudslide caused by extreme rainfall as vulnerability.	source and volume of carbon reduction for the offset or the quantity of RECs.	certificates from six months before and three months after the report year. Recognized renewable energy certificate amount (kWh) Total (kWh)				
used to assess the resilience when facing the risks of climate change, please explain the sconaria parameter			Taiwan 460,000 Self-declaration 15,961,000 Mexico 15,501,000				
analytical factors used and the main financial impact.	scenario, parameter, othesis, and ytical factors used the main financialand location of the operating site as exposure. We use level of hazards, vulnerability, and exposure to carry out physical risk value analysis in each operating site. Please refer to <u>"2022 Wiwynn TCFD Climate-related Assessment</u> Report" in the Report for more information.		Please refer to the chapter of "4.1.4 Climate Indicators and Goals" in the Report for more information.				
6.	Wiwynn uses SBTi Carbon Reduction Pathway as the indicators to calculate						
If there is any transition program for the response to the management of climate risks, please explain the content of the program as well as the indicators and goals used to identify and manage physical risks and transition risks.	and estimate climate mitigation and adaptation. Through the carbon platform management, we establish carbon emission data to timely grasp potential carbon costs, continue arranging green power procurement, introduce innovative technologies, and reduce potential costs of signification transformation in products and manufacturing processes. We established BCM (business continuity management) and various BCP management plans to effectively control the risk of business interruption. Please refer to the chapter of "4.1.4 Climate Indicators and Goals" in the Report for more information.	9. Greenhouse gas inventory check and the status of verification (fill in 1-1 separately).	Wiwynn refers to Greenhouse Gas Protocol (GHG Protocol) and the regulation of ISO 14064-1:2018 to carry out greenhouse gas inventory check. We set organizational borders by the operation right of control. We excluded operating site that has total emission less than 5% or hasn't achieved a complete year for emission data, and the rest were verified by the third-part organization. The operating site includes Taipei Operation HQ, Tainan Branch, and the subsidiary in Mexico, and the evidence-collection coverage rate achieved 100%. Please refer to the chapter of "4.1.4 Climate Indicators and Goals" in the Report for more information.				

Wiwynn 2022 SUSTAINABILITY REPORT	Introduction	Sustainability management	Corporate governance	Innovative value	Environmental protection	Social inclusion	Appendix	仚
WIWYNN 2022 SUSTAINABILITY REPORT		management		value	protection	inclusion	пррепак	_ 1

1-1 Greenhouse gas inventory check and the status of verification

1 Companies can carry out greenhouse gas inventory check in the following standards.

- · Greenhouse Gas Protocol (GHG Protocol).
- · ISO 14064-1 published by International Organization for Standardization (ISO).
- 2 Verification institutions must meet the regulations related to the verification of sustainability report published by Taiwan Stock Exchange and Taipei Exchange.
- 3 Subsidiaries can report separately, collectively (by country or by region), or jointly.
- 4 The intensity of greenhouse gas emissions can be calculated by each unit product/ service or business turnover. However, the data calculated by business turnover (NT\$ million) must be disclosed.
- 5 The ratio of the operating site or subsidiary that is not included in the inventory check must not be higher than 5% of the total emissions. The total emissions mentioned above is the emission followed the instruction 1 of form-filling and calculated by mandatory inventory scope.
- 6 The explanation of verification status shall be cited from the content of the verification report by the verification institution as well as uploaded the verification opinion letter.

Greenhouse gas inventory check and the status of verification

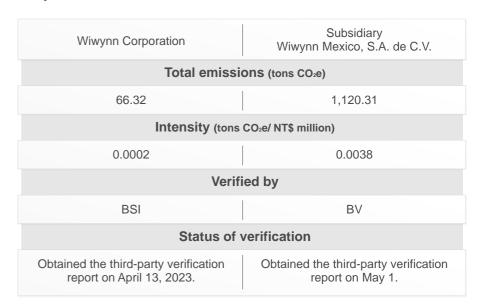
The Company's basic information

- An enterprise, steel manufacturer, or cement manufacturer with a capital of NT\$10 billion or above.
- An enterprise with a capital between NT\$5 and NT\$10 billion.
- An enterprise with a capital less than NT\$5 billion.

Based on Sustainable Development Roadmap of Listed Companies, the disclosure shall at least include:

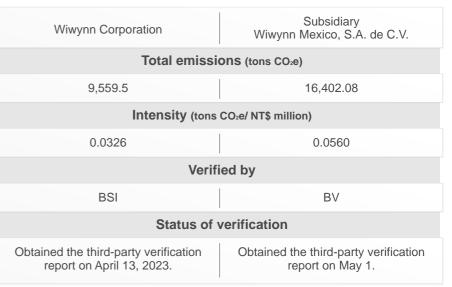
- Parent Company Only Consolidated Statement Subsidiary Inventory
- Parent Company Only
 Verification
 Verification

(According to Q&A of Sustainable Development Roadmap of Listed Companies, Wiwynn Corporation shall follow the parent company, Wistron Corporation, and adopt the schedule of paid-in capital in NT\$10 billion or above to complete the parent company only inventory in 2023.



Scope 2

Scope 1





Sustainability disclosure indicator comparison table

Computer and peripheral equipment manufacturing

No./Indi	cators	Туре	Corresponded chapter	Status of annual disclosure	Unit	Remark
· · · · · 1	Total energy consumption, ratio of purchased power, and utilization rate of renewable energy	Quantitative	Energy Management	 Total energy consumption: 222.338GJ Purchased power: 100% Renewable energy utilization rate: 2.73% 	- GJ - %	-
2	Total water intake and total water consumption	Quantitative	Environmental Management_ Water	 Total water intake: 187, 832 m³. Total water consumption: 0 m³ 	· m³	-
a 3	Weight and recycled ratio of hazardous waste generated	Quantitative	Environmental Management_ Waste	 The weight of hazardous waste was 85.96 tons. Recycling ratio was 2.84%. 	• ton • %	-
다 4	Description of category of occupational incidents, number of people, and ratio	Quantitative	Health and Safety_ Occupational Safety and Health	7 people were involved with sprain injury and fall, and the ratio was 87.5%. 1 person suffered from contusion, and the ratio was 12.5%.	∘ % ∙ quantity	-
5	Disclosure of product life cycle management: including the weigh and recycled ratio of scrapped products and electronic waste ^{Note1}	Quantitative	Environmental Management_ Waste	The weight of waste was 8,520.24 tons, and the waste recycling and reutilization rate was 94.42%.	• ton • %	-
6	Description of risk management related to using key materials	Qualitative description	 Sustainable Supply Chain Management_ Conflict Minerals Green Innovation_ Responsible Product 	Wiwynn established "Hazardous Substance Control and Management Procedures" based on the three key scopes of products, batteries, and packaging materials to ensure the Company's material management fully complying with international regulations and customer requirements. In addition, we established "Conflict Mineral Policy" and included risk management policy of suppliers violating regulations in the operating procedures to implement due diligence.	-	-
7 م	Total pecuniary loss caused by lawsuits related to the Act of Anti-Competition Behaviors	Quantitative	Risk Management_ Regulatory Compliance	Total pecuniary loss caused by by lawsuits related to the Act of Anti-Competition Behaviors was NT\$0	Reporting currency	-
****	Production volume of main products based on product category	Quantitative	About Wiwynn Corporation	• Data center products ; Production volume 2,199,764 PCS	Based on different types of products	-

Note 1: It includes the sales of tailings or other recycled treatment. Please provide relevant explanation.



Social

inclusion

The third-party verification opinion statement

INDEPENDENT ASSURANCE OPINION STATEMENT

2022 Wiwynn Corporation Sustainability Report

The British Standards Institution is independent to Wiwynn Corporation (hereafter referred to as Wiwynn in this statement) and has no financial interest in the operation of Wiwynn other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of Wiwynn only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance oninion statement is prepared on the basis of review by the British Standards Institution of information presented to it by Wiwynn. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Wiwynn only.

Scope

The scope of engagement agreed upon with Wiwynn includes the followings:

- 1. The assurance scope is consistent with the description of 2022 Wiwynn Corporation Sustainability Report.
- 2. The evaluation of the nature and extent of the Wiwynn's adherence to AA1000 Accountability Principles (2018) and the reliability of specified sustainability performance information in this report as conducted in accordance with type 2 of AA1000 AS v3 sustainability
- assurance engagement. 3. The assessment of disclosure to be in conformance with the applicable SASB industry standard(s) in this report as conducted in
- accordance with type 1 of AA1000AS v3 sustainability assurance engagement. This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the 2022 Wwynn Corporation Sustainability Report provides a fair view of the Wiwynn sustainability programmes and performances during 2022. The sustainability report subject to assurance is materially correct without voluntary omissions based upon testing within the limitations of the scope of the assurance, the information and data provided by the Wiwynn and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are correctly represented. The sustainability performance information disclosed in the report demonstrate Wiwynn's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurors in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that Wiwynn's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards and SASB Standard(s) (HARDWARE Sustainability Accounting Standard) were fairly stated.

Methodology

- Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities: - a top level review of issues raised by external parties that could be relevant to Wiwynn's policies to provide a check on the
 - appropriateness of statements made in the report discussion with managers on Wivynn's approach to stakeholder engagement. Moreover, we had sampled 1 external stakeholder to conduct interview
 - interview with 25 staffs involved in sustainability management, report preparation and provision of report information were carried out
 - review of materiality assessment process
 - review of key organizational developments
 - review of the extent and maturity of the relevant accounting systems for financial and non-financial reports
 - review of the findings of internal audits
 - the verification of performance data and claims made in the report through meeting with managers responsible for gathering
 - review of the processes for gathering and ensuring the accuracy of data, followed data trails to initial aggregated source and checked sample data to greater depth during site visits — the consolidated financial data are based on audited financial data, we checked that this data was consistently reproduced
 - review of supporting evidence for claims made in the reports
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000AP (2018)
- an assessment of the organization's use of metrics or targets of SASB Standard(s) to assess and manage topic-related risks and opportunities.

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018) and sustainability performance information as well as GRI Standards and SASB Standard(s) is set out below

Inclusivity

In this report, it reflects that Wiwynn has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the Wiwynn's inclusivity issues and has demonstrated sustainable conduct supported by top management and implemented in all levels among organization.

The Wwynn publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of Wiwynn and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the Wiwynn's management and performance. In our professional opinion the report covers the Wiwynn's materiality assessment process and material issues

Responsiveness

Wewnn has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for the Wwynn is developed and continually provides the opportunity to further enhance Wwynn's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the Wiwynn's responsiveness issues

Impact

Wwwnn has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way Wwym has established processes to monitor, measure, evaluate and manage impacts that lead to more effective decision-making and results-based management within an organization. In our professional opinion the report covers the Wiwynn's impact issues.

Performance information

Based on our work described in this statement, specified sustainability performance information such as GRI Standards disclosures disclosed in this report, Wiwynn and BSI have agreed upon to include in the scope. In our view, the data and information contained within 2022 Wwynn Corporation Sustainability Report are reliable based on procedures undertaken by means of vouching, re-tracking, re-computing and confirmation.

GRI Sustainability Reporting Standards (GRI Standards)

Wwwnn provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, including the disclosures of applicable economic, environmental, and social information, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported or omitted. In our professional opinion the self- declaration covers the Wwynn's sustainability topics.

SASB Standards

Wiwynn provided us with their self-declaration of in accordance with SASB Standard(s) (HARDWARE Sustainability Accounting Standard). Based on our review, we confirm that the sustainability disclosure topics & accounting metrics of SASB Standard(s) (HARDWARE Sustainability Accounting Standard) are reported, partially reported or omitted. In our professional opinion the self-declaration covers disclosure topics, associated accounting metrics and activity metrics for applicable SASB industry standard(s). Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement

The moderate level assurance provided is in accordance with AA1000AS v3 in our review of SASB Standard(s)

For and on behalf of BSI:

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.

Responsibility

This sustainability report is the responsibility of the Wiwynn's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

BSI Taiwan is a subsidiary of British Standards Institution

The assurance team was composed of Lead auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.



Peter Pu, Managing Director BSI Taiwan



...making excellence a habit."