

Wistron NeWeb Corporation Sustainability Report

2023





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About this Report

Since 2011 Wistron NeWeb Corporation (WNC) has published a Sustainability Report annually. This report is produced in both Chinese and English, and is posted on [WNC's ESG website](#). We look forward to maintaining clear lines of communication with all of our stakeholders.

WNC's Sustainability Report is produced by a team formed by the Sustainable Development & Marketing Division and related units. Inviting the top managers of related units to appoint representatives to serve as members of the report team, the Sustainable Development & Marketing Division oversees coordination, and works with related units in information gathering, editing, design, layout arrangement and verification. Members of the report production team assume the responsibility for gathering, discussing and reviewing sustainability topics based on their day-to-day interactions with stakeholders. The report team summarizes the outcome of the previous year's work in the Report and submits it to the Board of Directors for final approval. External verification of the Report is completed in Q2.

WNC publishes a Sustainability Report covering the previous year annually.

Current version: Published in June 2024

Previous version: Published in June 2023

Next version: To be published in June 2025

Report Aspects

The scope of the information disclosed in this report covers measures taken and achievements in aspects relating to sustainability actions from January to December 2023. The report covers information regarding operations at WNC's headquarters in the Hsinchu Science Park, Taiwan, the S1 site located on Lihsin Rd., and the S3 Plant located in the Tainan Science Park and includes China and Vietnam subsidiaries. Some of the content covers our R&D center in Taipei's Neihu district, and subsidiaries or service centers in Europe, the United

States and Japan.

- WNC (Kunshan) Corporation, referred to as "WNC (Kunshan)"
- Wistron NeWeb (Kunshan) Corporation, referred to as "Wistron NeWeb (Kunshan)"
- NeWeb Service (Kunshan) Corporation, referred to as "NeWeb Service"
- WebCom Communication (Kunshan) Corporation—Kunshan Plant, referred to as "WebCom (Kunshan)"
- WebCom Communication (Kunshan) Corporation—Nanjing Branch, referred to as "WebCom (Nanjing)"
- Neweb Vietnam Co., Ltd.
- W-NeWeb Co.
- WNC UK Limited.
- WNC Japan Inc.
- NeWeb GmbH

Report Methodology and Guidelines

The non-financial information in this report complies with the sustainability reporting standards (hereinafter referred to as the GRI Standards) published by the Global Reporting Initiative (hereinafter referred to as GRI) and the Sustainability Accounting Standards Board's (hereinafter referred to as the SASB) corresponding industry standards (the industry-specific standards followed by WNC are: Electronic Manufacturing Services & Original Design Manufacturing.) The report has been reviewed by an independent third party, namely BSI Taiwan, and has been verified to meet the requirements of the SASB industry standards, GRI Standards Core option, and [AA1000 Assurance Standard](#) type 1, moderate level and [AA1000AP Accountability Principles: 2018](#). The Assurance Statement is in the Appendix of this report.

This report covers the same organizational boundaries and uses the same calculation methods as the previous year's report. The International Generic Indicators are

adopted to present the performance data of corporate social responsibility. Additional information will be provided for any estimation.

Financial figures in this report are expressed in New Taiwan dollars (NT\$) unless otherwise specified, and an exchange rate of 30.7350 between the US Dollar (USD) and New Taiwan Dollar, 4.3242 between the Chinese Yuan (RMB) and New Taiwan Dollar, and 0.0013 between the Vietnamese Dong and New Taiwan Dollar as of the end of 2023 are used. All figures disclosed in Operational Performance, Product Shipment Information, Information Regarding the Board of Directors/Audit Committee/Remuneration Committee and Remuneration System are available in WNC's Annual Report, which has been audited by KPMG. In 2023, WNC's Task Force on Climate-related Financial Disclosures Report was verified by SGS Taiwan Ltd. in accordance with the management levels of the TFCF.

Management Systems

WNC has established management systems in accordance with international standards and organized a dedicated committee to be responsible for verification/certification matters, as well as the implementation and continuous improvement of relevant policies and operations. For more information, please refer to [the management system](#) (www.wnc.com.tw) on WNC's website.

Contact Information

WNC Sustainable Development & Marketing Division
Address: 20 Park Avenue II, Hsinchu Science Park, Hsinchu 300, Taiwan
Tel.: +886-3-666-7799
Website: [WNC's official website](#) [WNC's ESG website](#)
E-mail: public@wnc.com.tw

A Message from Our Leaders

A Message from the Chairman

My thanks to all employees, customers, suppliers, investors and partners for your continuing trust, support and hard work. Because of your help we have managed to weather the impact of the China-US trade war, the pandemic and the Ukraine war on the global economy and supply chains. We have maintained a steady pace and adjusted accordingly to changes in our modes of work and life. In 2023, in the face of global inflation and geo-political issues as well as myriad other uncertainties we have displayed admirable operational resilience. We have continued to do the right things and to do them the right way. In 2023 we achieved a new revenue high of NT\$ 110.8 billion, a YoY increase of 16.3%. In addition our S3 site in the Southern Taiwan Science Park went on-line and we entered phase 2 of construction of our Vietnam site, with ramped up production scheduled for later this year.

While expanding global capacity we are also expanding R&D teams at HQ, S3 and at our Taipei offices, as well as accelerating sustainability actions and digital transformation and improving internal and external communications with stakeholders. Across all operational facets ESG objectives and initiatives are being introduced and promoted in order to create an operational structure that is more diverse, resilient and agile.

To respond to changing industry trends and market demand WNC's product portfolio now extends from applications to infrastructure, with customers groups including enterprise brands, automotive electronics manufacturers and telecommunications service operators. Every sector has good development potential and will be important growth drivers in the coming years. We are gradually seeing economies of scale and market demand falling into place for 5G, Wi-Fi 7, LEO satellite and automotive electronics products. In addition to continuing investment in new technologies, new materials and new modes of production so as to develop next-generation, low carbon, energy-efficient products, we have also become a part of energy management and green transportation related industry chains through existing customers. In step with the arrival of AI technologies and applications we are also paying attention to and strengthening information security of our communications products.

In 2024 we have set our sights on new milestones. In the face of an ever-changing business environment we will need to adhere to the principles of pragmatism, innovation, and sustainability. Through innovative AI technology, diversification of product portfolios, customer and production bases, as well as expanded ESG actions possible negative impacts can be reduced, and market momentum can be grasped so as to ensure operational performance and profit growth. I look forward to continuing fruitful relationships with all employees, customers, suppliers and partners. Together we can create value and build a harmonious future for the environment and society. I also welcome any feedback and suggestions from stakeholders as we strive to increase our positive influence on society at large.



Chairman Haydn Hsieh

謝宏波

A Message from the Chief Sustainability Officer

Continuing on from the establishment in 2022 of a sustainable development governance mechanism and framework, in 2023 we took further steps to put sustainable development issues at the heart of our operational strategies and procedures. In order to more effectively evaluate and develop ESG projects in 2023 Q4 we adopted workgroups to execute materiality analysis. According to the results of our analysis we drew up five major development focuses and 12 material topics. After approval by the Board in March 2024 we incorporated the achievement rate of topic performance indicators into the performance evaluation process for senior managers of each unit as a basis for promoting sustainability projects. This has laid a solid foundation for us on the road to sustainable development. We look forward to drawing on the momentum generated by these projects to expand their impact and promote related initiatives to all supply chains and partners.

The World Economic Forum in January of 2024 issued a report reiterating that climate change will remain a serious global risk for the foreseeable future. In order to respond to the challenges global warming presents in 2023 we became signatories to SBTi and RE100, committing to 100% adoption of renewable energy sources by 2040 and reaching net zero by 2050. In addition to formulating scientific carbon reduction goals in accordance with SBTi specifications and actively promoting energy-saving solutions such as improving energy efficiency and using or purchasing renewable energy, we will also require suppliers to set carbon reduction goals and draw up action plans and to provide material carbon footprint information. In this way we will establish a complete product carbon footprint database, implement source management for development of low-carbon and zero-waste products, and adopt green design concepts at each stage of the product life cycle. This year we will also publish our second TCFD Report, which will explain the management strategies and measures WNC is adopting to respond to climate-related risks and opportunities.

In addition to providing employees and partners with a safe and healthy work environment we have continued to promote concepts of diversity and equality in order to build mutual trust and tolerance in a harmonious workplace. Externally we are continuing to run remote education and smallholder farm projects while advocating a culture of volunteering. In terms of corporate governance, in 2023 the Board of Directors was restructured to ensure that one third of members were female. In addition, the first external evaluation of the Board was executed at the end of 2023.

As a leader of the network communications industry WNC shoulders a greater burden of corporate sustainability responsibility. We will continue to make every effort to strengthen relationships and communication with all stakeholders and work together to resolve issues, create value and to realize WNC's sustainable development vision: Become a trustworthy communications solutions partner creating positive connections and interactions between the environment and humankind.



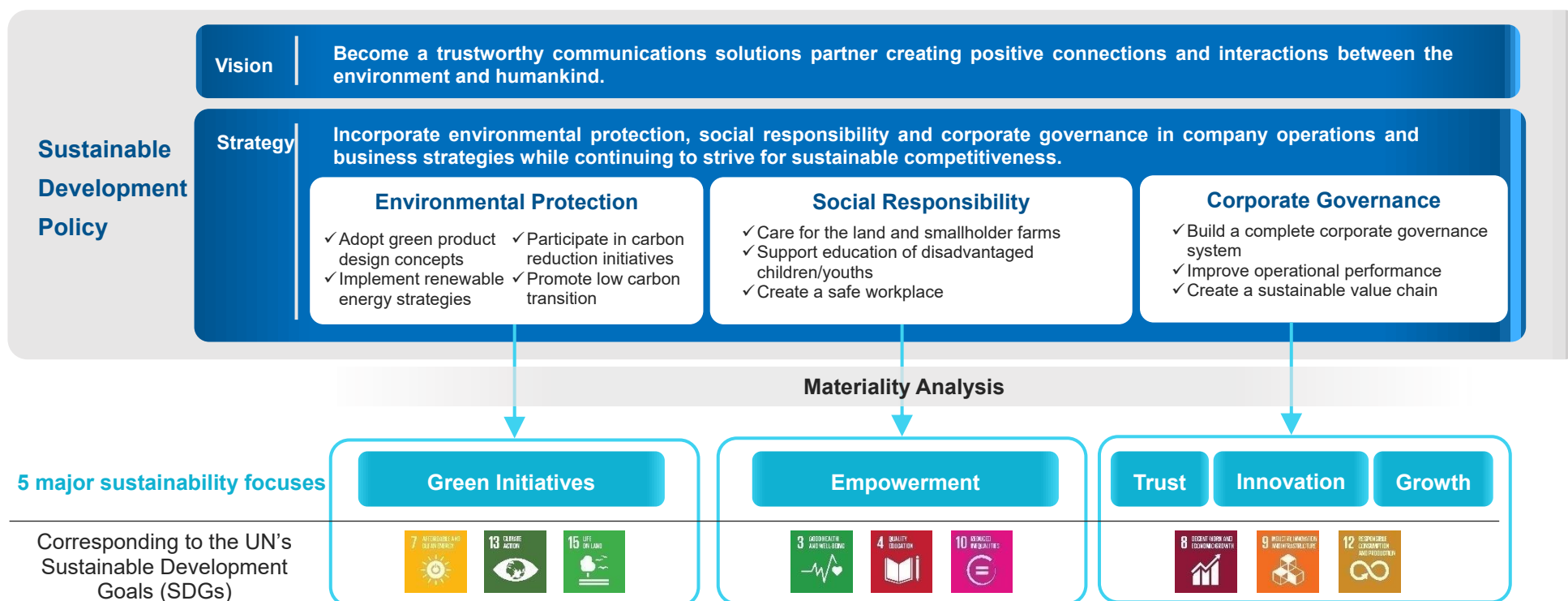
Chief Sustainability Officer Molly Lin

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Sustainability Governance and Results

Sustainability Strategy

In accordance with international sustainability trends and business development WNC has drawn up a [Sustainable Development Policy](#) to serve as an overall guiding principle. This strategy encompasses three main aspects: Environmental protection, social responsibility and corporate governance. In September 2023, the Sustainable Development Center convened a meeting of representatives from all units of the company. Workshops were held to engage in materiality analysis and the results of these discussions formed the basis in determining WNC's material topics. Further, based on these discussions five major focuses were isolated corresponding to the [UN's SDGs](#). These five focuses are: Green Initiatives, Empowerment, Trust, Innovation, Growth. The results of our materiality analysis were presented and approved by the Board of Directors in March 2024, and will serve as a guide in promoting sustainability projects in the future and in disclosing key sustainability information. For more information on materiality analysis see the Goal Management section of this report.



Goal Management

Five Focuses	Material Topic	Performance Indicators	2023 Results		Future Goals			Corresponding SDGs
			Target	Results	Short-term Y2024	Mid-term Y2025	Long-term Y2030	
Growth	Business Performance	Corporate Governance Evaluation	Enhance evaluation results	Top 20%	Continue to enhance evaluation results			9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances.
		Average Attendance Rate of Board of Directors' Meetings	≥ 90%	94.4%	≥ 90%	≥ 90%	≥ 90%	
		Number of hours of continuing education for each board member	≥ 6 hours	9.67 hours	≥ 6 hours	≥ 6 hours	≥ 6 hours	
Innovation	Innovation and R&D	Total number of global patents	≥ 2,100	2,344	≥ 2,100	≥ 2,300	≥ 2,500	9.5 Enhance scientific research, upgrade technological capabilities of industrial sectors
	Customer Relationship Management	Average customer satisfaction score (max. 100)	90	94.3	90	90	90	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation.
		Customer satisfaction survey coverage rate	80%	80%	80%	80%	80%	
		Customer complaint reply rate	100%	100%	100%	100%	100%	12.6 Continue to integrate sustainability information into reporting cycle.
Trust	Supply Chain Management	Supplier sustainability risk assessment	Rate of supplier implementation of sustainability review mechanisms	100 key suppliers have implemented sustainability review mechanisms.	100 key suppliers have completed sustainability risk evaluation.	Tier-1 supplier completion rate > 80%	Tier-1 supplier completion rate is 100%	12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.
		Response rate of tier-1 suppliers to the Supplier Commitment to Sustainability Declaration	90%	93.7%	95%	98%	100%	
		RBA audit completion rate for WNC suppliers	100%	100%	100%	100%	100%	
	Information Security	Conduct annual information system disaster recovery drills	Completion rate: 100%	Completion rate: 100%	Completion rate: 100%	Completion rate: 100%	Completion rate: 100%	9.1 Develop quality, reliable, sustainable and resilient infrastructure

Five Focuses	Material Topic	Performance Indicators	2023 Results		Future Goals			Corresponding SDGs
			Target	Results	Short-term 2024	Mid-term 2025	Long-term 2030	
Empower ment	Human Resource Management	Global average training hours per employee	32	21.9	32	35	40	4.4
		Turnover rate of Taiwan IDL employees	12-15%	9.0%	12-15%	12-15%	12-15%	
		Percentage of women serving as supervisors globally	> 25%	27.6%	> 25%	> 25%	> 25%	10.3
		Taiwan childcare leave/cash equivalent use rate	100%	100%	100%	100%	100%	3.2
	Employee Relations and Communication	Percentage of Taiwan employees who feel safe at work	> 85%	80%	> 85%	> 85%	> 85%	10.2
	Occupational Safety and Health	Number of major occupational accidents	Zero	Zero	Zero	Zero	Zero	3.9
		Safety incidents per 1,000 workers ^{Note 1}	< 2.2	2.76	< 2.1	< 2.0	< 2.0	
		Number of incidents of occupational disease due to chemical exposure	Zero	Zero	Zero	Zero	Zero	
		Tracking rate of number of Taiwan employees with moderate to severe health abnormalities in health examinations	> 80%	99.5%	> 80%	> 80%	> 80%	3.8
		Taiwan employees influenza vaccination rate ^{Note 2}	-- (New Target)	120.9%	> 85%	> 85%	> 85%	

Five Focuses	Material Topic	Performance Indicators	2023 Results		Future Goals			Corresponding SDGs
			Target	Results	Short-term 2024	Mid-term 2025	Long-term 2030	
Empowerment	Social Participation	Volunteer participation (no. of instances)	250	213	250	250	500	4.7
		Total volunteer hours	1,000 hours	916 hours	1,000 hours	1,000 hours	2,000 hours	
		Employee participation in volunteer activities for supporting rural schoolchildren (no. of instances) ^{Note 3}	400	614	400	400	500	4.1
		No. of rural schoolchildren supported ^{Note 3}	200	216	200	300	300	
Green Initiatives	Climate Strategy	2023 Renewable Energy Use Rate	10%	16.02%	20%	25%	50%	7.2
		Absolute reduction of Scope 1 and Scope 2 GHG emissions taking 2022 as the base year	-5.25%	-10.63%	-10.50%	-15.75%	-42.00%	13.2
		Biodiversity Programs	-- (New Target)	Join the Taiwan Nature Positive Initiative (TNPI)	■ WNC Forestry Project: Drawing on previous experience to increase tree planting and size of area restored ■ Continue to work with NTU to implement native trees survey, monitoring and restoration effectiveness tracking			15.1
	Green Products	Product Carbon Footprint Inventory	Target achieved	Carbon footprint inventory completed for 4 products	Carbon footprint inventory completed for 16 products	Carbon footprint inventory completed for 30 products	Carbon footprint inventory completed for products that combined to contribute 50% or more of WNC's revenue for the year.	13.2
		Establish low carbon materials selection mechanism	-- (New Target)	--	Build a carbon emissions database for components	■ Link component BOMs to the emissions database ■ Introduce low carbon materials selection for new products	Implement low carbon materials during product design to aid in estimation of product carbon footprints	

Five Focuses	Material Topic	Performance Indicators	2023 Results		Future Goals			Corresponding SDGs
			Target	Results	Short-term 2024	Mid-term 2025	Long-term 2030	
Green Initiative s	Environmental Management <small>Note 4</small>	Energy use intensity has dropped compared to previous year ^{Note 5}	-- (New Target)	-8.13%	-3%	-2%	-1%	7.3 Double global energy efficiency improvement rate.
		Water withdrawal intensity reduction compared to 2020 ^{Note 6}	-12%	-26.87%	-12.5%	-13%	-18%	13.2 Integrate climate change measures into national policies, strategies and planning.
		Current year waste recycling rate	85%	87.30%	87%	90%	90%	
		Waste generation intensity reduction compared to 2021 ^{Note 7}	-5%	-11.76%	-8%	-10%	-10%	

Note 1: Safety incidents per 1000 workers = number of injuries or deaths/total workers × 1000 person frequencies (safety incident per 1000 persons includes full-time workers, contractors and dispatch workers)

Note 2: Vaccination rate for Taiwan employees = actual number of vaccinations / number of applications for vaccination

Note 3: The number of schoolchildren listed here include those participating in the Sponsorship Program for Rural Schoolchildren in Taiwan, Differentiated English Teaching Program, and WNC Classroom.

Note 4: The goals listed here do not apply to WNC subsidiaries in the US, UK, Germany and Japan.

Note 5: Energy usage intensity (MWh/million NT\$) is obtained by dividing energy consumption by consolidated revenue.

Note 6: Water withdrawal intensity (cubic meters/million NT\$) is obtained by dividing water usage by consolidated revenue.

Note 7: Waste generation intensity (tonnes/million NT\$) is obtained by dividing the amount of waste generated by consolidated revenue.

Sustainable Development Committee

WNC's Sustainable Development Steering Committee and Sustainable Development Committee serve as a cross-unit communications and collaboration platform to enhance vertical and horizontal cooperation in the implementation of ESG strategies. To improve WNC's corporate sustainability governance structure, the company's Chief Sustainability Officer reports on the effectiveness of stakeholder communications as well as sustainable development-related business execution results and work plans to the Board of Directors on a quarterly basis.



Sustainable Governance Organization	Members	Roles and Responsibilities
Sustainable Development Steering Committee	The committee is chaired by the Chairman, and is composed of the President & CEO as well as top-tier managers from all units.	<ul style="list-style-type: none"> ■ The highest decision-making body in WNC regarding ESG related topics ■ Responsible for reviewing sustainable development policies, managing WNC's ESG guidelines and mid- and long-term goals, and implementing sustainable development initiatives. ■ Provides suggestions and instructions on how to develop ESG projects in accordance with WNC's business management guidelines, business development strategies, and customer requirements.
Sustainable Development Committee	The Chief Sustainability Officer serves as the convener of the committee, with the Sustainable Development Center serving as the Director-General. Top-tier managers from function units serve as members and are responsible for selecting personnel from their respective units to serve as officers.	<ul style="list-style-type: none"> ■ Serves as a cross-unit collaboration platform for issues relating to sustainable development. ■ Responsible for formulating short-, mid- and long-term sustainability goals and coordinating working groups to implement sustainability initiatives in accordance with WNC's sustainable development strategies and stakeholder expectations. ■ Holds quarterly meetings to confirm the progress of ESG projects and review goal progress.
Sustainable Development Center	The Chief Sustainability Officer is the highest ranking manager of the center.	<ul style="list-style-type: none"> ■ Handles matters relating to sustainability information disclosure and RBA management systems. ■ Handles matters relating to the operations of the Sustainable Development Committee.

RBA Management Committee

WNC voluntarily abides by the Responsible Business Alliance (RBA) Code of Conduct and has adopted its own Code of Conduct for all WNC employees, affiliated enterprises, and suppliers to follow. An RBA Management Committee is established both at WNC (Taiwan) and at major manufacturing sites in China and Vietnam. The CSO serves as the HQ management representative and the President & CEO serves as the highest-level manager receiving reports on issues.

The RBA committee at each site establishes members and officers in groups responsible for handling issues related to labor, environmental, health and safety, ethics, supply chain management, and management systems based on the organizational structure of each site. Each function unit (i.e. HQ Finance Division, the Global Supply Chain Management Division, Digital Management Information Systems Division, the Sustainable Development & Marketing Division, Legal & IP Division, Human Resources Administration Division, Quality Assurance Division, Industrial Safety Dept., and Facility Affairs) assigns representatives to serve as members of each group. The members of the aforementioned groups convene management review meetings every year to assess RBA-related issues and risks and set key performance indicators (KPIs). The implementation status of KPIs are tracked on a semi-annual basis. At the end of each year, The RBA committee at each site convenes a management review meeting to report RBA-related issues for the year and plans for the following year to committee members.

WNC provides both RBA online courses during the orientation of new employees and the annual RBA training for all employees to promote RBA concepts and policies. In response to regulatory requirements, policy implementation, or customer requirements, meetings are held from time to time and training courses are conducted. RBA internal auditor training courses and internal audits are held every year. In 2023, a total of 68 employees from all locations participated in internal auditor training.

To conform to industry standards and respond to customer requirements, the RBA Validated Audit Program (VAP) is also conducted regularly in major manufacturing sites. These audits are carried out in order to assess the WNC RBA management system in a fair and objective manner and ensure the effectiveness and comprehensiveness of relevant management systems. The manufacturing sites that underwent the RBA VAP in 2022 and 2023 all received silver level recognition. For specific customer needs, interim meetings are also convened. With regard to issues related to each group, relevant function units are responsible for the items' discussion and resolution as well as the execution and review of the resolution items.



Sustainability Results



S&P Global
2024 Sustainability Yearbook
Communications Equipment Industry
Top 1%



Sustainability Rating
Gold (top 5%)



2023 CDP Climate Change
B (Management)
2023 CDP Water Security
B (Management)



2023 Taiwan Corporate Sustainability
Awards
**Corporate Sustainability Report
Awards - Platinum Medal
Social Inclusion Leadership Award**

FinanceAsia Magazine
Asia's Best Managed Companies Poll 2024
**Gold for Best Managed
Company**

Asiamoney Magazine
Asia's Outstanding Companies Poll 2023
**Most Outstanding Company in Taiwan
– Technology Hardware & Equipment
Sector**

Institutional Investor
2023 Asia (Ex-Japan) Executive Team Poll
Honored Company

2023 SGS Green Mark Award
Carbon Management Category

2023 Green Dining Guide
**Pioneer Enterprises in Green
Dining Award**

OSHA, MOL
Evaluation on the Disclosure of Occupational
Health and Safety Indicators in Sustainability
Reports
Top 10% TWSE-listed Company

Hsinchu Science Park & Southern Taiwan Science
Park
Workplace Equity Award
Outstanding Enterprise

Hsinchu Science Park
**2023 R&D Accomplishment
Award**

Ministry of Economic Affairs
Brilliant 2023 International Trade Award
**Contributions to Expansion in
Emerging Markets**

About WNC

Company Overview

Wistron NeWeb Corporation (hereinafter referred to as WNC) specializes in the design, development, and manufacturing of communications products. We provide comprehensive technical support for RF antenna design, software and hardware design, mechanical design, system integration, interface development, product testing and certification. WNC provides whole-range communications solutions covering consumer, enterprise-level, industrial-grade, and automotive products. For years the company has been a market leader in network communications, network infrastructure, smart home, and advanced driver-assistance systems (ADAS).

Vision

Become a trustworthy communications solutions partner creating positive connections and interactions between the environment and humankind.

Target

Achieve customer satisfaction with our service quality and achieve shareholder satisfaction with our overall operating performance.

Corporate Culture

Fundamentals Advocacy, Team Cohesion, Customer Trust, and Value Creation are the core values that guide WNC's corporate culture, reminding all employees to understand customer needs and to pursue lifelong learning.

Chairperson
Haydn Hsieh



President & CEO
Jeffrey Gau

Headquarters

**Hsinchu,
Taiwan**



Established:

Dec. 7, 1996

Number of production sites:

6



Capital

NT\$ **4.82 billion**

2023 Revenue: (NT\$)

110.8 billion



Total production site area:

3,738,327 ft²

Public listing:

Sept. 22, 2003

Stock Code:

6285

2023 employees
worldwide:

11,686



Worldwide Locations

With 16 worldwide locations, WNC provides comprehensive solutions and local support for its customers wherever they may be. WNC's global headquarters is in the Hsinchu Science Park providing R&D, sales, logistics, and after-sales services. Operations include coordinating customer needs and resource logistics for our global sites. In addition, there is an R&D and sales service center in Neihu, Taipei. We have also established subsidiaries for business promotion, technical support, and R&D in the U.S., the U.K., Germany, Japan, and the cities of Nanjing and Kunshan in China.

WNC's manufacturing sites comprise S1 (located in the Hsinchu Science Park), S3 (located in the Southern Taiwan Science Park), WNC (Kunshan), Wistron NeWeb (Kunshan), and WebCom (Kunshan), and NeWeb Vietnam Co., Ltd. in Ha Nam Province, Vietnam.

Please refer to Section 8.1 Summary of Affiliated Companies on page 129 of [WNC's 2023 Annual Report](#) for detailed information on our worldwide locations.



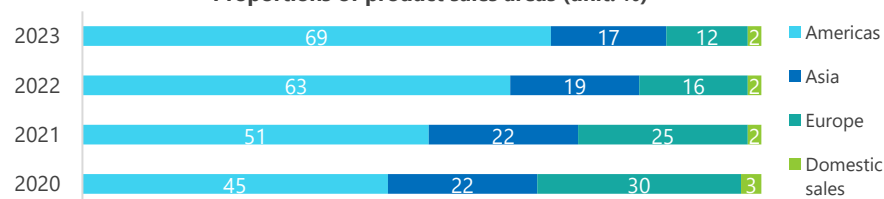
Product Scope and Categories

WNC provides whole-range communications solutions covering 5G edge infrastructure, Wi-Fi 6/7, satellite broadband, automotive infotainment, automotive telematics, ADAS and high speed switches, SD-WAN solutions and 5G open RAN devices. Our products are used in diverse applications and product types including antenna, modules, network access, smart home, industrial, and automotive solutions. We provide consumer, enterprise-level, industrial-grade and vehicular products.



Our customers include telecommunication system service operators, system integration vendors, IT brand-name companies, consumer electronics companies, automotive manufacturers, and car audio manufacturers. We sell our products worldwide, and our major region by sales in 2023 was the Americas (around 69% of sales). Refer to [WNC's 2023 annual report](#) and [WNC's official website](#) for detailed products and sales information.

Proportions of product sales areas (unit: %)



Revenue Distribution of Products in 2023

Item	Production Volume (thousand units)	Sales Volume (thousand units)	Sales Amount (thousand NT\$)	Revenue Distribution (%)
Wireless Communications Products	291,370	195,341	107,293,866	96.85%
Other	-	-	3,494,051	3.15%

WNC is focused on developing wireless technologies in different frequency bands. WNC provides products and services that meet both customer needs and international environmental and safety-related regulations. To reduce health and safety concerns in the use of its products, WNC has formulated a set of Product Safety Assurance Measures. All products undergo testing and certification to safety standards based on customer requirements. These include the UL and FCC certifications of the United States, the CE certification of the EU, the GS certification of Germany, the PSE certification of Japan, the BSMI and NCC certifications of Taiwan, the CCC certification of China, and labeling of batteries and waste batteries according to regulations of different countries. In 2023, there were no violations of relevant health and safety laws and regulations concerning our products and services.

We strive to lessen the environmental impact of our manufacturing operations. We work actively with customers and suppliers to promote green products and green production, reduce resource consumption, and minimize environmental pollution. WNC's major manufacturing sites are certified under IECQ QC 080000 standards and have undergone third party internal auditing at fixed intervals with regards to hazardous substances management.

In addition, WNC's product marketing is handled by customers and product labeling is also based on customer requirements. Product labels and information are produced and affixed in compliance with local regulations and verification standards. In 2023, there were no violations of laws and regulations relating to product labeling and information concerning our products and services, and there were also no violations of regulations relating to marketing and communications.

Industry Association Memberships

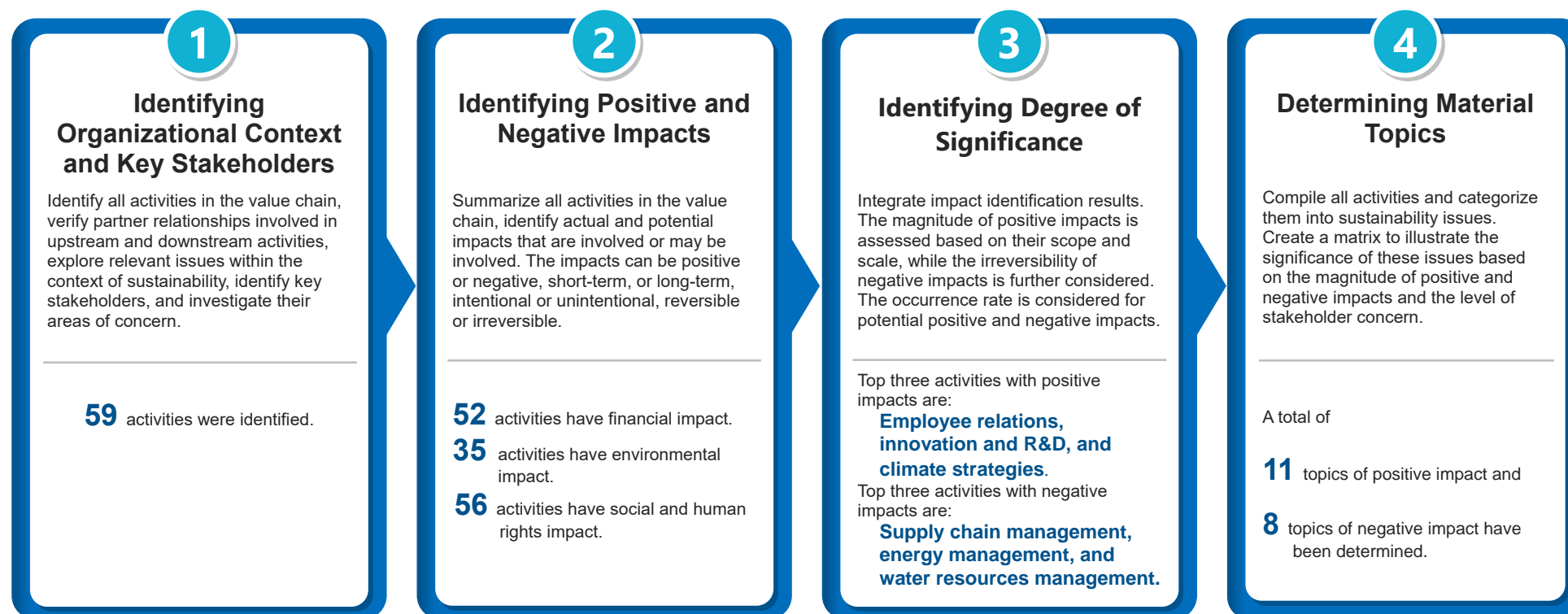
WNC remains politically neutral. Employees are encouraged to fulfill their civic duty, but refrain from doing the following in the name of WNC: participating in electioneering or making any political contributions. In 2023, WNC did not make any political donations. With that said, since WNC's technology and product scope is broad, we actively participate in related industry associations and their activities to acquire the most up-to-date industry and technology-related information, maintain good relations with corporations and organizations in related fields, and together promote the sustainable development of the industry. In 2023, WNC paid approximately NT\$8.5 million in external organization membership fees. The external organizations in which WNC participated in 2023 include:

Industry Development			Technological Innovation			Sustainable Development		
■ Taiwan Electrical and Electronic Manufacturers Association	■ Global Certification Forum (GCF)	■ Taiwan Association of Information and Communication Standards	■ Open Compute Project (OCP)	■ Science Based Targets initiative (SBTi)				
■ Taipei Computer Association and Taiwan Internet of Things Alliance, and Taiwan 5G Verticals Alliance	■ Global Mobile Suppliers Association (GSA)	■ 5G Smart Pole Standard Promotion Alliance	■ prpl Foundation	■ RE100				
■ The Allied Association for Science Park Industries	■ Global TD-LTE Initiative (GTI)	■ 25GS-PON MSA Group	■ Reference Design Kit (RDK)	■ Taiwan Nature Positive Initiative (TNPI)				
■ Taiwan Thermal Management Association	■ Intel® Network Builders	■ Bluetooth SIG	■ Telecom Infra Project (TIP)	■ Independent Director Association Taiwan				
■ Taiwan Low Earth Orbit (LEO) Satellites Industry Association	■ Japan 5G-driven Social Design Consortium	■ Broadband Forum	■ Wi-Fi Alliance	■ CommonWealth Sustainability League				
■ Digital Intelligence Service Alliance (DISA)	■ MIH Consortium (Mobility In Harmony)	■ Car Connectivity Consortium		■ Social Innovation Partner Group				
■ Advanced Anodization Technology and Manufacturing Alliance	■ NXP Legal Program Partner	■ Connectivity Standards Alliance						
■ 5G Industrial Innovation and Development Alliance	■ Open RAN Policy Coalition	■ FiRA Consortium						
	■ UK5G	■ HDMI Licensing						
		■ IMT-2020 (5G) C-V2X						
		■ MoCA Alliance						
		■ O-RAN ALLIANCE						

Stakeholder Engagement

Materiality assessment is the fundamental and most important process for both risk identification and the quality of sustainability reporting. Focusing on its core business WNC aligns its business model with customer needs and maintains open communication and trust with stakeholders through diverse channels. Following the requirements of the GRI General Standard for identifying material topics, when compiling our sustainability report we reexamine the items of significant impact in the previous year's report to see if they are still applicable in the current year. The Chief Sustainability Officer then submits these items to the Sustainable Development Committee for confirmation, then the Board of Directors conducts review and approval of the material topics gathered from these items. After reexamination, the operational activities and items of significant impact in the 2022 report were still applicable for the 2023 report. Therefore in 2023, following the requirements of the GRI General Standard GRI 3 for identifying material topics and the recommendations for assessing and disclosing material topics in sustainability reports, we conducted the following four key steps to identify and define material topics related to our operational strategies and ensure their full disclosure in the sustainability report.

Materiality Analysis



Step 1: Identifying Organizational Context and Key Stakeholders

WNC tasks all departments involved in ESG work to identify activities related to the entire lifecycle of the company's operations. Following the five key principles of the AA1000 Stakeholder Engagement Standard 2015 edition, we have identified five categories of key stakeholders: customers/partners, employees, government, investors/shareholders, and suppliers/contractors, based on the stakeholders' dependency, responsibility, tension, influence, and diverse perspectives in relation to WNC.

Step 2: Identifying Positive and Negative Impacts

In the process of identifying significant impacts, we assess both positive and negative impacts. Factors considered for positive impact include actual impact (scale, scope) and likelihood of occurrence, while factors considered for negative impact include actual impact (scale, scope, irreversibility) and likelihood of occurrence. Among WNC's 59 operational activities, 52 have economic impact, with equal significance in positive and negative impact; 35 have environmental impact, and the quantified negative impacts are approximately twice as significant as the positive impacts; 56 have social and human rights impact, with the negative impacts greater than the positive ones.

Step 3: Identifying Degree of Significance

After consolidating the impact assessment results across the three dimensions of economy, environment, and social and human rights, we found that all 59 operational activities have impact on at least one dimension. The overall significance of the aggregated positive impacts from the organization's operational activities remains higher than the aggregated negative impacts. After categorizing the 59 activities into 20 sustainability issues, we surveyed key stakeholders to inquire about their level of concern regarding each issue. The number of questionnaires collected was as follows: 597 from employees, 50 from suppliers/contractors, 11 from customers/partners, 5 from government entities, and 13 from investors/shareholders, totaling 676 questionnaires. Questionnaire results and our responses to stakeholders are listed in the table below.

Communication results with stakeholders in 2023

Key Stakeholder	Significance to WNC	Top 3 Issues of Concern	Response	Communication Mechanism	Communication Frequency	Communication Results in 2023	
Customers/ Partners	Customers and partners are the key source of revenue and the most important growth engine for WNC. A company must provide high-quality products and professional services that meet the needs of the market and customers to continue growing.	Supply Chain Management	To provide high quality technology and after-sales services, WNC conducts regular meetings to review product development progress and achievement of goals. WNC also evaluates the alignment of the supply chain based on customer requirements and presents improvement strategies based on customer satisfaction survey results. These actions aim to solidify and strengthen customer trust.	Customer satisfaction survey	Once a year	We earned a score of 94.3 points for customer satisfaction and exceeded our goal (90 points).	
				Customer questionnaire or on-site audit	Upon request		
		Customer Relations Management		Project review meeting	Upon request		
		Privacy Protection		Customer complaints management	Upon request		
				Global Service Center and after-sales service	Upon request		

Key Stakeholder	Significance to WNC	Top 3 Issues of Concern	Response	Communication Mechanism	Communication Frequency	Communication Results in 2023
Employees	Employees are a key part of the company and a foundation for sustainable development. A company must provide a high quality work environment and reasonable remuneration to cultivate employees that are willing to utilize their talents and are passionate about delivering performance and value for the company.	Employee relations and communication Human resources management Business Performance	WNC regularly adjusts salary levels to ensure that employees are provided with competitive and fair compensation. Multiple reward systems are also in place. Diverse, open, and transparent channels are provided for proposals and communication to continuously strengthen two-way and real-time communication with employees.	Labor-Management Committee	Quarterly	Starting from January 2023, female employees at WNC's Taiwan sites who give birth are eligible to apply for an additional 28 days of paid parental leave beyond the existing 56-day maternity leave.
				Occupational Safety and Health meeting	Quarterly	
				Employee Welfare Committee	Quarterly	
				Employee questionnaire	Upon request	
				Company Portal	Updated upon request	
				New recruits seminar	Monthly	
				CEO seminar	At least once each quarter	
				Performance interview and appraisal	Semi-annually	
Investors/ Shareholders	Investors and shareholders fund the company through investments. A company must provide transparent, accurate, and real-time operating information to win the trust of investors and demonstrate the company's market value.	Business Performance Innovation and R&D Supply Chain Management	WNC issues an annual report and has established External Communication and Information Disclosure Management Measures to ensure that the information provided to investors and shareholders is timely and accurate. WNC also conducts climate-related financial disclosures, quantifies risks and opportunities, and proactively plans and prepares response measures.	Shareholders' meeting	Once a year	<ul style="list-style-type: none"> ■ WNC ranked in the top 20% among all companies in the tenth Corporate Governance Evaluation ■ Selected as a component of the Taiwan Corporate Governance 100 Index by the Taiwan Stock Exchange Corporation (TWSE)
				Institutional investors conference	Semi-annually	
				Investor meetings	Approx. 100 meetings per year	

Key Stakeholder	Significance to WNC	Top 3 Issues of Concern	Response	Communication Mechanism	Communication Frequency	Communication Results in 2023
Suppliers/ Contractors	Suppliers and contractors are an important part of a company's delivery of professional products and services. A company must establish an effective and smooth supplier management and communication mechanism.	Supply Chain Management Innovation and R&D Product Management	WNC requires that both suppliers and contractors comply with the WNC Supplier Code of Conduct and requests the signing of the Supplier's Commitment to the Code of Ethics, WNC Supplier ESG Questionnaire, and Supplier Commitment to Sustainability Declaration. To ensure the implementation of WNC's sustainability commitment, an annual RBA audit is scheduled for suppliers.	SMS portal	Updated upon request	<ul style="list-style-type: none"> ■ 93.7% first-tier supplier response rate for the Supplier Commitment to Sustainability Declaration ■ 100 key suppliers have implemented sustainability review mechanisms ■ 51 suppliers have completed the WNC Supplier RBA audit ■ 42 raw materials suppliers with high carbon footprints participated in the Wistron Group Vendor Conference
				Supplier performance evaluation	Quarterly	
				Supplier audit/contractor evaluation	Once a year	
				Vendor conference	Once a year	
Government Authorities	The government and related competent authorities are key to a company's development. As a responsible corporate citizen, a company must comply with government regulations and policies to win trust and support from the government and the competent authorities.	Occupational safety and health Employee relations and communication Workplace Inclusion	WNC closely monitors domestic and international regulations and trends and has implemented a third-party regulation cloud platform management system. This system allows for real-time tracking of regulatory changes through an intelligent regulatory database. In addition to revising internal regulations in a timely manner to ensure compliance, WNC actively invests in R&D to align with government policies aimed at promoting industry innovation, improving the business environment, and enhancing industry competitiveness.	Official documents / questionnaires	Aperiodic	<ul style="list-style-type: none"> ■ Won the 2023 Workplace Equity Award – Outstanding Enterprise from Hsinchu Science Park Administration ■ Honored as a top 10% TWSE-listed company, Electronics Industry category, in the 2023 Evaluation on the Disclosure of Occupational Health and Safety Indicators in Sustainability Reports
				Awards	Aperiodic	
				Regulatory seminars, forums and industry-association activities	Aperiodic	

Step 4: Determining Material Topics

Topics of the materiality matrix are created with the stakeholder's level of concern as the horizontal axis and positive and negative impacts as the vertical axis. From the positive impact matrix, 11 material topics with high levels of concern and impact are selected. From the negative impact matrix, eight material topics are chosen as key content for disclosure in the report.

Green Products, Environmental Management, and Social Participation are listed as material topics as they are related to WNC's five sustainable development strategies. There are a total of 12 significant issues for 2023; changes to said issues compared to the previous year are listed in the table below.

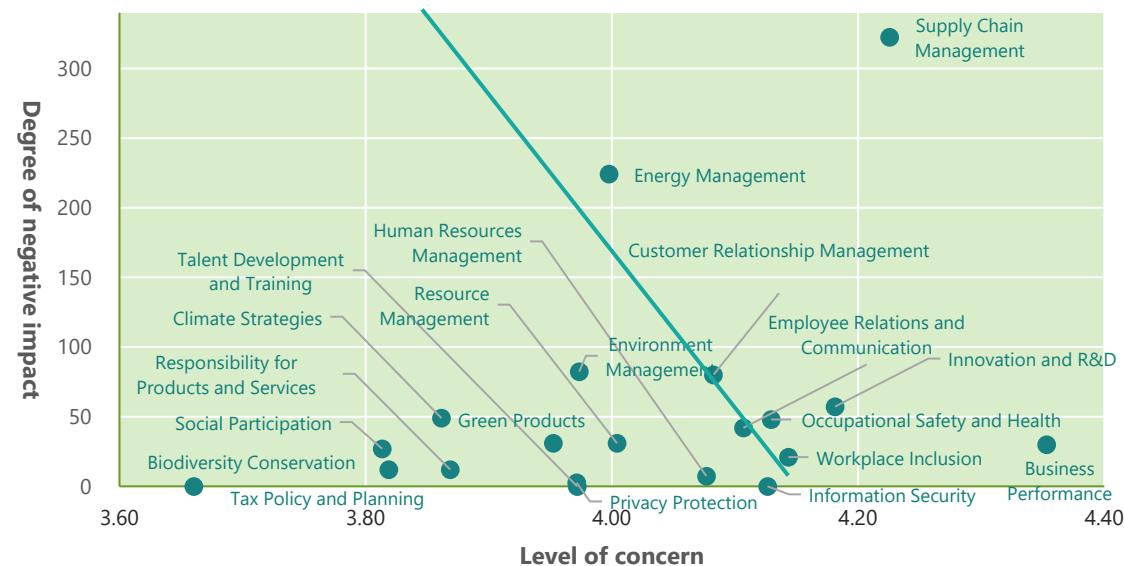
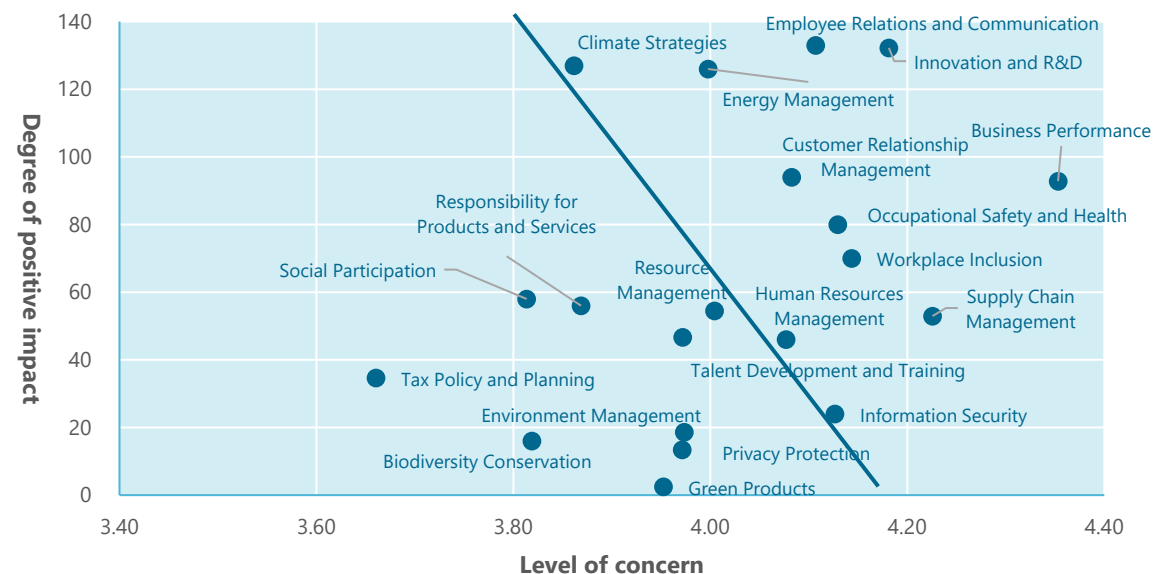
Changes to material topics in 2023

Added	Removed
<ul style="list-style-type: none"> Green products Environmental Management^{Note 1} Social Participation Human Resource Management^{Note 2} Information Security 	<ul style="list-style-type: none"> Salary and benefits Water resource management Energy management

Note 1: Water Resource Management and Energy Management were consolidated to form Environmental Management.

Note 2: Salary and Benefits and Workplace Inclusion were consolidated to form Human Resource Management.

Topics that pose potential risks and opportunities to WNC's sustainable operations but which are not listed as material topics will still be disclosed in relevant sections of this report.



Operational Risks and Opportunities Posed by Material Topics

Five Focuses	Material Topic	Corresponding GRI Standard	Opportunities	Risk
Growth	Business Performance	201	WNC values the legitimacy and transparency of its operations, continuously improving corporate governance systems and safeguarding shareholder rights to promote overall industry development and the interests of stakeholders.	Unequal resource distribution hampers overall industry development and technological innovation.
Innovation	Customer Relationship Management	418	WNC works with customers to develop innovative products/technologies and promote industry advancement. In addition to providing local employment opportunities, we prioritize human rights and strive to enhance labor conditions.	Failure to meet certain customer expectations and requirements (technology, quality, service, RBA) results in negative economic and social impact.
	Innovation and R&D	--	Through the development of innovative technologies and R&D capabilities, WNC ensures that product performance and green design meet the evolving requirements of customers and international green standards. This not only enables us to create more strategic products and generate more employment opportunities but also reduces environmental impact.	The development of new products may not always prioritize environmentally friendly design concepts. New processes or technologies may generate new types of emissions or require higher-performing but more energy-consuming products.
Trust	Supply Chain Management	308/414	Through continuous optimization of supplier management strategies and operational efficiency, WNC works with suppliers to manage sustainable supply chains.	Suppliers are unable to provide a steady supply of materials, impacting production schedules and overall operations.
	Information Security	--	<ul style="list-style-type: none"> ■ We have improved product security development processes to design and develop products and services that have better security functionality. ■ The information system services we provide have been enhanced and now have better security and resilience. 	<ul style="list-style-type: none"> ■ Vulnerabilities in third-party software used during product development lead to information security risks in company products or services. ■ Vulnerabilities and cybersecurity risks in systems used for product development or production lead to production system issues that impact production quality and efficiency.
Empowerment	Human Resource Management	401/404/405	<ul style="list-style-type: none"> ■ We provide training, career planning, and competitive salaries to employees, fostering technological innovation, industry development, and self-realization among our team members. ■ Establishing a diverse workplace has helped us build a good corporate image, and the perspectives and experiences of employees from different backgrounds have stimulated innovation and helped solve problems. 	<ul style="list-style-type: none"> ■ The growth of WNC's operations leads to higher manpower requirements. However, as the declining birth rate in Taiwan and China has led to a manpower gap, manpower deployment at sites around the world needs to be better optimized. ■ Conflicts between employees from different backgrounds may negatively impact team cohesion; effective methods for managing and resolving such conflicts are needed.
	Employee Relations and Communication	402	We offer abundant, open, and effective communication channels and mechanisms that enhance employee identification and trust in the company, promoting positive relationships among departments and colleagues.	Distrust among employees towards the company or other departments indirectly affects work morale and team cooperation efficiency, potentially leading to talent attrition.

Five Focuses	Material Topic	Corresponding GRI Standard	Opportunities	Risk
	Occupational Safety and Health	403	<ul style="list-style-type: none"> ■ We provide a healthy, safe, and convenient working environment and facilities to enhance employee cohesion and promote stability in our operations. ■ By reducing the frequency in which occupational accidents occur, we have reduced operational risks and increased the willingness of customers and investors to work with and invest in WNC, respectively. 	<ul style="list-style-type: none"> ■ Medical costs, legal liabilities and risk of work stoppage caused by occupational accidents negatively impacts the company's reputation. ■ Lack of a workplace safety and health management culture adversely impacts employee retention, leading to manpower loss and increases in operational risk.
	Social Participation	--	<ul style="list-style-type: none"> ■ WNC has established good relations with local communities ■ Building a good brand and corporate image has helped WNC attract local talent, improve customer relationships and enhance its overall performance. 	Not fully understanding or meeting the needs of locals makes it difficult to provide them with effective help.
Green Initiatives	Climate Strategy	305	WNC focuses on improving energy efficiency within its facilities, such as self-built solar panels and green buildings to enhance the utilization of energy resources. We also purchase green energy and engage in tree planting activities, which contribute to community development.	Increases in operational costs and inconsistent green energy supply in certain areas make it difficult to purchase green energy, and thus WNC is unable to reach its goals regarding renewable energy usage and carbon reduction.
	Green Products	302-5	WNC has designed green products to stimulate industry innovation and community development.	Not meeting customer expectations leads to higher risk of losing orders, increased pressure from public opinion, and potential undermining of company reputation.
	Environmental Management - Energy Management	302	<ul style="list-style-type: none"> ■ WNC implements energy management initiatives (such as energy-saving projects and replacement of old equipment) to lower carbon emissions. ■ To meet customer expectations, we have reduced environmental pollution risks in a number of areas. 	With the continuous growth of WNC's operations and recent facility expansions, there is an increase in electricity consumption, costs, carbon emissions, which has increased the management complexity of climate-related issues.
	Environmental Management - Water Resource Management	303	WNC implements water conservation measures and promotes the adoption of water recycling technologies to minimize direct water resource usage.	As WNC continues to grow its demand for water increases, leading to increased costs for managing drought risks. Domestic and process wastewater also increases, requiring more resources to mitigate the harmful effects of discharged water and imposing additional burdens on natural water bodies.
	Environmental Management - Waste Management	306	<ul style="list-style-type: none"> ■ We use circular economy concepts when designing products and manufacturing processes as well as when selecting packaging materials to reduce operational costs (which include purchase costs and handling fees), boost the effect of recycling. ■ We have reduced our operational impact (which includes reducing environmental pollution risks) to meet customer expectations regarding low pollution and zero waste and in turn enhance our partnership with said customers and increase the willingness of company stockholders to invest. 	<ul style="list-style-type: none"> ■ Rising waste disposal fees lead to increase in manufacturing costs and loss of profit. ■ The government has insufficient waste disposal capacity, thus WNC has to store waste in its own sites or on rented lots, leading to reduced production value per unit of factory area and increased risk of environmental pollution.

Impact on Sustainability

Material Topic	Contribution or Impact		Potential Contribution or Impact in the Future		Potential Operational Benefits
	Positive	Negative	Positive	Negative	
Business Performance	<ul style="list-style-type: none"> ■ No major violations of relevant laws/regulations ■ Diversification of the Board of Directors (women account for a third of all directors). ■ In 2023, WNC's revenue grew by 16.3% YoY, and its EPS grew by 13.24% YoY. 	Due to its limited resources, the policies and technological capability of the Taiwan government is lagging behind the international community. Therefore, WNC has had to invest more resources to improve its technologies as well as performance in sustainable development.	WNC experiences stable growth and expands its global presence, improving its market visibility and allowing it to keep abreast of international standards in all aspects of sustainable development.	Operational and R&D costs rise as WNC implements response measures to meet the requirements of customers as well as international regulations and trends.	<ul style="list-style-type: none"> ■ Increased visibility in international markets ■ Improved customer and investor satisfaction ■ Increased market share and revenue ■ Enhanced operational resilience
Customer Relationship Management	Met customer requirements and improved customer satisfaction	Additional management costs required for products/services.	Solidify our enterprise value in the minds of customers to attract potential customers and enhance our competitive advantages within the industry.	Additional management costs required for products/services.	<ul style="list-style-type: none"> ■ Increased customer stickiness ■ Increased market share and revenue
Innovation and R&D	Met market expectations and implemented measures to improve customer satisfaction.	<ul style="list-style-type: none"> ■ Adding green indicators in product specifications require additional effort in regard to inventory taking and information provision. For example, providing product weight and power consumption requirements to suppliers requires provision of data that wasn't needed previously. ■ Increased restrictions in material and supplier selection lead to increases in development time and cost. 	<ul style="list-style-type: none"> ■ Meet net zero goals and increase the percentage of revenue from green products. ■ Create a sustainable value chain to promote sustainable operations in the upstream and downstream sectors. 	<ul style="list-style-type: none"> ■ Increased restrictions in material and supplier selection lead to increases in development time and cost. ■ Increasingly difficult manufacturing processes lead to reduced yields and increase in the amount of scrapped products, creating additional carbon emissions and scrap handling costs. 	<ul style="list-style-type: none"> ■ Increased customer stickiness ■ Increased market share and revenue; added value from green products increase profitability ■ Reduced GHG emissions, mitigating the impact of global warming on biodiversity
Supply Chain Management	Implemented risk evaluation and audit mechanisms for sustainable supply chains to help WNC personnel understand how supplier chain ecosystems are faring in terms of sustainability. Used continuous improvement mechanisms to improve WNC suppliers' capability in handling sustainability-related risks.	Insufficient cooperation from suppliers led to additional communication and management costs.	Through supplier engagement, the sustainable resilience of suppliers is increased, and WNC obtains competitive advantages within the industry.	<ul style="list-style-type: none"> ■ Increases in material supply costs cause suppliers to pass on costs to WNC ■ The need for alternative suppliers leads to increased material supply risks 	<ul style="list-style-type: none"> ■ Increased awareness and commitment to ESG throughout the supply chain, leading to the creation of a stable supply chain ecosystem as well as increased operations stability and improved customer satisfaction for WNC ■ WNC achieves its scope 3 emissions reduction goals, enhancing its sustainability performance and company reputation.

Material Topic	Contribution or Impact		Potential Contribution or Impact in the Future		Potential Operational Benefits
	Positive	Negative	Positive	Negative	
Information Security	<ul style="list-style-type: none"> ■ Provided customers with more secure products and services, reducing potential issues and costs caused by information security issues. ■ Satisfied customer requirements regarding the security and stability of IT platforms and environments used in business operations, R&D and production. 	<ul style="list-style-type: none"> ■ R&D personnel needed to work overtime. ■ Investing in more secure information security systems and environments led to increased purchasing and maintenance costs relating to information technology and systems (IT/IS). 	Continue to improve the quality, efficiency and safety of operations and product/service development in accordance with international regulations/trends and customer requirements to increase the output value and profitability of WNC's operations.	<ul style="list-style-type: none"> ■ R&D personnel needed to work overtime. ■ The ever-increasing scope of information security requirements requires continuous investment in IT/IS purchases and maintenance. 	<ul style="list-style-type: none"> ■ Increased security and resilience of products and services ■ Reduced operations and production downtime ■ Improved customer and investor satisfaction ■ Reduced impact to company reputation due to information security incidents
Human Resource Management	As experience sharing is a key element of learning organizations, supervisors of all levels are required to teach at least one two-hour class each year, and employees are encouraged to participate in internal/external training courses to help them develop the habit of self-learning and in turn improve the company's ability to adapt to change and innovate.	Employee welfare fees increased to improve talent retention.	Develop new technologies and cross-disciplinary talent according to company policy.	Global deployment may bring challenges relating to human capital management and increase human resource management costs.	<ul style="list-style-type: none"> ■ Increase employee retention rate and reduce turnover ■ Experience sharing enhances employee skills ■ Recruit, hire, cultivate and retain employees in accordance with WNC's operations development strategies to improve the company's competitiveness in the global talent market
Employee Relations and Communication	Employees are now more willing to speak up, which has helped improve company policies and boosted workplace cohesion.	Solutions for certain issues did not satisfy employee expectations, leading to employees losing trust in the company.	Reach goal in regard to the percentage of employees who feel safe in the workplace.	Frequent inability to respond to issues in a timely manner makes employees feel that the company is not being proactive in addressing issues, leading to loss of trust.	<ul style="list-style-type: none"> ■ Enhance employee identification with the company to improve retention rate ■ Use the company brand to attract talent
Occupational Safety and Health	No major occupational accidents/incidents occurred; continued implementation of BCP measures, obtained good ratings from external agencies, and improved the company's image as well as attractiveness to talent.	Implementation of equipment and systems for management increased operations and management cost.	<ul style="list-style-type: none"> ■ Increasingly comprehensive ESH systems conduct risk management from the source, enhancing safety in many aspects and reducing the risk of business interruptions, which helps WNC win the trust of customers and investors. ■ The positive, high-trust work environment at WNC increases employee productivity and work quality. 	<ul style="list-style-type: none"> ■ Occurrence of major occupational accidents or work safety incidents interrupt production operations. High healthcare and work area restoration costs lead to revenue losses. ■ Poor ESH performance negatively impacts WNC's corporate image. 	<ul style="list-style-type: none"> ■ Enhanced risk management to reduce the risk of occupational accidents and work stoppages ■ Maintain stable production capacity and increase stakeholder's trust in WNC

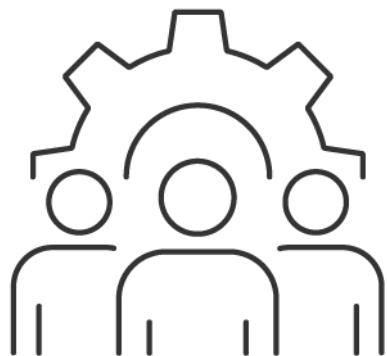
Material Topic	Contribution or Impact		Potential Contribution or Impact in the Future		Potential Operational Benefits
	Positive	Negative	Positive	Negative	
Social Participation – Care for Children	Continued to provide support to those in need and successfully encouraged more employees to serve as volunteers.	The work schedules of employees volunteering on weekdays were disrupted; participation rate for volunteering activities on weekends was on the low side.	Successfully improve education in schools supported by WNC, helping to expand the horizons of schoolchildren and in turn boosting their confidence and reducing dropout rates.	WNC fails to grasp how to develop rural education and the resources required to do so, making it less necessary for rural schools to work with WNC, which impacts WNC's corporate image.	<ul style="list-style-type: none"> ■ Improved employee engagement and work efficiency ■ Improved customer loyalty ■ Improved efficiency in company operations ■ Establish close relationships with local communities, enhancing WNC's corporate image
Social Participation – Helping Smallholders	Established a dedicated group buying section for smallholders to encourage land-friendly farming and increase the income of smallholders.	--	Help smallholders grow by establishing sales channels between enterprises and smallholders and encourage employees to regularly purchase from smallholders.	Changes in the sales channels for local smallholders and the policies of government authorities reduce smallholder reliance on enterprises.	
Climate Strategy	<ul style="list-style-type: none"> ■ Set a science-based Scope 1 and 2 GHG emissions reduction target as well as a pathway for achieving this target. Continued efforts to become a low-carbon enterprise and implemented additional measures to reduce carbon emissions in order to meet stakeholder expectations and help mitigate climate change and environmental damage. ■ Continued efforts to become a low-carbon enterprise by joining RE100 and setting a target of 100% renewable energy usage by 2040. 	Increased operating costs	<ul style="list-style-type: none"> ■ Set a science-based Scope 1, 2 and 3 GHG emissions reduction target as well as a pathway for achieving this target; continue efforts to become a low-carbon enterprise. ■ Expand scope of influence by taking the initiative and helping supplier reduce their carbon footprint. 	<ul style="list-style-type: none"> ■ Increased operating costs ■ Smaller pool of suppliers to choose from leads to increased purchasing costs. 	Reduced GHG emissions, mitigating the impact of global warming
Green Products	Designed and manufactured low-carbon products that do not contain hazardous substances to help protect the environment and people's health, meet stakeholder expectations, and mitigate climate change and environmental damage.	Increased operating costs	Manufacture products with low environmental and social impact to help protect the environment and people's health and respond to stakeholders' expectations.	Failure to meet stakeholder expectations damages company reputation and leads to loss of orders.	<ul style="list-style-type: none"> ■ Increased customer stickiness ■ Increased market share and revenue
Environmental Management – Energy Management	<ul style="list-style-type: none"> ■ Continued to use the ISO 50001 energy management system to effectively manage energy usage. ■ Installed additional solar panels to increase renewables usage, reduce carbon emissions, mitigate climate change and environmental damage, and help WNC fulfill its commitment on clean energy usage. 	<ul style="list-style-type: none"> ■ Business growth led to increased energy usage and carbon emissions. ■ Replacing old equipment led to increased operating costs. 	<ul style="list-style-type: none"> ■ Continue updating the ISO 50001 energy management system to more efficiently manage energy usage. ■ Monitor and manage the energy usage of WNC units to find ways to increase renewables usage. 	<ul style="list-style-type: none"> ■ Poor energy management leads to increased costs. ■ Failure to reach net-zero by 2050 negatively impacts WNC's reputation and competitiveness as well as loss of investor trust. 	<ul style="list-style-type: none"> ■ Lower energy usage costs ■ Increased customer stickiness and willingness of company shareholders to invest ■ Increased market share and revenue

Material Topic	Contribution or Impact		Potential Contribution or Impact in the Future		Potential Operational Benefits
	Positive	Negative	Positive	Negative	
Environmental Management – Water Resource Management	<ul style="list-style-type: none"> Used monitoring systems to manage water usage, avoid wasting water and reduce impact on environmental resources. Implemented water recycling measures to reach water conservation goals and reduce impact on environmental resources. 	Increased operating costs	<ul style="list-style-type: none"> Set water conservation goals to avoid wasting water, reduce impact on environmental resources and reduce production costs. Increase amount of water recycled to reduce water withdrawal costs. 	Poor water resource management leads to increased water usage costs and more water resources wasted.	Reduced costs via reducing water usage and increasing water recycling efficiency
Environmental Management – Waste Management	Continued to expand the scope of items recycled; reached waste recycling goal for 2023 (> 85%).	Increases in waste handling fees led to higher operating costs. When state-owned incinerators were shut down for maintenance, waste was piled up in areas within WNC sites, and as a result extra fees were incurred due to the need to implement pollution prevention measures.	Promote green design concepts for products, manufacturing processes and packaging to reach the goal of zero waste.	Waste stored at WNC sites exceeds capacity, leading to environmental pollution and loss of customer/investor trust.	<ul style="list-style-type: none"> Increased customer stickiness and willingness of company shareholders to invest Increased market share and revenue Reduced risk of environmental pollution, in turn reducing the risk of business interruptions and work stoppages

Management Approaches for Material Topics

Material Topic	Policy	Commitment	Project/Action	Section in this Report Where Reference Materials Can Be Found	
				Section	Page No.
Business Performance		WNC values the legitimacy and transparency of its corporate operations. Therefore, we seek to perfect our corporate governance system to protect shareholders' interests and enhance communication with stakeholders.	Continue perfecting corporate governance	1.1 Business Performance	32
				1.2 Corporate Governance	35
				1.3 Ethical Management	40
Customer Relationship Management	• Sustainable Development Policy	WNC strives to provide customers with high-quality technical and after-sales service. Meetings are held with customers every week, month, or quarter according to project requirements to review product development progress and goal achievement.	Improve customer satisfaction	2.2 Customer Relations	49
Innovation and R&D		The foundation of WNC is a healthy and stable operational environment and we will continue to generate added value for our customers by implementing innovative ideas in our operations management, product development, market promotion, and internal operational procedures.	Total number of global patents	2.1 Innovation Momentum	47
Supply Chain Management	• Global Supply Chain Management • Supplier Code of Conduct • Responsible Minerals Policy Statement	Through continuous optimization of supplier management strategies and operational efficiency, WNC works with suppliers to manage sustainable supply chains, aiming to achieve a balance between corporate profitability, environmental protection, and social responsibility.	Create sustainable supply chain	2.3 Supplier Management	50
Information Security	• Information Security Policy	WNC has established an ISO/IEC 27001 information security management system. In addition, to strengthen the resilience of product information security management, information security and risk management requirements were expanded to include security issues related to R&D, development, and production.	Conduct information security risk management	2.4 Information Security	57
Human Resource Management	• Sustainable Development Policy • Statement on Diversity, Equity and Inclusion	WNC is committed to building a healthy, safe and inclusive work environment, providing employees with reasonable remuneration and benefits and stipulating reward structures to encourage employees and units with excellent performance, and elevating the professionalism and general knowledge of our employees.	Implemented the Total Rewards initiative	4.2 Talent Recruitment	98
				4.3 Talent Training and Cultivation	107
				4.4 Compensation and Benefits	114
Employee Relations and Communication	• The Responsible Business Alliance (RBA) Code of Conduct	In order to implement labor rights, apart from promoting human rights concepts and related regulations during new and existing employee training, we have established diverse, open, and transparent proposal and communication channels.	The goal of the A Workplace You Can Feel Safe In initiative is to create a workplace that ensures and protects the physical and mental wellbeing of WNC employees.	4.1 Respect for Human Rights	92

Material Topic	Policy	Commitment	Project/Action	Section in this Report Where Reference Materials Can Be Found	
				Section	Page No.
Occupational Safety and Health	<ul style="list-style-type: none"> Occupational Safety and Health Policy 	Implement workplace health management systems and educate employees on how to prevent occupation-related injuries and illness. In addition, continue to implement healthcare measures and organize health improvement activities to protect the health of employees.	Establish an ISO 45001 occupational safety and health management system and regularly review operation of said system.	4.5 Occupational Safety and Health	126
Social Participation	<ul style="list-style-type: none"> Sustainable Development Policy 	WNC creates value for society from a diversity and sustainability perspective by caring for the land, disadvantaged children and smallholder farmers.	Employees are encouraged to participate in a variety of ESG activities, including tree planting, helping disadvantaged children in rural areas and purchasing green products.	5.0 Caring for Society	137
Climate Strategy	<ul style="list-style-type: none"> Environmental Sustainability Policy WNC Biodiversity and No Gross Deforestation Commitment 	WNC implements climate change and environmental protection initiatives to reduce the impact of its business operations on the environment.	Signed a Science Based Targets initiative (SBTi) commitment letter	3.2 Climate Change Response	64
Green Products	<ul style="list-style-type: none"> Environmental Sustainability Policy 	WNC takes into account product lifecycle issues during the development, manufacturing, and transportation of products/services to reduce the impact of its operations on the environment, society and ecosystem.	Establish mechanisms for product carbon footprint data collection and low carbon materials selection; meet requirements of directives relating to non-use of hazardous materials.	3.4 Green Products	84
Environmental Management	<ul style="list-style-type: none"> Environmental Sustainability Policy Energy Management Policy Water Resource Management Policy 	Implement energy-saving and carbon reduction measures in production processes and equipment usage. Address issues relating to water resources and waste to enhance green manufacturing capabilities.	Established an ISO 50001 energy management system to effectively monitor energy usage.	3.1 Environmental Management	62



1

Operational Governance

Operational Performance
Corporate Governance
Ethical Management
Risk Management



2023 Performance



Corporate Governance

- **Top 20%** among all companies in the tenth Corporate Governance Evaluation
- Selected as a component of the [Taiwan Corporate Governance 100 Index](#) by the Taiwan Stock Exchange Corporation (TWSE); listed in the [FTSE TWSE Taiwan Dividend+ Index](#), [FTSE TWSE Taiwan Eight Industries Index](#) and [FTSE TWSE Taiwan Mid-Cap 100 Index](#)
- Among the nine directors, independent directors account for four members of the Board of Directors, with **three** female directors.



Ethical Management

- **All** managers and employees who are at comparatively higher risk completed the annual self-evaluation questionnaire on the Code of Ethical Conduct.
- **Zero** cases of regulatory violations and major lawsuits



Risk Management

- **17** information security drills were completed in 2023.

Material Topics and Goal Management

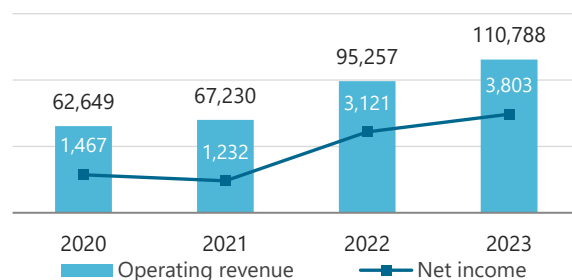
Five Focuses	Material Topic	Performance Indicators	2023 Results		Future Goals			Corresponding SDGs
			Target	Results	Short-term 2024	Mid-term 2025	Long-term 2030	
Growth	Business Performance	Corporate Governance Evaluation	Enhance evaluation results	Top 20%	Continue to enhance evaluation results			9.2
		Average Attendance Rate of Board of Directors' Meetings	≥ 90%	94.4%	≥ 90%	≥ 90%	≥ 90%	
		Number of hours of continuing education for each board member	6 hours	9.67 hours	6 hours	6 hours	6 hours	

1.1 Business Performance

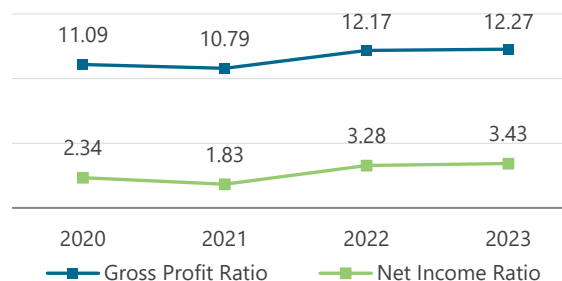
In 2023 WNC's consolidated revenue was NT\$ 110.8 billion, with after-tax net profit of NT\$ 3.8028 billion, achieving year-on-year growth in both revenue and profitability. Detailed financial figures can be found in [WNC's 2023 Annual Report](#). In April 2023, at book closure date, 12.53% of WNC's shareholders were foreign investors.

WNC aims to achieve steady business and profit growth while moving toward the goal of sustainable development. Every year, a business operations plan is formulated and submitted to the board of directors for approval, and the President & CEO submits regular reports to the board of directors on the company's growth objectives and operational status. WNC conducts weekly management meetings to discuss and resolve key matters. In addition, monthly financial management meetings are held to review the company's financial performance to help optimize overall operational performance. For more information, refer to the [Investor Relations section](#) of WNC's website.

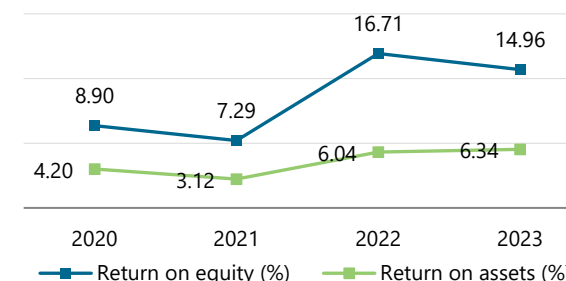
Operating Revenue and Net Income (million NT\$)



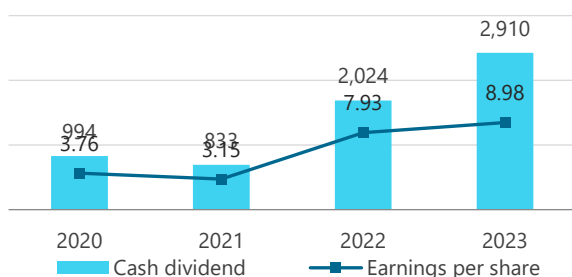
Gross Profit Ratio and Net Income Ratio (%)



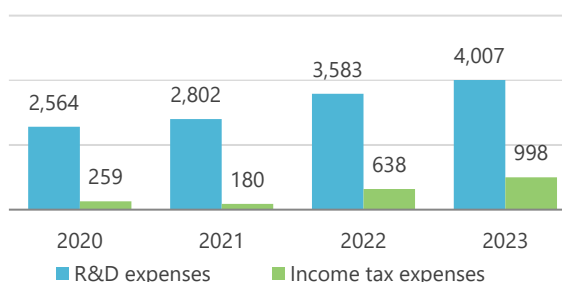
Return on Assets and Return on Equity (%)



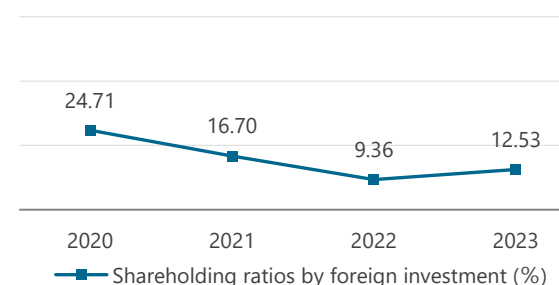
Cash/Stock Dividends (million NT\$) and EPS (NT\$)



R&D Expenses and Income Tax Expenses (million NT\$)



Shareholding Ratios by Foreign Investment (%)



1.1.1 Tax Governance

WNC supports policies that contribute to corporate innovation and promote economic growth and is committed to promoting information transparency. In line with international trends in tax governance, WNC has established [Tax Policy and Management Guidelines](#) that adhere to its core values and comply with relevant tax laws and regulations in the countries where it operates. WNC also exercises its social responsibilities in local communities and pays reasonable taxes without engaging in aggressive tax planning in major countries where it operates. Important corporate decisions are made based on its overall business model, supplemented by tax impact analysis. WNC also prudently assesses tax-related risks by utilizing management mechanisms in response to changes in the operating environment and tax regulations.

The day-to-day tax administration and management of WNC is carried out by the finance department, and tax filing is done after appropriate approval processes. Given the complex nature of taxation and WNC's operations across different countries, WNC continuously monitors and assesses updates of relevant tax regulations, providing training to ensure that finance personnel have the required tax skills and knowledge. Furthermore, WNC operates its tax management mechanisms by seeking advice from external tax consultants to fully identify potential tax risks for both WNC and its subsidiaries. In 2023, WNC's Taiwan sites paid a cash amount of NT\$699,558,000 in corporate income tax, and its total corporate income tax was NT\$863,246,000.

WNC's effective tax rate and cash tax rate in the past two years (unit: thousand NT\$)

Item	2022	2023
Pre-tax net profit	3,760,124	4,801,273
Income tax expenses	638,404	998,443
Effective tax rate (%)	16.98	20.8
Taxes paid	307,231	865,312
Cash tax rate (%)	8.17	18.02

1.1.2 Financial Support

WNC actively invests in R&D in alignment with government policies of facilitating industry innovation, improving the industry environment and increasing industry competitiveness. Government subsidies received by each site in 2023 are shown in the following table:

Financial Support Record for 2023

Country	Item	Unit of provision	Reason	Amount (thousand NT\$)
Taiwan	Investment deduction	Industrial Development Administration, Ministry of Economic Affairs	Industrial Innovation Statute	60,000
	Grant	Ministry of Labor	Employer subsidy for pregnancy checkup leave, pregnancy checkup accompaniment leave and paternity leave	129
China	Incentive	Kunshan Comprehensive Protective Tariff Zone Administration	Funds for rewarding business performance in 2022	18,777
		Kunshan Bureau of Commerce	Funds for promoting steady growth and development and optimizing trade structures.	
		Kunshan Municipal Bureau of Human Resources and Social Security	Reward for training highly skilled workers	
	Grant	Kunshan City Tax Bureau	Value-added tax and local tax grants for the poor	20,435
		Kunshan Municipal Bureau of Industry and Information Technology	Grant for modifying industrial technology and developing energy conservation technology.	
		Kunshan Human Resources Management Service Center	Grant for expanding employment opportunities for fresh graduates and provision of corporate social insurance for workers on maternity leave.	
		Electric Power Company, State Grid	Grant for solar power generation	
		Kunshan Bureau of Commerce	Grant for helping foreign trade enterprises and enhancing trade.	
		Safety Supervision and Environmental Protection Administration	Subsidy for enterprise liability insurance.	
		Kunshan Employment Promotion Center	Employment subsidy	
		Kunshan Municipal Bureau of Human Resources and Social Security	Social security subsidy	
		Nanjing City Social Insurance Administration Center	Subsidy for stable employment positions	
	Taxable allowance	Kunshan Bureau of Commerce	Refund of local taxes for the additional payment of corporate value-added tax and the non-deductible amount of export tax	4,673
		Kunshan City Tax Bureau	Return of withholding tax	

Total 104,014

Note: The amount of investment tax deduction of the Statute for Industrial Innovation is an estimated value, and the actual amount is the amount approved by the National Taxation Bureau according to the application form for the tax reduction and exemption plan submitted by WNC.

1.1.3 Regulatory Compliance

Since WNC's founding, it has formulated internal regulations in accordance with applicable national laws of each operational location in order to guide its employees, managers, and the Board of Directors. WNC is also mindful of directives from the competent authorities, relevant international or domestic laws, and trends in invested industries and modifies its policies in related areas accordingly. WNC has introduced a Legal Compliance System that tracks changes to laws and regulations applicable to every aspect of WNC's operations through a laws and regulations database, conducting compliance reviews according to the most complete and updated information. The identified results and improvement progress are shown on a dashboard to help managers understand the latest changes to laws and regulations.

In order to increase the service quality of the value chain and fulfill social responsibilities, WNC requires suppliers to comply with international and local laws when hiring employees. WNC complies with the ISO 14001 Environmental Management System and ISO 45001 Occupational Safety and Health System standards, and other international standards to create a sound work environment. In 2023, WNC had zero cases of major local regulatory violations¹.

¹ Major illegal incidents mean incidents due to which the company suffers losses or damages amounting to: Employee-related incidents giving rise to NT\$1,000,000 in losses, shareholder/securities-related incidents or

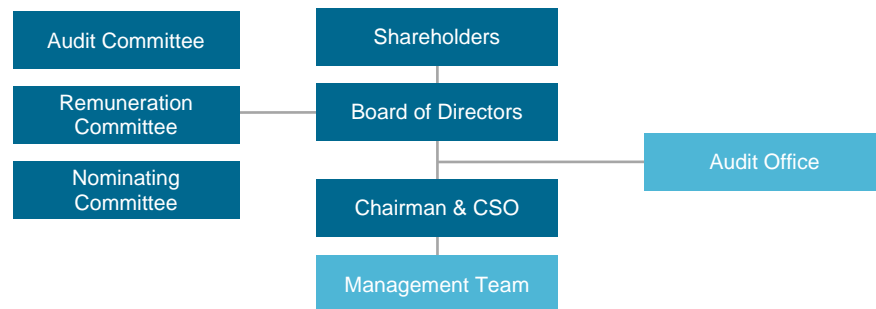
Overview of WNC's regulatory violations in the past two years

Item	2022	2023
No. of plans	1	4
Amount of fines accrued (NT\$)	12,000	192,486
Description of violation and improvement measures	<p>In 2018, WNC and other companies in the Hsinchu Science Park commissioned a waste removal and disposal vendor who met the qualifications set by the Environmental Protection Agency to dispose of waste tin (including solder paste). The waste solder pastes along with the plastic containers holding the paste were delivered to the aforementioned disposal vendor for disposal. However, WNC failed to observe that the downstream partners of said disposal vendor were not qualified to dispose of waste solder paste, and thus WNC was fined NT\$12,000 by a government environmental agency as the agency determined that WNC was negligent in its management duties. The plastic containers have been given to other qualified waste disposal vendors for processing. Going forward, regular evaluations will be conducted on waste disposal vendors working with WNC. In addition, before working with a new waste disposal vendor, WNC will verify the qualifications of the downstream partners of the vendor to fulfill its management responsibilities and duties in this regard.</p> <ul style="list-style-type: none"> ■ After an inspection, it was found that the S1 site did not apply for and report the license of the person in charge of waste disposal in accordance with regulations, and was fined NT\$6,000 by a government environmental protection agency. Upon discovery of this issue, relevant units immediately completed license application and reporting, job duty adjustment and other related administrative work. ■ Two violations of Taiwan's Labor Act occurred at the S3 site, one in February and one in July. Both were related to work hours. During construction of the site, work requirements made it more likely that employees had to work overtime. The company has since improved internal communications and relevant management mechanisms to help prevent reoccurrence of such violations. ■ In Q4 2023, the fire agency of Kunshan City conducted a fire inspection of WNC's sites in Kunshan. The automatic gas fire extinguishing system in WebCom Communication (Kunshan) was out of order and under maintenance during the inspection period. The agency determined that this posed a safety hazard to the site and fined WNC CNY20,000 in accordance with the Fire Control Law of the People's Republic of China. All fire systems in WebCom Communication (Kunshan) have been repaired or replaced. 	

environmental incidents giving rise to NT\$1,000,000 in losses.

1.2 Corporate Governance

WNC values the legitimacy and transparency of its corporate operations and seek to perfect our corporate governance system to protect shareholders' interests, enhance stakeholder communications and promote relevant systems and measures in accordance with regulatory and customer requirements. The company has stipulated the Sustainable Development Best Practice Principles, Corporate Governance Best Practice Principles, Ethical Management Best Practice Principles, and a Code of Ethical Conduct, and each functional unit in WNC has their own responsibilities in promoting and implementing corporate governance in accordance with WNC policy, and implementation results are reviewed semi-annually. The Finance Division, the Legal & IP Division, the Human Resources Administration Division, the Quality Assurance Division and the Sustainable Development & Marketing Division work together to closely monitor related international proposals and regulations to determine whether the company needs to update our management guidelines and operational procedures related to corporate governance.



The Board of Directors is the highest governing body of WNC. In 2023, the average attendance rate of directors at board meetings was 94.4%. Its responsibilities include supervising the lawful operations and financial transparency of the company, approving the appointment, dismissal and remuneration of senior managers, providing strategic guidance to the management team related to the Company's operations, evaluating the Company's performance on economic, environmental and social issues, and approving corporate sustainable development related matters proposed by the Sustainable Development Committee, the RBA Committee or functional units. The management team must also report on the Company's operations status or other important issues to the Board of Directors, and provide reference information and opinions for decision-making of the Board of Directors. To assist the board in its operations and functions, an Audit Committee, Remuneration Committee and a Nominating Committee have been established. For more information on WNC's Board of Directors, refer to the [2023 WNC Annual Report](#).

In 2015, the Taiwan Stock Exchange (TWSE) and the Taipei Exchange (TPEX) began holding an annual Corporate Governance Evaluation, which evaluates all publicly listed companies in the previous year. WNC has been rated in the top 20% among all publicly traded companies every year since.

Committee	Composition	Major responsibilities	Implementation status in 2023
Audit Committee	All members of the Audit Committee are independent directors, and at least one has accounting or finance expertise. The term for the independent directors on the Committee is three years. Directors may be reelected for consecutive terms. Currently, there are four committee members.	An audit committee meets prior to the Board of Directors meeting every quarter to monitor the execution of WNC's internal controls and important financial and sales behavior and to communicate and interact with CPAs to effectively supervise company operations and risk management. The audit committee's specialized division of duties and independent positions assist the Board of Directors in the execution of its supervisory capacity, raising WNC's financial standing and credibility.	The Audit Committee meets at least once every quarter. Five meetings were convened in 2023, with an average attendance rate of 90% for all committee members.
Remuneration Committee	Currently there are four committee members, all of whom are independent directors. Committee members must invite the Board Chairman or CEO to attend. The members of the remuneration committee recuse themselves from meetings if issues to be discussed involve any personal interests of the members. The committee may also request directors, internal auditors, accountants, legal consultants, and other personnel to attend meetings and to provide them with pertinent and necessary information.	A remuneration committee is responsible for establishing and periodically reviewing the compensation policies, systems, standards, and structure of WNC's director's and management's compensation; as well as evaluating and deciding compensation terms.	The Remuneration Committee meets at least twice a year. Meetings may be convened when necessary. Five meetings were convened in 2023, with an average attendance rate of 90% for all committee members.

Committee	Composition	Major responsibilities	Implementation status in 2023
Nominating Committee	The Nominating Committee is composed of five directors, over half of whom are independent directors. The committee is chaired by WNC Chairman Haydn Hsieh, and all committee members have extensive industry experience and are well-connected in the industry.	The primary duties of the committee include selecting and assessing candidates for board members, executive officers, and members of committees under the Board of Directors, formulating and reviewing regulations relating to the establishment, duties and operations of committees under the Board of Directors, and formulating and implementing continuous learning plans for directors.	The Nominating Committee convenes meetings when necessary. One meeting was convened in 2023, with all committee members in attendance.

1.2.1 Composition of Board of Directors

According to the Articles of Incorporation, WNC appoints seven to nine directors, who are elected by the shareholders' meeting from the list of director candidates in accordance with the candidate nomination system. The directors serve a term of three years and may be reelected for consecutive terms. To ensure that independent directors carry out their duties in an objective manner and prevent long tenures from compromising their independence, none of WNC's independent directors have served for more than nine years consecutively. The 11th Board of Directors was elected at the 2023 Shareholders' Meeting. There are nine directors in total, including three female directors. Two directors hold employee status and four of the nine directors are independent directors. The average tenure of the directors is 10.67 years. To improve decision-making efficiency and carry out the resolutions of the Board of Directors, WNC's Chairman is also serving as the company's Chief Strategy Officer. All directors have extensive experience and qualifications in business, legal affairs, finance, accounting, risk management or corporate business. Each of whom provides objective opinions on their professional fields and assists the Board of Directors in making decisions that are most beneficial to the Company and shareholders.

Name	Title	Gender	Employees status	Continuous term of independent directors			Age			Areas of proficiency			
				3 years or less	4-6 years	6-9 years	51-60	61-70	71-80	Industry/Technology	Finance	Law	Risk Mgmt.
Haydn Hsieh	Chairman & CSO and Nominating Committee Chairperson	Male	•					•		•			•
Jeffrey Gau	President & CEO and Director	Male	•				•			•			•
Frank F.C. Lin	Director, representative of Wistron Corporation and Nominating Committee member	Male						•		•	•		•
Donald Hwang	Director and representative of Wistron Corporation	Male						•		•			•
Philip Peng	Director	Male							•	•	•		•
Karen Hsin	Independent director, Audit Committee Chairperson, Remuneration Committee member and Nominating Committee member	Female				•		•		•	•	•	•
T. Y. Lay	Independent director, Audit Committee member, Remuneration Committee Chairperson and Nominating Committee member	Male			•				•	•			•
Lillian Chao	Independent director, Audit Committee member, Remuneration Committee member and Nominating Committee member	Female		•				•		•			•
Rosie Yu	Independent director, Audit Committee member, and Remuneration Committee member	Female		•				•		•	•		•

1.2.2 Diversification of Board of Directors

WNC has established, in Article 20 of the [WNC Corporate Governance Best-Practice Principles](#), and implemented, a diversification policy for the composition of the Board based on its own operations, operations type and development needs. Suitable directors are nominated and selected by evaluating the aspects of basic conditions and values (such as gender, age, etc.), professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience. The composition of the current Board of Directors of WNC has achieved the management goal of diversification for its Board of Directors:

Goal Management	Status of achievement
The number of directors who concurrently serve as executive officers in WNC does not exceed one-third of the total number of directors.	Goal achieved
At least one-third of board members are female.	Goal achieved
Independent board members may not serve for more than three terms.	Goal achieved
There are board members with inter-disciplinary expertise.	Goal achieved
The number of independent board members exceeds the number stipulated by law.	Goal achieved

1.2.3 Board Training Courses

To ensure that the directors are well-versed in the latest trends in corporate governance, sustainable development and risk management, all directors of WNC are required to complete annual training in accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies. In 2023, directors completed a total of 27 training sessions, with an average duration of 9.67 hours per director. For detailed information on their training, please refer to the [Market Observation Post System](#) or the [2023 WNC Annual Report](#).

1.2.4 Board Performance Evaluation

To implement corporate governance and optimize the operating efficiency of the Board of Directors, WNC has stipulated [WNC Regulations Governing Performance Evaluation of the Board and Functional Committees](#). The Company conducts performance assessments each year, which cover the overall Board of Directors, functional committees, and individual directors. In addition, WNC commissions an independent, professional external agency or a group composed of external experts/scholars at least once every three years to conduct a performance evaluation on the Board of Directors. The assessment period is

from January 1 to December 31 of each year. The performance assessment results are reported to the Board of Directors in the first quarter of the following year, and are disclosed in the Company's Annual Report. For details on the performance evaluations for the Board of Directors and functional committees, please refer to the [2023 WNC Annual Report](#) or [the WNC website](#).

The results of internal performance evaluations for the Board of Directors and functional committees in 2023 were "exceeds standards". WNC also commissioned the Taiwan Corporate Governance Association to conduct an external performance evaluation of the Board of Directors. The results from these evaluations were submitted to the Board on March 6, 2024. The results of these evaluations will serve as a reference for the Board's continuous improvement of its functions, remuneration setting for the Board and the functional committees, and nomination for directors to serve the next term.

1.2.5 Remuneration Policy

Remuneration of directors is determined in accordance with the Articles of Incorporation, as approved by the shareholders' meeting. It is set at no more than 1% of the year's profits (profit here indicates pretax profit without deducting profit-sharing bonuses for employees and directors), and is paid in cash. Remuneration of directors is determined based on WNC's overall operational performance, operational risks and development trends of the industry, and the degree of their engagement and their contributions to corporate operations. The related performance evaluation and rationalization of the remuneration is audited by the Remuneration Committee and the Board of Directors and may be reviewed at any time based on practical operational conditions and related laws and regulations to achieve a balance between continuity of operations and risk control.

The compensation package for each senior manager includes a fixed component of salary, bonuses, and benefits and a variable component of bonuses, dividends (cash/stock), stock (restricted stock / employee stock ownership trust) and stock options. The variable component of compensation is determined based on WNC's operational performance in the current year. It ranges from 42% to 82% of the total compensation, depending on the position and performance. The remuneration of senior managers is highly linked to WNC's operational performance. From 2024 onward, said remuneration will also be linked to WNC's performance in environmental protection, social participation and corporate governance.

The compensation structure for senior managers has a certain degree of flexibility to dynamically balance the long-term interests of employees, shareholders, and WNC. The fixed items aim to maintain the competitiveness of the company in the industry, and the variable terms are considered based on WNC's and the individual's performance. At the beginning of each year, the Remuneration Committee sets the assessment items, goals, and weightings, taking internal and external development into consideration. The compensation for managers is assessed based on personal performance and prevailing salary levels in the industry. The terms are evaluated by the Remuneration Committee and are reported to the Board of Directors for approval. Additionally, external consultants are engaged to ensure alignment of the compensation policy with market trends,

environmental factors, and compensation competitiveness.

In 2023, the highest individual annual total compensation at WNC was 47.7 times the median annual total compensation of other employees. The highest individual salary increase for the year was 6.17 times the median salary increase of other employees

2023 WNC Worldwide Remuneration Ratio^{Note}

Item	Ratio
Ratio of highest salary to median annual salary	47.7
Ratio of highest salary increase to median salary increase	6.17

Note: Excluding employees who have been on the job for less than one year, calculating average remuneration of all permanent employees for the year, including basic salaries, allowances, and bonuses.

1.2.6 Recusal

Directors, in relation to agenda items in which they or their represented legal entities have vested interests, adhere to Article 15 of the [Rules and Procedures of the Board of Directors Meeting](#). They disclose significant details of their vested interests during the Board of Directors Meeting. If there is a risk of harm to WNC's interests, they are excluded from taking part in the discussion and voting and are not allowed to act as proxies for others. If a director's spouse, immediate family members, or companies with a controlling-subordinate relationship to the director have vested interests in the agenda items, it is considered that the director has a personal vested interest in that matter.

1.2.7 Internal Control Systems

WNC has established, in accordance with the law, an Audit Office, responsible for supervising internal control procedures, annual audits and review of improvement effectiveness of WNC and its subsidiaries. This independent unit reports directly to the Board of Directors and is staffed with a full-time audit supervisor and two auditors.

Audits are conducted in accordance with a Board-approved audit plan based on identified risks; extraordinary audits may also be conducted when necessary. The supervisor of the Audit Office reports existing deficiencies or potential risks to the relevant manager, reports major issues to the Board of Directors regularly, and to the Chairman and Audit Committee at any time when necessary.

The Audit Office coordinates evaluation of internal controls and regularly evaluates the applicability of self-assessment surveys to ensure that self-assessment items cover all main operational procedures and can be modified in response to organizational

restructuring to ensure that a risk assessment mechanism and review by managers of different levels is implemented. At the same time, the Audit Office supervises each department and WNC subsidiaries to conduct regular self-assessments of the implementation of internal control systems, and reviews their self-assessment reports. The reports and the findings of the audited department regarding internal control deficiencies and abnormalities serve as the main basis for the Board of Directors and the General Manager to evaluate the overall effectiveness of the internal control system and issue an Internal Control System Statement.

The internal control system deficiencies and abnormalities identified during the audit are tracked and reported on a regular basis to ensure that the relevant departments have taken corrective actions. The audit report and tracking report are submitted to the Audit Committee for review by the end of the following month after completion of the audit items. In addition to regular reporting to the Audit Committee, the audit supervisor also presents a report to the Board of Directors.



1.3 Ethical Management

WNC has a zero-tolerance attitude towards corruption, and has formulated internal rules and regulations such as [the Code of Ethical Conduct](#), [Ethical Management Best Practice Principles](#) and WNC Whistleblowing and Handling Measures. The rules and regulations clearly disclose the Company's ethical management policy and require the Company and its subsidiaries to comply with regulations related to their overall operations, including the US Federal Foreign Corrupt Practices Act (FCPA), The UK Bribery Act of 2010, and other anti-corruption regulations. The Company and its subsidiaries are committed to abiding by high ethical standards, avoiding engaging in unfair competition, fulfilling tax obligations, preventing bribery and corruption, and establishing appropriate management systems to create a level playing field.

WNC's Legal & IP Division is charged with enhancing integrity management operations, and an Integrity Investigation Office has been established to conduct due diligence investigations, organize relevant training courses and investigate reported cases, with the Chairman having final decision-making authority. The Chief Legal Officer reports on the execution status to the Board of Directors on a regular basis (at least once a year). Labor and ethical risk assessments at all major manufacturing locations are conducted every year. Assessment results for 2023 revealed no high-risk items or instances of corruption.

1.3.1 Due Diligence

Ethics and Due Diligence Requirements for WNC Employees

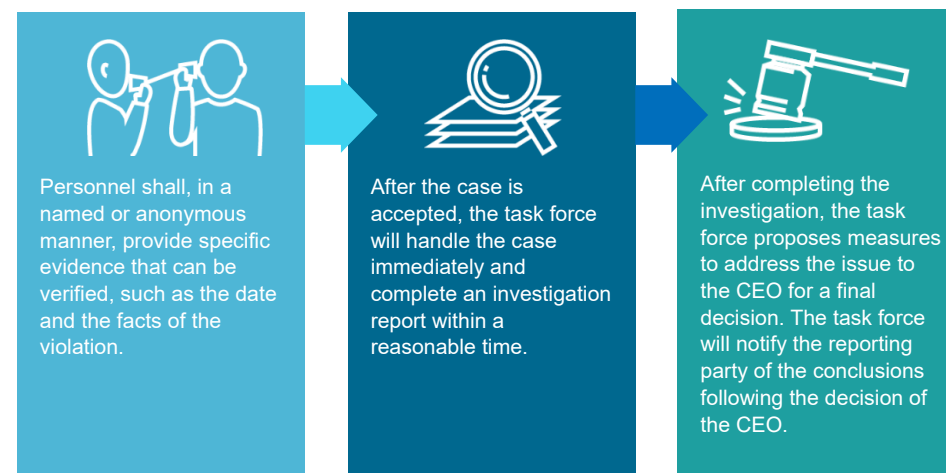
Subject	Requirements
WNC directors and top-tier managers	Sign the company's Declaration of Ethical Management
New employees and suppliers	Sign the company's Code of Ethical Conduct
Employees who directly deal with or exert substantial influence over customers, suppliers, and contractors	Answer an annual self-evaluation questionnaire on compliance with the company's Code of Ethical Conduct.

WNC requires all WNC directors and top-tier managers to sign the Declaration of Ethical Management; in 2023 all of the aforementioned personnel signed the declaration. WNC also requires all new employees and major suppliers to sign the company's Code of Ethical Conduct, making a commitment not to offer or accept any bribes or illegal profits in any other form; all new employees in 2023 have signed the code. We also require employees who directly deal with or exert substantial influence over customers, suppliers, and contractors (including high-level executives, sales personnel, PMs, all employees of the purchasing unit, supplier quality management unit, general affairs unit and the facility unit, and department-level managers and above in the legal, MIS, and R&D units) to answer an

annual self-evaluation questionnaire on compliance with the Code of Ethical Conduct. In 2023, 2,298 WNC employees completed the survey and filled out the questionnaire, with a completion rate of 100%.

1.3.2 Grievance and Consultation Mechanisms

WNC has established a whistleblower e-mail address (wnc.integrity@wnc.com.tw) for internal and external stakeholders to file complaints and report violations in a named or anonymous manner. The WNC Reporting and Handling Procedure stipulates handling procedures to address violations and confidentiality obligations for individuals responsible for receiving and investigating the reports, and prohibits any adverse actions or consequences against the reporting parties to safeguard their work rights. The Integrity Office is tasked with establishing a task force to handle reports and perform investigations. The reporting procedures are described briefly as follows:



- WNC ensures that the identities of the reporting parties are kept secret and that they are not at risk of retaliation.
- WNC will not terminate or transfer any employee or cause any other unfavorable result to occur due to their reporting an issue unless that employee has violated the law.
- Task force members and related members participating in the investigation ensure and maintain the confidentiality of the incident throughout the entire investigation.
- The task force records how the reported issue was handled in written form, and this written report is sealed and archived for five years.
- If the reported issue(s) involve WNC directors or high-level managers, the task force should report the investigations results to independent directors.

In 2023, five complaints related to personal integrity were reported. Three cases were closed due to a lack of evidence. After investigation, the content of the other two cases were confirmed to be true, and disciplinary actions have been taken in accordance with company regulations. Other cases related to the management of each department were transferred to the respective departments for handling as none involved illegal matters.

If WNC employees have questions regarding the Code of Ethical Conduct, they may consult their direct supervisor or personnel at the Legal & IP Division, or they can look to obtain answers via communication channels at WNC, including committee meetings, lectures, the Employee Suggestions Platform, hotlines and email. For details on communication channels for employees, refer to 4.1.4 Communication Channels in this Report.

1.3.3 Training and Promotion

To boost employees' understanding and implementation of ethics and integrity issues, the most updated promotional resources are provided on our internal website, and the Legal & IP Division holds Ethics and Anti-Corruption Code of Conduct online training for current employees every year, and said training is included in compulsory courses for new employees. The aforementioned resources and training will help employees understand the actions they should adopt when company rules conflict with social mores, corporate interests, and private interests or when they find any wrongdoings. In 2023, a total of 6,840 employees at WNC's Taiwan sites and major manufacturing sites in China and Vietnam took the WNC Ethics and Anti-Corruption Code of Conduct online course for a completion rate of 100%.

1.3.4 Fair Competition

We believe healthy market competition enhances the quality and efficiency of WNC's operations, ensures consumer rights and achieves economic stability and prosperity. Therefore, we abide by related government and industry laws. To help maintain a healthy market mechanism and structure, we refuse to adopt unfair, anti-competitive market tactics. In 2023, there were no lawsuits against WNC related to anti-competitive or anti-trust behavior.

1.4 Risk Management

WNC controls risk related to business operations through its existing administrative organization and internal control mechanisms. Business groups and functional units perform risk assessment in the execution of their duties and develop management strategies and response measures to prevent, lessen, or off-set risks. Managers from each unit meet weekly to review potential internal and external operations-related variables and analyze the threats and opportunities they present. These variables include the overall economy, industry and technology, customers and markets, supply chains and internal personnel, and issues related to operating procedures. Furthermore, after careful evaluation of all aspects, if the risk item poses potentially significant threats to WNC's operations, it will be designated as a material risk. Material risks may change over time or due to changes in the internal and external environment.

In addition to implementing risk control measures proposed by different functional unit managers and department heads, strengthening internal risk control mechanisms, and improving emergency response and recovery capabilities, we also seek to learn and cooperate with our suppliers to assist each other in enhancing our resilience to different types of risks and respond to the ever-changing business environment. WNC's methods are briefly described according to financial risk, operational risk and continuous operations management. For more information on actions in response to climate change, refer to [3.2 Climate Change Response](#) of this Report.

1.4.1 Financial Risk Management

WNC's business focuses on R&D, manufacturing, and product sales. The company does not engage in high-risk or highly leveraged investment activities. WNC invests funds after considerable risk assessment while closely monitoring changes in bank lending rates on a regular basis. Approximately 98.44% of WNC's revenue was from export sales, and most of the export sales amounts are quoted in U.S. dollars. Most of the material purchasing amounts are also quoted in U.S. dollars. Therefore, the majority of our foreign currency operating exposure can be offset through our frequent purchase and selling. For remaining situations involving foreign currency operating exposure, the foreign currency is converted to NT dollars depending on liquidity needs and market conditions. WNC's action plans to cope with the impact of changes in interest rates, exchange rates, and inflation are:

- Strengthen the natural hedging effect of foreign currency equity and debt offsetting.
- Make plans and arrangements regarding capital income and borrowing costs in advance based on our predictions about future operational and capital requirements of the Company.
- Use auxiliary tools (such as financial derivatives) to reduce risk under proper risk guidelines.

1.4.2 Business Risk Management

WNC complies with government decrees and regulations and adjusts its internal policies in accordance with changes in laws, thus ensuring the lawfulness of WNC's operations. Regarding the Company's operating status, in addition to regularly holding shareholders' meetings and institutional investor conferences, the Company produces financial reports and sustainability reports to increase the transparency of company information, and actively invests in green product design and participates in social welfare activities, in order to meet its social responsibilities. To better secure customer and shareholders' rights and react in a timely manner to the rapidly changing communications industry, WNC, while targeting overall sustainable development, performs risk and efficiency assessments when introducing new materials, new technologies, and new equipment so as to enhance total value of products through the most competitive quality, development speed, and cost. With strict control of expenses, operational costs and risk can also be well managed.

1.4.3 Market Trends

In response to changes in the politico-economic environment in Europe and the United States, as well as changes in the industry's value chains and corresponding fluctuations in markets, WNC continues to monitor and respond to market trends. The Sustainable Development & Marketing Division observes and analyzes global politico-economic changes as well as industry trends. The Legal & IP Division is responsible for tracking changes in related laws and regulations on a regular basis and arranging response measures accordingly. Business units get a clear understanding from upstream and downstream suppliers, and carry out real-time analysis and formulate response measures based on their understanding of changes in industry value chain, allowing these units to make timely responses to changes and alleviate the impact of changes on the role WNC plays in the market.

1.4.4 Business Continuity Management

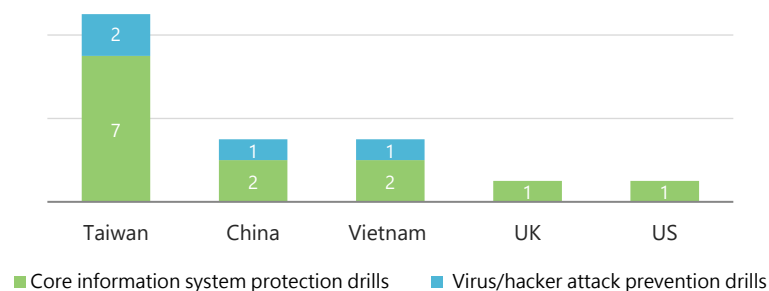
WNC aims to ensure quick recovery of operations through rapid response to incidents. This is essential to ensure employee safety, prevent disruption to business operations, and to reduce the impact and loss that these incidents may cause to the environment, to WNC, or to our customers. WNC has therefore established a Significant Environmental Aspect Identification and Management Procedure, a Hazard Identification and Risk Assessment Management Procedure, a Contingency Plan Control Procedure, and a Business Continuity Plan based on major disaster scenarios. In 2023, no casualties or property losses caused by natural disasters or man-made disasters (including terrorist attacks or labor disputes, etc.) occurred at WNC headquarters or other sites.

Information Security

To enhance the information security awareness of colleagues and strengthen the company's overall information security management system to ensure the security of the Company (personal data and privacy rights) and customer confidential information (including business secrets and intellectual property rights, etc.), our practices include:

- Formulate and promote [Information Security Policy](#) and operating procedures;
- Introduced an ISO/IEC 27001 Information Security Management System (ISMS) and obtained certification;
- Conduct ISO/IEC 27001 ISMS internal and external audits, risk assessments and operational impact analyses every year;
- Conduct semi-annual information system disaster recovery drills, of which, a total of 17 drills were completed for WNC's critical operational information systems in 2023;
- Encryption, storage and control of R&D data on the internal cloud R&D platform;
- Improve internal and external control mechanisms in accordance with customer requirements;
- Require suppliers to sign confidentiality agreements; review and improve relevant plans with suppliers, in order to strengthen overall supply chain information security;
- Establish management policies and procedures relating to operation technologies and the IoT; and
- Evaluate and establish management policies and procedures relating to cloud services.

Number of information security BCP drills conducted in 2023



Supply Chain Disruption

To avoid supply chain disruptions, the Global Supply Chain Management Division prepares materials strategically by daily tracking of material conditions and real time adjustments of response measures based on the Purchase Management Procedure, the external environment, and actual production and raw material requirements. Second source or dual source strategies are adopted, and materials are strategically stockpiled when necessary.

Labor Shortage

To prepare itself for possible labor shortages, WNC conducts an evaluation on the the

labor rights protected by local laws at its production by using two factors: “degree of impact from business interruption” and “feasibility of conducting business in different locations,” then formulates relevant response measures based on the evaluation results and conducts emergency response drills for these measures every two years. WNC has also implemented industry-academia partnership programs with universities and colleges to find outstanding young talent. For employees, we provide on-the-job training and incentives to encourage employees to pursue further studies and help retain talent. For details on the key work items and content of human resource management, please refer to chapter [4 Harmonious Workplace of this Report](#).

Infectious Disease

The COVID-19 pandemic has forced the world to focus more on the impact of emerging infectious diseases on humans. WNC makes the protection of health and safety of its employees a priority, complies with policies of the competent authorities and has set up an epidemic prevention team to coordinate pandemic prevention affairs and formulate contingency procedures based on different scenarios so that when another epidemic/pandemic occurs, response measures can be timely initiated to mitigate the impact on company operations. WNC also stockpiles medical supplies for disease prevention and uses multiple communication channels to provide employees with tips on disease prevention.



2

Joining Hands with Partners

Innovation Momentum
Customer Relations
Supplier Management
Information Security



Annual Performance

Sustainable Procurement



- Local procurement of WNC headquarters is at **49%**.
- **195** RMAP conforming smelters, accounting for **88.6%** of total smelters.
- **100** key suppliers have implemented sustainability review mechanisms and were included in the 2023 Q4 supplier performance evaluation.



Innovation Momentum

- **146** employee proposals for continuous improvement process in 2023
- **NT\$4 billion** invested in R&D, an increase of **11.8%** over the previous year
- **240** patent applications filed in 2023, with a total of **2,344** patents held by WNC



Customer Relations

- **Zero** lawsuits for breach of confidentiality
- Scored **94.3** points for customer satisfaction, higher than the target of 90



Value Chain Management

- **57** new suppliers signed the Supplier Commitment to Sustainability Declaration, accounting for **66.4%** of the suppliers in the approved vendor list (AVL)
- **345** supplier on-site audits and counseling sessions arranged by WNC sites
- **42** suppliers providing materials with potentially high carbon emissions participated in the WNC Sustainable Vendor Conference

Material Topics and Goal Management

Five Focuses	Material Topic	Performance Indicators	2023 Results		Future Goals			Corresponding SDGs
			Target	Results	Short-term 2024	Mid-term 2025	Long-term 2030	
Innovation	Innovation and R&D	Total number of global patents	≥ 2,100	2,344	≥ 2,100	≥ 2,300	≥ 2,500	9.5 Enhance scientific research, upgrade technological capabilities of industrial sectors
	Customer Relationship Management	Average customer satisfaction score (max. 100)	90	94.3	90	90	90	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation.
		Customer satisfaction survey coverage rate	80%	80%	80%	80%	80%	
		Customer complaint reply rate	100%	100%	100%	100%	100%	12.6 Adopt sustainable practices and integrate sustainability information into reporting
Trust	Supply Chain Management	Supplier sustainability risk assessment	Rate of supplier implementation of sustainability review mechanisms	100 key suppliers have implemented sustainability review mechanisms.	100 key suppliers have completed sustainability risk evaluation	Tier-1 supplier completion rate >80%	Tier-1 supplier completion rate is 100%	12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.
		Response rate of tier-1 suppliers to the Supplier Commitment to Sustainability Declaration	90%	93.7%	95%	98%	100%	
		RBA audit completion rate for WNC suppliers	100%	100%	100%	100%	100%	
	Information Security	Conduct annual information system disaster recovery drills	Completion rate 100%	Completion rate 100%	Completion rate 100%	Completion rate 100%	Completion rate 100%	9.1 Develop reliable, sustainable and resilient infrastructure

2.1 Innovation Momentum

2.1.1 Product Quality



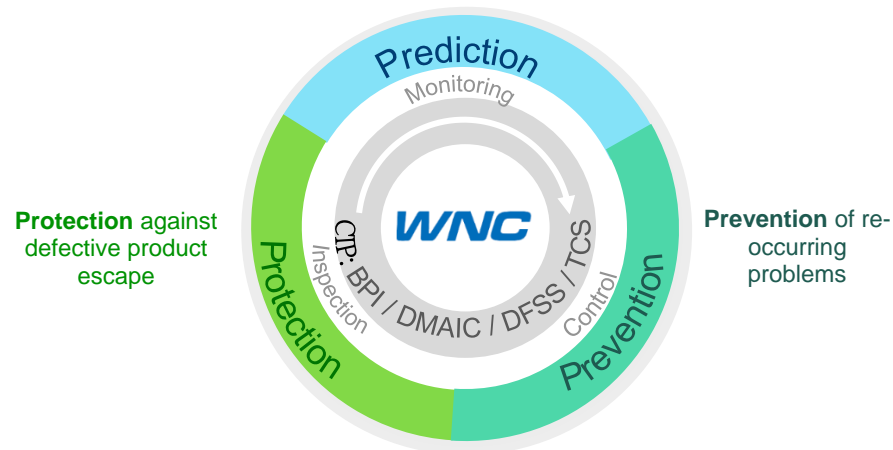
WNC Quality Policy

On-time delivery of defect-free and competitive products & services to our customers

WNC has a "zero defects" long-term quality management objective. We expect to meet and exceed customer expectations in terms of design quality, product quality, and service quality and to become a reliable partner for all our customers.

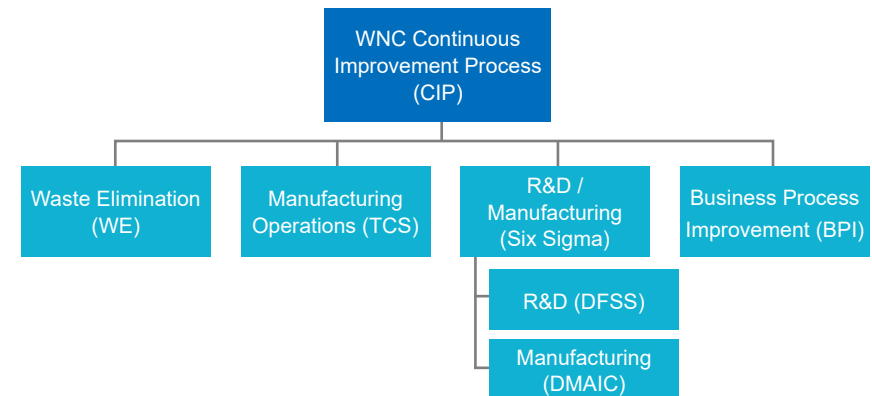
During our day-to-day quality operations, we set or adjust annual quality, service, and delivery goals for product categories based on the ISO 9001, IATF 16949, TL 9000 and ISO 13485 quality management systems. Quality goals are top-down and owned by each responsible department. In the spirit of "Prediction, Prevention, and Protection", different quality approaches, tools, and systems are introduced for integration with the product development process and are realized in daily operations.

Prediction of manufacturing problems from the design stage



WNC (Taiwan) and WNC's sites in China and Vietnam have all obtained ANSI/ESD S20.20 Electronic Discharge Control Program certification to ensure that comprehensive electrostatic protection measures are in place throughout the entire manufacturing process. The QE lab in WNC headquarters has also obtained ISO/IEC 17025 (general requirements for the competence of testing and calibration laboratories) certification. This ensures that WNC's own laboratories adopt robust testing techniques and management capabilities to provide customers with high-quality product testing environments.

All WNC production sites enhance product quality, design, costs and efficiency through Continuous Improvement Process (CIP). These plans include Business Process Improvement (BPI), Total Customer Satisfaction (TCS) for manufacturing operations, Design for Six Sigma (DFSS) for R&D and WE (Waste Elimination). The goal of these plans is to, through analysis and discussion, find ways to prevent reoccurrence of issues and predict potential risks so protection mechanisms can be established in advance. WNC has also established an incentive mechanism to encourage employees to submit proposals on improving quality in the aforementioned areas.



To inspire employees to submit quality improvement proposals, when a proposal is approved after review, a cash reward is awarded and results of the proposal are published in the CIP bi-monthly magazine to facilitate knowledge sharing and learning. In 2023, there were 146 employee proposals for continuous improvement process (CIP).



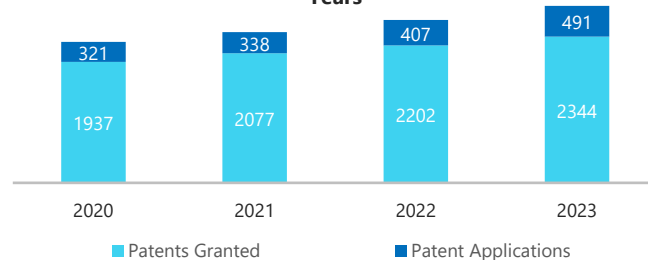
2.1.2 Intellectual Property

In order to maintain the competitiveness of our technological innovations and safeguard stakeholders' interests, WNC has stipulated Management Measures on the Control of Information Equipment and Protection of Documents, WNC Intellectual Property Rights Management Measures, and the General Guidelines on Rewards for Invention and Innovation (originally WNC Group Product Development Documents and Projects and Patents Reward Measures), and has formulated other management procedures and regulations to protect trade secrets and confidential business information as well as policies on intellectual property rights management and utilization.

As of the end of 2023, WNC held 2,344 patents: 650 in the U.S., 978 in Taiwan, 631 in China, and 85 in other countries. WNC continues to hold the number one ranking for patents granted to network communications companies, as listed by the Taiwan Intellectual Property Office in their Top 100 Domestic Patent Applicants rankings list, and has also received domestic and international awards numerous times, including the CES Innovation Award in 2021, the Hsinchu Science Park R&D Accomplishment Award in 2023, and the Hsinchu Science Park Innovative Product Award.

Incentives are provided at different stages, from proposal, patent application, acquisition of patents, to licensing. In addition, WNC evaluates and selects the best patent every year, winners of which receive additional bonuses, medals and recognition at year-end parties. WNC also encourages employees to submit articles or papers to journals. In 2023, 240 applications for patents were submitted and all of them were invention patents.

Numbers of Patents Granted and Patent Applications in the Last Four Years



Name of Award	Overview	Rewards	2023 Results
Outstanding Patent Awards	WNC units submit patents they have obtained to the patent selection committee for review, then WNC's President & CEO selects the winners.	The winning teams of the Outstanding Patent Awards and Outstanding Software Awards will receive medals and prize money. Those who win the Platinum Award will receive NT\$100,000 per patent, those who win the Gold Award will receive NT\$60,000 per patent, and those who win the Silver Award will receive NT\$30,000 per patent based on the contribution. The winners will also get an extra ticket for the lucky draw at the year-end party.	Four teams won awards in the Outstanding Patent Awards. Two received the Gold Award and two received the Silver Award. A total of NT\$180,000 in prize money was given out.
Outstanding Software Awards	WNC units submit patents they have obtained to the software selection committee for review, then WNC's President & CEO selects the winners.		Five teams won awards in the Outstanding Software Awards. Two received the Gold Award, two received the Silver Award and one received the Special Award. A total of NT\$210,000 in prize money was given out.

WNC strives to enhance its competitiveness in the communications industry. We develop products based on evolving communications technologies and increasing market demand. To boost research and design efforts, the Legal unit and the Human Resources Administration unit hold patent courses semi-annually. The courses are mandatory for new R&D employees with the aim of introducing the patent system and raising awareness of patent infringement issues. In 2023, two sessions were held with a total of 363 attendees. In addition, WNC also holds patent premiums courses for PMs, sales and PCC personnel, which explained how to assume the obligations of patent licensing contracts and related guidelines; a total of 198 employees participated in the course.

2.2 Customer Relations

To better understand customer requirements and improve service quality, WNC BUs as well as quality assurance, research and development, material management, and production units all have dedicated contact people for different customers. Meetings are held with customers every week, month, or quarter according to project requirements to review product development progress and goal achievement. Each BU also designates representatives to participate in quarterly supplier review meetings with customers to ensure timely communication with customers to solidify and enhance customer relationships.

The Customer Service Department under the Quality Assurance Department is responsible for after-sales services, including replacement of new products (DOA), return merchandise authorization (RMA), sales of maintenance parts, customer complaint handling and reporting, and the annual customer satisfaction survey.

Regarding customer complaints, WNC's Customer Service Department consolidates customer complaints, determines the severity level, assigns a response deadline according to the severity and provides analyses and reports to customers in accordance with the company's Customer Complaint Handling Procedures.

WNC's Customer Service Department conducts global customer satisfaction surveys in the fourth quarter of each year. The survey includes topics such as order/salespeople services, product development, product quality and after-sales services. The content and goals of the customer satisfaction survey are formulated in the quality management system review meeting each year. In 2023, business units of WNC received positive feedback and encouragement from customers. The customer satisfaction survey results in 2023 reached 94.30 points (out of 100 points), which was higher than the goal of 90 points. Among which, "product quality" and "order/salespeople services" received the highest scores. Regarding suggestions proposed by customers and items below satisfactory level in the satisfaction survey results, business divisions have communicated with customers, double-checked and proposed improvement strategies.

We added the Net Promotor Score (NPS) to our customer satisfaction survey in 2023 to enable customers to rate WNC's overall performance. In 2023, 36 customers rated our NPS, and our average NPS was 94.43.

Customer satisfaction survey results in the most recent four years

Year	2020	2021	2022	2023
Average Customer Satisfaction Score ^{Note 1}	94.27	95.07	93.57	94.30
Average NPS ^{Note 2}	--	--	--	94.43
Customer Satisfaction Rate (%) ^{Note 3}	81.58	89.13	83.02	86.00
Customer Coverage Rate (%) ^{Note 4}	80	80	80	80

Note 1: The average customer satisfaction score is a value between 60 and 100, and is a weighted average score incorporating scores from all sections in questionnaires which were filled in and sent back.

Note 2: The NPS is a value between 60 and 100, and is an average of scores from questionnaires which were filled in and sent back.

Note 3: Customer satisfaction rate (%): The satisfaction score higher than the set target of 90 against all questionnaires which were filled in and sent back.

Note 4: Customer coverage rate (%): The percentage of customers that WNC surveys.

2.3 Supplier Management



WNC Global Supply Chain Management Policy

Policy

Through continuous optimization of supplier management strategies and operational efficiency, WNC works with suppliers to manage sustainable supply chains. We aim to achieve balanced development among profitability, environmental protection and social responsibility, in order to create better value for all stakeholders.

Mission

By supporting the Company's business development and enhancing the Company's market competitiveness, WNC will continue to effectively manage and jointly improve the quality, price, delivery, service, and environmental and social responsibility performance of suppliers, and develop the most suitable supplier portfolio and purchasing policies to be able to work with suppliers in a responsible supply chain.

The materials and components WNC purchased are mainly integrated circuits, circuit boards, display panels, electromechanical components, mechanical parts, and packaging materials. Production consumables are mainly solder paste and solder wires used in manufacturing processes. In 2023, there were 1,077 qualified suppliers of raw materials, components, and manufacturing consumables to WNC's sites. Among them, 560 are tier-1 or key suppliers.

Overview of WNC Suppliers in 2023

Category	Definition	No. of suppliers
Suppliers in approved vendor list (AVL)	Suppliers that pass the new supplier evaluation may be placed on the AVL after approval from the Chief Quality Officer.	1,077
Tier-1 Suppliers (does not include key suppliers)	<ul style="list-style-type: none"> Manufacturing suppliers listed on the BOM; Annual transactions exceeding NT\$3 million; Suppliers with more than three incoming materials shipments within the current fiscal year. 	460
Key Suppliers	<ul style="list-style-type: none"> Suppliers contributing to 80% of WNC's annual transactions; Single or key indispensable material source 	100

2.3.1 New Supplier Evaluation

WNC regards supplier management as a key action in the implementation of sustainable operations, and requires suppliers to comply with the [WNC Supplier Code of Conduct](#). The Global Purchasing Center of the Global Supply Chain Management Division is responsible for proposing new supplier evaluations based on material purchasing requirements, and establishing a survey team to conduct desk review or on-site evaluations of candidate suppliers based on material properties. Members of the survey team include representatives from the Global Supply Chain Management Division, Supplier Quality Management Center, R&D units and other relevant departments. The survey team reviews the candidate suppliers' operational services, quality systems, R&D capabilities, manufacturing, ESG and other aspects. In 2023, 119 suppliers completed the new supplier survey according to the Supplier Evaluation and Management SOP and were listed in the AVL. 57 of them (66.4%) signed the Supplier Commitment to Sustainability Declaration.

New supplier survey requirements for WNC

Item	Description
Sustainable Management	WNC requires suppliers to sign a Supplier Commitment to Sustainability Declaration and Supplier Integrity Commitment Letter, declaring that they adhere to the Supplier Code of Conduct .
Quality System	<ul style="list-style-type: none"> General materials suppliers are required to obtain ISO 9001 Quality Management System certification, and automotive parts suppliers are required to obtain IATF 16949 Global Automotive Industry Quality Management System certification. All suppliers are encouraged to obtain TL 9000 Telecommunications Industry Quality Management System, ISO14001 Environmental Management System and ISO 45001 Occupational Safety and Health Management System certifications.
Intellectual Property	<ul style="list-style-type: none"> New suppliers are required to meet confidentiality requirements proposed by customers, in order to protect the intellectual property of WNC and customers. Documents related to intellectual property protection such as the WNC Security NDA and the Restricted Project Acknowledgement (RPA) are required to be signed.
Export Administration Laws and Regulations	New suppliers are required to sign a Legal Compliance Commitment Letter, declaring that they are committed to complying with all applicable export administration laws and regulations.

2.3.2 Sustainable Supply Chain Management

WNC has formulated a [Supplier Code of Conduct](#), which requires all suppliers to sign a Supplier Commitment to Sustainability Declaration and Supplier Integrity Commitment Letter, declaring that they are committed to prohibiting the use of child labor, forced labor, and implementing occupational safety and health management, anti-bribery and anti-corruption measures, fair trade, supporting freedom of association for workers and labor-management agreement rights. Suppliers are asked to complete a Supplier ESG Questionnaire so WNC can understand suppliers' implementation of labor, health and safety, environmental, ethics, and management systems.

Suppliers can upload a Supplier Commitment to Sustainability Declaration, WNC Supplier ESG Questionnaire, Integrity Commitment Letter, and Legal Compliance Commitment Letter via Digital Supply Chain Portal (DSCP), in order to start doing business, strengthen supply chain collaboration and improve efficiency. As of the end of 2023, 527 tier-1 suppliers and 363 key suppliers have signed the Supplier Commitment to Sustainability Declaration and the Supplier Integrity Commitment Letter, accounting for 94.1% and 64.8% of all tier-1 and key suppliers respectively. Additionally, 424 suppliers have responded to the Supplier ESG Questionnaire, representing 75.7% of all tier-1 and key suppliers.

WNC implemented international assessments (primarily using EcoVadis, supplemented by RBA, S&P Global CSA, and Sustainalytics) to evaluate supplier sustainability risks in 2023. A total of 100 key suppliers underwent sustainability reviews, and their VPE ESG Compliance Scores were included in the supplier performance evaluations for Q4 2023. In 2024, WNC will gradually improve the sustainability risk management mechanisms for key suppliers and expand the evaluation of supplier sustainability risks to include first-tier suppliers.

To improve sustainable supply chain management, WNC offers periodic sustainable procurement courses for employees in the Global Supply Chain Management Division. These courses are also included as mandatory training for new procurement employees. Through sharing of trends in sustainable procurement and case studies, WNC hopes to implement the concept of sustainable procurement in materials procurement and the screening and management of suppliers. In 2023, all procurement employees completed the training, achieving a completion rate of 100%.

WNC also communicates sustainable supply chain requirements to suppliers through the DSCP Supply Chain Platform and provides online Supplier Code of Conduct and anti-corruption training courses for suppliers. As of the end of 2023, all Tier-1 suppliers have completed the online courses.



2.3.3 RBA audit processes for WNC suppliers

RBA audit processes for WNC suppliers



WNC divides different types of major suppliers into A (high risk: printed circuit boards, spray painting, injection molded plastics, electroless plating, and stamped product suppliers), B (medium risk: antennas, packaging materials, wiring, converters, connectors, and passive components suppliers) and C (low risk: Other electronics part suppliers) according to the risk level of labor, ethics, health and safety, environmental and management system. Every year, suppliers that require RBA audits are selected and included in the audit plan for the current year according to "top 10 suppliers providing the most materials in the previous year and that have not been audited in the past year", "suppliers that must meet customer RBA requirements", and "priority issues in the previous year's audit. Except for Type C, which are considered low risk and undergo only document review (with exceptions for suppliers designated by customers), the other two types of suppliers- follow a process involving completion of ESG documents signing, actual auditing, continuous improvement, and audit results reporting, along with auditing in accordance with RBA standards covering labor, health and safety, environmental, ethics, and management systems.

A total of 50 Tier-1 Suppliers are scheduled to undergo a WNC RBA audit annually. In 2023, the actual number of audits completed was 51, including 23 suppliers from Type A, 22 from Type B, and 6 from Type C. The non-compliant items in the audit results are mostly labor-oriented, health-oriented and safety-oriented. There were no issues with a lack of policies or procedures related to child labor, overtime work, inadequate lactation environment or facilities, blocked emergency exits, or insufficient firefighting equipment.

The supplier's non-compliant items and corresponding improvement plans are tracked by the Supplier Quality Management Center. The suppliers work with the Global Supply Chain Management Division to follow the Supplier Evaluation Management Guidelines to supervise suppliers' implementation of RBA specifications and continuous improvement. In 2023, no supplier relationships were terminated because the supplier's RBA audit results or improvements did not meet the standards. In 2024, a total of 50 suppliers are scheduled to undergo an RBA audit.

**Results of RBA Validated Audit Program (VAP) or equivalent
on WNC's Tier-1 and Key Suppliers in 2023**

Item		Tier-1 Suppliers	Key Suppliers	Total
Total number of suppliers (A)		460	100	560
Suppliers undergoing RBA audits (B)		19	29	48
Ratio of suppliers undergoing RBA audits to total number of suppliers (A/B)		4.10%	29.00%	8.60%
Total number of high-risk suppliers (C)		69	30	99
No. of high-risk suppliers undergoing RBA audits (D)		6	17	23
Ratio of high-risk suppliers undergoing RBA audits (C/D)		8.70%	56.70%	23.20%
Non-conformance occurrence rate	Priority non-conformances	15.8%	6.9%	10.4%
	Other non-conformances	84.2%	75.9%	79.2%
Corrective action completion rate	Priority non-conformances	100.0%	100.0%	100.0%
	Other non-conformances	87.5%	95.5%	92.1%

2.3.4 Supplier Performance Evaluation

Quarterly reviews

WNC has established a Supplier Performance Review Committee with personnel from the Global Supply Chain Center, Supplier Quality Management Center, and R&D Projects unit. Comprehensive performance evaluations are conducted based on supply chain performance indicators on a quarterly basis, in order to ensure the overall performance of suppliers in terms of quality, delivery, service, price competitiveness and ESG compliance through visit and guidance. After completing the quarterly Vendor Performance Evaluation (VPE), the Global Supply Chain Center will, based on the VPE results and strategic considerations, work with the Supplier Quality Management Center, R&D project and institutional design units to compile a Recommended Vendor List (RVL) for the selection of new partners and purchasing targets during the recommended supplier meeting each quarter.

Annual audits and counseling

Tier-1 suppliers, key Suppliers or suppliers required to meet customer demands are selected for product quality, safety production, and RBA on-site audits annually. For suppliers whose audit results do not meet the required standards, specialists are assigned to review and formulate improvement plans, while providing appropriate assistance, counseling and training. In 2023, a total of 345 on-site audits and counseling sessions for supplier sites were arranged. Non-compliance items found during the audits include unclear definitions of specifications/procedures, deviations from SOPs for in-factory operations, and anomalies in record sheets. All identified issues have been remediated and resolved. None of the suppliers were required to terminate cooperation with WNC due to non-compliance items found during audits or unsatisfactory results after remediation.

2.3.5 Key Materials Management

WNC has divided materials into four categories according to purchasing value and market supply risks of different material types. The categories are important materials, general materials, strategic materials, and bottleneck materials. WNC has formulated purchasing strategies and policies, purchasing management measures, and material production capacity planning and management for suppliers.

Type	Important materials	Regular materials	Strategic materials	Bottleneck materials
Purchasing value	High Value	Low value	High value	Low Value
Supply risks	Low risk	Low risk	High risk	High risk
Types of raw materials	<ul style="list-style-type: none"> ■ Integrated semi-conductor circuit ■ Mechanical parts 	<ul style="list-style-type: none"> ■ Passive components ■ Packaging materials ■ Connectors 	<ul style="list-style-type: none"> ■ Printed circuit boards ■ SoC ■ Memory ■ Modules 	Accessories
Management measures	Regular partnership: <ul style="list-style-type: none"> ■ Supplier selection ■ Establish purchasing advantages ■ Target price management ■ Optimization of batch purchasing ■ Minimum inventory 	Regular trading relationships: <ul style="list-style-type: none"> ■ Product standardization ■ Optimization of batch purchasing ■ Inventory optimization ■ Operational efficiency 	Strategic partnership & long-term co-operation: <ul style="list-style-type: none"> ■ Detailed market investigation and prediction ■ Rigorous inventory management ■ Rigorous material management ■ Prepared for emergencies 	Long-term stable partnership: <ul style="list-style-type: none"> ■ Detailed market data and long-term supply and demand trend information ■ Look for substitute solutions ■ Backup plans ■ Supply quantiles and timing controls

2.3.6 Responsible Minerals

WNC does not directly purchase metal raw materials, and adopts the Conflict Minerals Reporting Template (CMRT) developed by the Responsible Minerals Initiative (RMI) to conduct conflict mineral investigations.

Ethical Standards

WNC has formulated the [Responsible Minerals Policy Statement](#), committed to banning the use of conflict minerals that contribute to significant human rights violations such as armed conflict and forced labor in conflict-affected and high-risk areas (CAHRAs). Suppliers are required to avoid using conflict minerals, disclose the sources of tin (Sn), tungsten (W), tantalum (Ta) and gold (Au) they use and communicate this policy to their upper stream suppliers to achieve alignment throughout the supply chain.

Identification and Investigation

WNC conducts supplier conflict mineral surveys via the CMRT to find out whether smelters used by suppliers are participants in the Responsible Minerals Assurance Process (RMAP). WNC requires new suppliers who use conflict minerals in their products to provide valid supporting data regarding the necessity of using conflict minerals as well as corresponding investigation and management mechanisms for said minerals.

In addition, WNC requires suppliers to promise that products they provide to WNC do not violate WNC's Responsible Minerals Policy Statement by signing a Supplier Quality Agreement, and also requires that suppliers do not conduct business with smelters that are confirmed to have contributed to human rights violations.

Information Disclosure

According to survey results in 2023, there are a total of 220 supply chain smelters used by WNC, of which 195 are RMAP-compliant smelters, four are participating in the RMAP program, and 21 are non-compliant smelters. Of these 21 non-compliant smelters, 19 were previously compliant smelters that became non-compliant during 2023. The remaining two had no record of being listed as compliant smelters in the RMAP during 2023. WNC will continue to monitor the status of these 21 smelters and require suppliers to implement improvements to meet conflict minerals requirements for products they ship to customers.

2023 WNC Supply Chain Smelter Distribution

Region	Gold	Tantalum	Tin	Tungsten	Total
Asia	57	21	25	27	130
Europe	29	3	6	3	41
North America	13	6	3	4	26
South America	4	3	9	2	18
Africa	2	0	2	0	4
Australia	1	0	0	0	1
Total	106	33	45	36	220

2.3.7 Green Supply Chain

To build a green supply chain and respond to international trends and customer needs, WNC actively promotes green products and green production. The Company is also committed to the promotion of green purchasing concepts and actions in the supply chain and the incorporation of green management principles into the supplier management mechanism, to implement source management for manufacturing processes, green product design and hazardous substances of suppliers.

Supplier Quality Agreement

WNC began asking suppliers to sign a Supplier Quality Agreement in 2006. WNC requires suppliers to follow the Environmentally Hazardous Substances Standard Guidelines formulated by WNC, and submit third party testing reports when necessary. In 2023, 41 new suppliers of raw materials and components signed the Supplier Quality Agreement, accounting for 34.5% of all new suppliers added during said year. In the future, we will continue to require all suppliers to sign quality agreement guarantees to ensure that the products designed and manufactured by WNC can meet the requirements of customers and international regulations related to prohibited and restricted substances, and achieve the goal of establishing a green supply chain.

Supplier Environmental Hazardous Substances Compliance Statement

WNC also requires suppliers to sign a Supplier Compliance Statement for the Non-Use Environmentally Hazardous Substances to ensure that products and parts (including accessories, packaging materials and other materials delivered with the product) are in compliance with the Environmentally Hazardous Substances Standard Guidelines and to ensure that products comply with RoHS (Restriction of Hazardous Substances Directive), REACH (Registration, Evaluation, Authorization and Restriction of Chemicals), POPs (Persistent Organic Pollutants) and Batteries (Batteries and accumulators and waste

batteries and accumulators and repealing) regulations, and WNC's banning of substances that are harmful to the environment.

Incoming Inspection Process

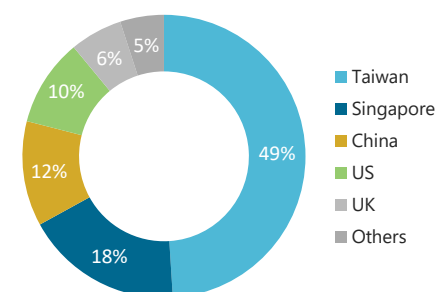
In addition to signing of environmental protection statements, WNC also incorporates the control of hazardous substances into the incoming inspection process. For raw materials that violate regulations on controlled substances, suppliers are required to immediately take corrective and preventive measures to avoid recurrence. The Production Part Approval Process (PPAP) recognizes key components, formulates checklists and regulations, and inspects the source to avoid subsequent production waste and social costs caused by production quality problems.

Local Procurement

Local procurement can support the development of local economies, generate employment opportunities and income, and reduce costs and carbon emissions of transportation. Therefore, WNC establishes a dedicated procurement team for each country/region, responsible for the selection and management of local suppliers. According to the amount of raw materials, components and production consumables purchased by WNC, suppliers in Taiwan are the main suppliers, accounting for 49% in 2023. Other suppliers are located in Asia, Europe and the United States.

50% of WNC headquarters' procurement is with local suppliers in Taiwan while 26% of procurement for WNC's China sites is with local suppliers in China. Currently, most raw materials used in manufacturing in WNC's Vietnam sites come from suppliers in Taiwan and China. Items purchased from local suppliers in Vietnam are mainly production consumables, which only account for 1% of all procurement. As demand for manufacturing in Vietnam is increasing significantly, WNC will continue to evaluate and plan for the establishment of local supply chains.

Location of WNC Suppliers in 2023



2.3.8 Supplier Partnership

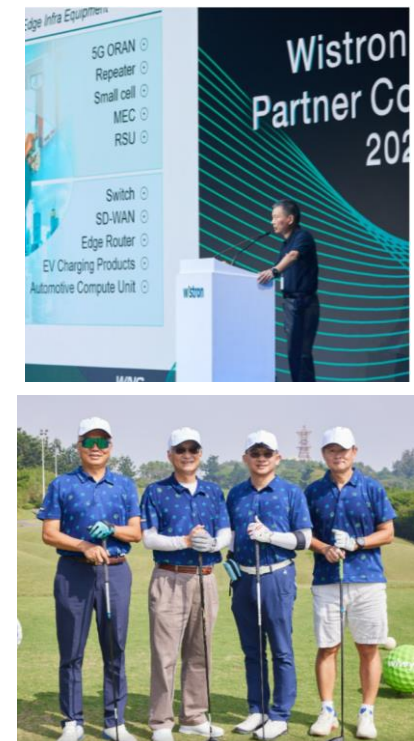
WNC values interactions and learning between suppliers. Apart from hosting routine operational review meetings, WNC commends suppliers who have performed outstandingly or made special contributions during the annual Wistron Group Vendor Conference. In 2023, 108 WNC suppliers attended the Wistron Group Vendor Conference.

WNC joined SBTi and committed to achieving net-zero emissions by 2050, aiming to drive our suppliers to create a low-carbon supply chain together. As a result, WNC held its first Sustainable Supply Chain Conference at its headquarters on December 28, 2023. On the day of the event, in addition to sharing WNC's carbon reduction goals and achievements with suppliers, introducing WNC Supplier Carbon Management Platform, and advocating WNC's carbon reduction requirements for suppliers, industry instructors were invited to conduct training sessions on Global Carbon Reduction Trends and Carbon Footprint Verification/Carbon Footprint. A total of 42 potential high-carbon electromechanical (EM) and mechanical (ME) suppliers attended the event. The overall satisfaction rating for the event was 4.8 out of 5 points. The survey results of the event questionnaire indicate that the top three challenges in supply chain carbon reduction are: The lack of carbon management manpower, inventory technology, and insufficient internal driving force. This outcome will contribute to future efforts in promoting carbon reduction activities across the value chain, aiding the value chain in moving towards net zero in response to international trends.

WNC Sustainable Supply Chain Conference



Wistron Group Vendor Conference

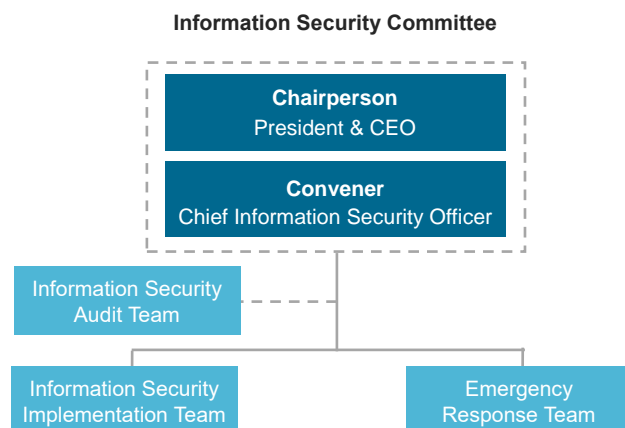


2.4 Information Security

WNC strictly complies with the content and confidentiality commitment set forth in customer contracts. In order to implement the management of confidential information, WNC has established an [Information Security Policy](#) and an ISO/IEC 27001 information security management system and obtained external certifications. WNC (Taiwan), WNC's sites in China and Vietnam, and US and UK subsidiaries have all completed certification, covering 75% of all locations. This ensures the confidentiality, integrity and availability of all information. After the release of ISO 27001: 2022, WNC has been working with external consulting agencies to achieve compliance with this new version and expects to obtain certification in September, 2024.

2.4.1 Information Security Committee

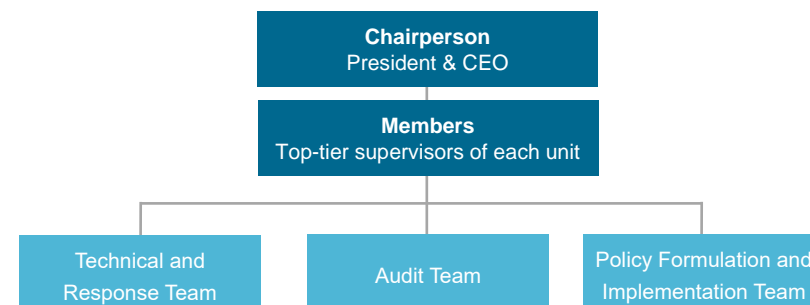
WNC established an Information Security Committee in 2014, composed of top-tier supervisors of each unit, chaired by the President and CEO, and convened by the Chief Information Security Officer (the top-tier supervisor of the Digital Information Management Division). A management review meeting is held every six months. The Committee is responsible for formulating and promoting internal information protection measures, including risk assessment, operational impact analysis, drills of disaster recovery plans, user account permissions review, firewall rules reviews, information security promotion and training, vulnerability scanning, penetration testing, management meetings, and ad hoc social engineering drills. The function teams under the Committee are the Information Security Implementation Team, Emergency Response Team and Information Security Audit Team. The teams are led by the Chief Information Security Officer.



2.4.2 System and Product Information Security Committee

In 2022, to strengthen the resilience of product information security management, a System and Product Information Security Committee was established, which is composed of top-tier supervisors of each unit and chaired by the President. With the establishment of this committee, information security and risk management requirements were expanded to include security issues related to R&D, development, and production. The aim is to avoid potential weaknesses and loopholes in products delivered to customers and reduce the impact of material information security events (e.g., leakage of sensitive data) on business operations. In August 2023, WNC obtained TISAX (Trusted Information Security Assessment Exchange) certification for its automotive information security management system. In November 2023, it achieved ISO/SAE 21434 certification for road vehicles – cybersecurity engineering (passed all stages). In September 2023, WNC initiated the implementation project for IEC 62443-4-1 Product Security Development Lifecycle Management System, and completed certification in April 2024.

System and Product Information Security Committee



2.4.3 Information Security Management System

WNC's information security management measures can be divided into external and internal security management. Externally, firewalls and threat defense systems have been implemented in order to prevent viruses and external hackers from accessing networks. WNC assesses suppliers' security environments and control mechanisms through information security questionnaires and strengthens the mechanism for inspecting customer and supplier personnel or equipment entering the factory. Internally, in response to the requirements of the new version of ISO/IEC 27001: 2022, WNC is conducting a thorough review of existing management, technical, and physical control mechanisms, re-evaluating and identifying the correlation between key core systems and business operations, and reinforcing and implementing control over the overall information/security environment of the enterprise. This is aimed at facilitating compliance, conformity, and adequacy with the new version requirements, thus enhancing the overall information architecture and data security framework protection. In 2023, WNC had no record of any lawsuits related to violations of confidential customer information, and no complaints were received.

Risk Identification

WNC conducts risk assessment operations every six months. Each WNC location proposes risk issues and conducts risk assessments. If the result of the risk assessment exceeds the acceptable risk level, each location identifies and implements risk response measures and proposes improvement or enhancement solutions. For example, WNC may introduce an Instant Messaging (IM) software control solution to reduce the risk of confidential data leakage through instant messaging software in response to customer collaborative requirements. Risk assessment results are reported at the management review meeting of the Information Security Committee. Based on the risk assessment report, the Information Security Committee determines the acceptable level of risk at the company level and serves as the basis for continuous improvement and control.

Targets and Initiatives

WNC conducts information security indicator assessment operations every year to re-evaluate and review the performance of relevant information security and the effectiveness of the information security management system. Information security indicators should include information such as measurement items, methods, time, frequency and responsible personnel to ensure the effectiveness. WNC information security initiatives in the past two years are outlined in the table below. (Some 2024 initiatives were initiated in 2023 and are expected to be completed in 2024).

Key Information Security Work Items in 2023 and 2024

Year	Item
2023	<ul style="list-style-type: none"> ■ Nurture "blue team" information security talent ■ Passed ISO/SAE 21434:2021 - Road Vehicles - Cybersecurity Engineering (ISO/SAE 21434) ■ Obtained TISAX (Trusted Information Security Assessment Exchange) ■ Introduced IEC 62443-4-1 Product Security Management System
2024	<ul style="list-style-type: none"> ■ Continue to strengthen the structure of WNC's information security protection networks ■ Strengthen "blue team" information security talent ■ Expand the scope of application of CISRT & PISRT teams and response mechanisms ■ Expand the scope of application of the information security operations center (SOC) ■ Pass IEC 62443-4-1 Product Security Management System verification ■ Red/blue team assessment

Information Security Training Courses in 2023

Course Name	Participants	No. of times course was held	Total instances of attendance	Training hours	Completion rate
Information security policies and regulations promotion	New employees	1	332	0.5	87.8%
Supply chain information security risks management	Management unit for the establishment and maintenance suppliers of production line machinery	1	662	1.0	91.3%
OT security management and protection	Networked measuring instruments/equipment maintenance unit	1	383	1.0	96.5%
Defenses against social engineering	Employees who fail phishing tests	1	159	1.0	83.2%
Information security general knowledge courses I & II	IDL	1	4,069	0.5	83.8%



3

Protecting The Environment

Environmental Management
Climate Change Response
Environmental Resource Protection
Green Products



Annual Performance



Greenhouse Gas Inventory

Inventory at all WNC sites



Renewable Energy Strategies

Developing green energy procurement strategies at home and abroad: I-REC and self-generated solar power for self-use



Science Based Targets initiative (SBTi)

- WNC joined SBTi in the third quarter of 2023
- WNC is committed to achieving a 42% absolute reduction by 2030 with 2022 being the base year



Green Buildings

S3 obtained EEWH certification



Product Carbon Footprint Inventory

- Nurture all manufacturing sites and business groups to have the ability to perform carbon footprint inventory
- Establish a carbon footprint database



TCFD Report

Publish an independent TCFD Report and pass the third-party evaluation by SGS, obtaining the TCFD Performance Evaluation - Benchmark evaluation statement.



Green Product Design

- Set green design standards and forming a sustainable products team to promote project progress
- Set quantitative indicators for green products, and communicate and share regularly



Sustainable Supply Chain Management

Implement a supplier sustainability management system



Energy Management Platform

S3 introduced an energy management platform



Supply Chain Management

Develop a supply chain carbon management system



RE100

- Joined RE100
- Ratio of renewable energy use at all sites reached 16.02%

Material Topics and Goal Management

Material Topic	Performance Indicators	2023 Results		Future Goals			Corresponding SDGs
		Target	Results	Short-term 2024	Mid-term 2025	Long-term 2030	
Climate Strategy	2023 Renewable Energy Use Rate	10%	16.02%	20%	25%	50%	7.2 Increase substantially the share of renewable energy in the global energy mix.
	Absolute reduction of Scope 1 and Scope 2 GHG emissions taking 2022 as the base year	-5.25%	-10.63%	-10.50%	-15.75%	-42.00%	13.2 Integrate climate change measures into national policies, strategies and planning.
	Biodiversity Programs	-- (New Target)	Join the Taiwan Nature Positive Initiative (TNPI)	<ul style="list-style-type: none"> WNC Forestry Project: Drawing on previous experience to increase tree planting and size of area restored Continue to work with NTU to implement native trees survey, monitoring and restoration effectiveness tracking 			15.1 Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands.
Green Products	Product Carbon Footprint Inventory	Target achieved	Carbon footprint inventory completed for 4 products	Carbon footprint inventory completed for 16 products	Carbon footprint inventory completed for 30 products	Carbon footprint inventory completed for 50% of the revenue-contributing products	13.2 Integrate climate change measures into national policies, strategies and planning.
	Establish low carbon materials selection mechanism	-- (New Target)	--	Build a carbon emissions database for components	<ul style="list-style-type: none"> Link component BOMs to the emissions database Introduce low carbon materials selection for new products 	Implement low carbon materials during product design to aid in estimation of product carbon footprints	
Environmental Management ^{Note 1}	Energy use intensity has dropped compared to previous year ^{Note 2}	-- (New Target)	-8.13%	-3%	-2%	-1%	7.3 Double global energy efficiency improvement rate
	Water usage intensity reduction compared to 2020 ^{Note 3}	-12%	-26.87%	-12.5%	-13%	-18%	13.2 Integrate climate change measures into national policies, strategies and planning.
	Current year waste recycling rate	85%	87.30%	87%	90%	90%	
	Waste generation intensity reduction compared to 2021 ^{Note 4}	-5%	-11.76%	-8%	-10%	-10%	

Note 1: The goals listed here do not apply to WNC subsidiaries in the US, UK, Germany and Japan.

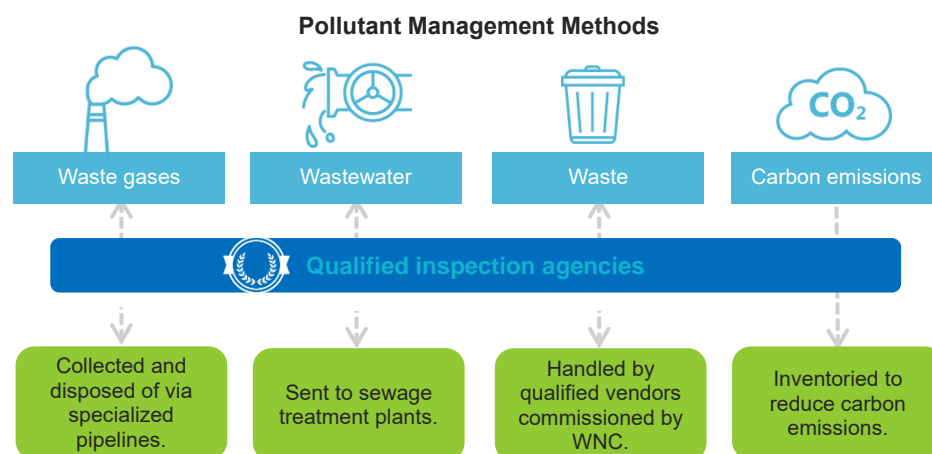
Note 2: Energy usage intensity (MWh/million NT\$) is obtained by dividing energy consumption by consolidated revenue.

Note 3: Water usage intensity (cubic meters/million NT\$) is obtained by dividing water usage by consolidated revenue.

Note 4: Waste generation intensity (tonnes/million NT\$) is obtained by dividing the amount of waste generated by consolidate revenue.

3.1 Environmental Management

WNC is part of an R&D and technology intensive industry. Since our processes only comprise SMT (Surface Mount Technology), precision assembly, testing and R&D, pollutants from operations such as waste gases, wastewater, and waste are all properly collected and processed. We continue to implement waste recycling and reuse, energy and resource management, and green product design to reduce impact on the environment.



3.1.1 Environmental Policies and Management Systems

WNC pays close attention to global environmental protection issues and trends. Apart from observing local regulations at our operation sites and establishing environmental and green product management systems with suppliers based on customer requirements, we have also implemented measures in our work environments to conserve energy and reduce our carbon footprint to ensure the effective use and management of limited resources. We have established [Environmental Sustainability Policy](#), [Energy Management Policy](#), and [Water Resource Management Policy](#) to implement related measures and conduct internal audits and third-party verification every year to ensure compliance with ISO 14001, ISO 14064, ISO 50001, IECQ QC080000, FSC™ CoC, and other related environmental regulations.



Environmental Sustainability Policy

- WNC is committed to achieving net-zero and 100% renewables usage. WNC's operational activities are based on ensuring compliance with international and local environmental and energy-related policies, standards and laws. The company is committed to climate change mitigation and adaptation, increasing energy efficiency and use of renewable energies, resource recycling and ecological conservation as main development focuses. Environmental performance indicators have been created to implement environmental protection concepts such as carbon reduction, energy conservation, waste reduction, and to strengthen pollution prevention and controls at every site, including in production and manufacturing, products and services, and transportation and distribution.
- In its provision of products and services WNC considers the potential impact on the environment from a life cycle perspective, does not use banned or restricted substances, and replaces raw materials that might have a negative impact on the environment.
- WNC prioritizes projects based on its evaluation of environmental aspects with the objective of reducing the environmental impact of its operations. The company continuously improves its environmental management systems, and has also created short-, mid-, and long-term action plans in pursuit of environmental sustainability.
- To ensure that this policy is understood by all stakeholders, WNC provides comprehensive training to employees on environmental protection concepts, and also communicates with all customers, suppliers, contractors and other value chain partners via consultation, evaluation, and audits, on environment-related issues, listing them as important evaluation items when it comes to mergers and acquisitions.
- This policy will come into effect on approval by the Board of Directors, the same applies to any amendments.

3.1.2 Environmental Information Disclosure

WNC continues to participate in CDP supply chain programs. In 2023, we scored a B rating in the questionnaires for “climate change” and “water security”, respectively, which is higher than the industry average. Every year, WNC reviews the items that require improvement according to CDP feedback and formulates improvement measures.

WNC's 2023 CDP scores		
Rating ^{Note}	Climate change questionnaire	Water security questionnaire
WNC	B	B
Industry average	C	C
Asia average	C	C
Global average	C	C

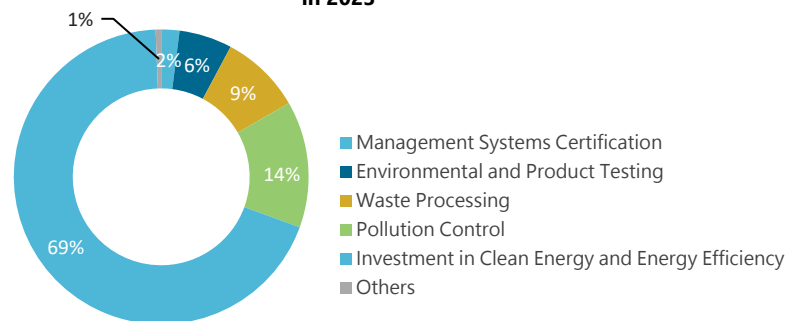
Note: CDP classifies WNC as being in the electrical & electronic equipment industry category; Asian and global averages do not take industry categories into account.

3.1.3 Environmental Protection Expenditure

Environmental Protection Expenditure on Operational Management

WNC not only promotes environmental conservation programs at each of its sites but has also actively participated in climate advocacy initiatives, seminars, and workshops in recent years, collectively contributing to carbon reduction efforts. In 2023, we allocated a total of NT\$ 104,159,943 for environmental projects, accounting for 0.1% of that year's revenue. Notably, approximately 70% of the environmental expenditure was allocated to clean energy and energy-saving initiatives.

Proportion of Operations-related Environmental Protection Expenditure in 2023



Environmental Protection Expenditure on Product R&D

In product research and development, a total of NT\$10,007,084 was invested in the development, procurement, and production of environmentally friendly products. This

investment primarily focused on green packaging, increasing the proportion of Post-Consumer Resin (PCR) usage, and promoting energy-saving product development projects.

Office Supplies and Equipment Green Purchasing

Furthermore, in response to the Ministry of Environment's advocacy for green purchasing, WNC prioritizes the selection of office supplies and information products that comply with the Ministry of Environment's definition of green purchasing and that have obtained domestic and international environmental product certifications. These items include paper towels, electrical equipment, laptops, etc. In 2023, the total green purchasing expenditure for Taiwan sites amounted to NT\$37,019,738, accounting for 91% of the total expenditure on office supplies and equipment purchasing.

2023 WNC Environmental Protection Expenditures on Operational Management^{Note}
(unit: NT\$)

Item	Amount
Environmental Management Systems Certification	2,079,847
Environmental and Product Testing	6,050,539
Waste Processing	9,227,460
Pollution Control (Air, Land, Water)	14,476,203
Investment in Clean Energy and Energy Efficiency (Solar Energy, Energy Management Platforms, Energy-saving Measures, etc.)	71,697,694
Other	628,200
Total	104,159,943

Note: Listed some of the readily estimable financial cost disclosures; does not include expenditures on green purchasing and environmental research and development.

2023 WNC Environmental Protection Expenditure on Product R&D at Taiwan Sites
(unit: NT\$)

Item	Amount
Green Packaging R&D Projects	7,853,750
PCR Development and Implementation Project	1,800,000
Energy-saving Product R&D Project	353,334
Total	10,007,084

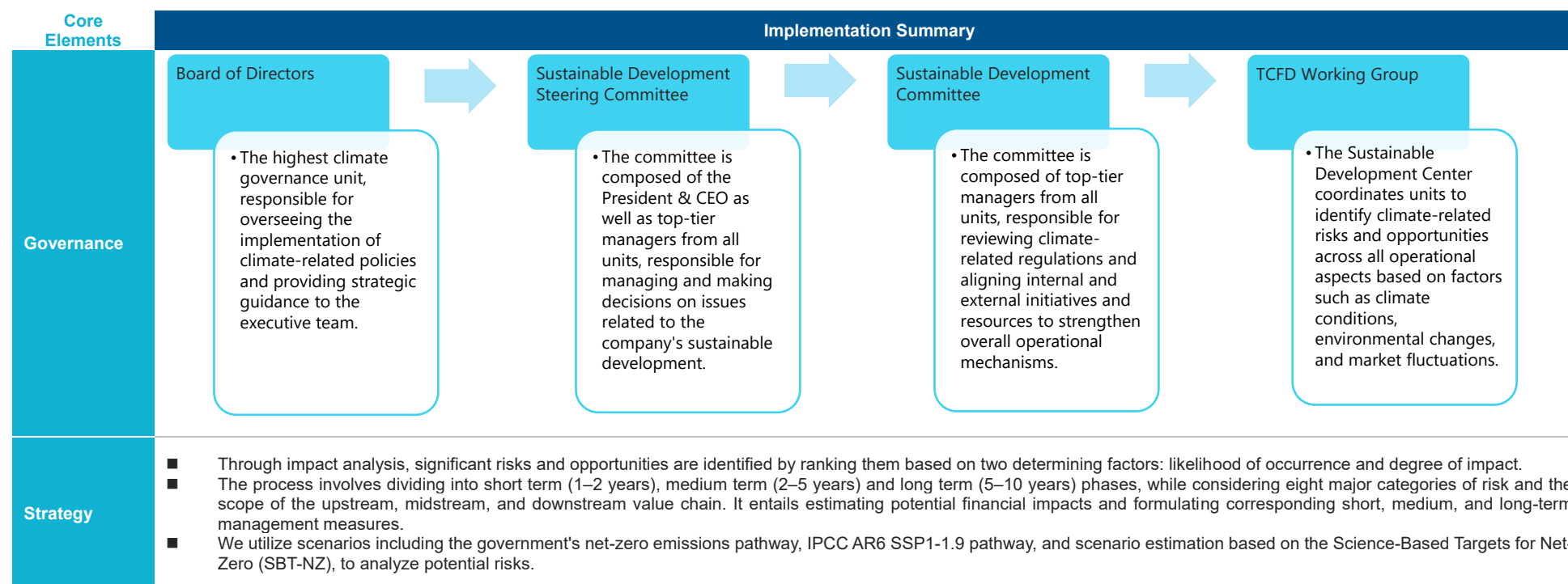
3.2 Climate Change Response

In recent years, affected by climate change, the world has experienced rising average temperatures, increased frequency of extreme weather events such as storms, blizzards, and droughts. They bring a range of challenges to corporations by affecting business operations and production activities, causing property losses and threatening the health and safety of employees. Faced with climate-related challenges, enterprises around the globe as well as their supply chains need to confront climate issues more seriously and enhance their resilience and ability to respond to climate change.

3.2.1 Climate-Related Financial Disclosures (TCFD)

Following the introduction of the TCFD framework in 2021, WNC added its signature to the TCFD official website in 2022. In addition to urging the industry, companies, and the public to focus on climate change issues, WNC is also committed to the continued improvement of the quality of information disclosure on its handling of climate related issues. WNC regularly convenes working groups to review changes in climate risks and opportunities relating to climate risks.

Based on the framework guidelines, we categorize issues into five main areas: energy resources, administration and assets, markets and business, products and technology, and supply chain management to identify potential climate risks and opportunities related to each topic and their materiality, and formulate management strategies for major climate risks and opportunities. Through scenario analysis, we quantify the financial impact to the company of these risks and opportunities, evaluating their effect on company strategy under different scenarios. For details, please refer to [WNC's 2023 TCFD Report](#).



Strategy

No.	Major Climate Risks ^{Note 1}	Potential Financial Impact	Response Measures	Management Cost ^{Note 2} (unit: NT\$)
R1	Transition Risks - Government Regulations GHG emissions regulations	Expanding the scope of greenhouse gas inventories leads to increased operating costs.	Greenhouse Gas Management: Establish a global inventory of GHG emissions for all WNC sites, stay updated on government policies and implement GHG emissions reduction initiatives. Progress on these initiatives is reviewed quarterly by the Sustainable Development Committee.	The annual expenditure for greenhouse gas verification and counseling, as well as the usage fees for related management systems, is approximately NT\$1.13 million.
R2	Transition Risks - Government Regulations Renewable energy regulations	Installation and maintenance requirements of solar panels lead to direct cost increases.	<ul style="list-style-type: none"> ■ Energy Management: Introduce the ISO 50001 energy management system and continue to promote energy-saving initiatives to enhance equipment energy efficiency. ■ Renewable Energy: Formulate a long-term strategy for renewable energy, and gradually increase the number of solar panels installed in WNC sites to achieve the goal of 100% renewable electricity. 	Annual expenditure for installation, maintenance, and platform usage fees for renewable energy equipment is approximately NT\$9.16 million.
R3	Transition Risks - Government Regulations Conventions or agreements on climate change mitigation and adaptation	Complying with international net-zero goals results in increased expenditure on carbon reduction implementation.	<ul style="list-style-type: none"> ■ Participating in climate advocacy initiatives: Joining international carbon reduction organizations such as SBT and RE100 aligns our corporate sustainability goals with global objectives. ■ Climate-related information disclosure: Participating in international rankings and connecting with global resources, we annually publish a Sustainability Report and TCFD Report to enhance our ability to disclose climate-related information. 	<ul style="list-style-type: none"> ■ Energy-saving investment: Renewable energy purchasing, energy-saving equipment, and related manpower costs, amounted to approximately NT\$24 million in 2023. ■ Participation in initiatives: The annual membership fee for related initiatives is approximately NT\$180,000. ■ Verification support: The execution of ISO management system updates, as well as guidance on SBTi and TCFD, amounted to approximately NT\$2.63 million in 2023.
R4	Transition Risks - Government Regulations Self-declared commitments and targets relating to GHG emissions			
R5	Transition Risks - Market Customers have different considerations than before when choosing products or services	Decreased product orders and additional communication costs with clients lead to increased costs.	Relevant Regulations and Trends Monitoring: Based on international trends and related regulations, customer environmental goals and practices, customer requirements for overall suppliers and WNC, and information on practices of industry benchmark enterprises, we formulate or adjust WNC's strategies and practices.	Industry market research reports and human resources investment amounts to approximately NT\$6 million annually.
R6	Transition Risks - Market It is difficult to grasp the market demand for future products or services			
R7	Transition Risks - Company Reputation Customers begin to prefer or reject specific products and services			

Strategy	No.	Major Climate Risks ^{Note 1}	Potential Financial Impact	Response Measures	Management Cost ^{Note 2} (unit: NT\$)	
	R8	Physical Risk - Immediate Risk Extreme rainfall and drought	Extreme rainfall can lead to flooding, resulting in damage to production sites, employees being unable to work, and interruptions in the supply chain. Droughts may also affect water usage in manufacturing processes.	<ul style="list-style-type: none">Water Resource Management: Install monitoring devices to regularly inspect water usage and identify areas for improvement, thereby promoting water-saving and water recycling measures.Waste Management: Apart from recycling metal scrap, WNC has fully implemented recycling and reuse projects.Response and Prevention: Establish a disaster recovery organization and convene emergency meetings to assess the severity of the incident and initiate recovery operations. Simultaneously, plan backup production and material risk diversification measures, and conduct regular internal process drills.	Response Measures: The annual expenditure for regular risk assessment costs, emergency response equipment, monitoring management platforms, and education and training plans related to business continuity planning is approximately NT\$13.66 million.	
	R9	Physical Risk - Long-term Risks Average temperature changes	Prolonged high temperatures may lead to increased electricity demand and higher water usage for cooling towers.			
	No.	Major Climate Opportunities	Potential Financial Impact	Management Measures	Management Cost ^{Note 2} (unit: NT\$)	
	O1	Products and Services Low carbon products or services	Launching low-carbon products leads to increased revenue.	Low-carbon Technological Innovation: Align with the global trend of low-carbon and net-zero emissions, we explore potential applications for wireless communications technologies (e.g., products relating to Mobility as a Service). At the technological development level, we continue to allocate research and development resources to product technologies, implement green design concepts, and develop low-energy technologies and systems to enhance the competitiveness of said products. Green products: We integrate eco-design and incorporate green management principles into supplier management mechanisms.	For green product design, we are driving a carbon footprint project, with an investment of approximately NT\$1.38 million in 2023. Total investment in environmental research and development is approximately NT\$10 million.	
	O2	Adaptation and Solutions Products or services that contribute to climate adaptation and climate solutions	Expanding the application scope of network communication products brings new business opportunities.			
	O3	R&D Innovation Innovative processes that change the way services are provided	Developing low-energy technologies or systems can help reduce production costs.			
	O4	Operations Diversification Provide more low-carbon products and services				
	Note 1: Through a dual assessment of likelihood of occurrence and degree of impact, there are currently no significant physical risks associated with WNC's owned or leased premises. However, considering the uncertainty of climate disasters, the most frequently occurring rainfall disasters in Taiwan and global concerns about water resources are also included in significant issue management.					
	Note 2: Management costs are calculated based on internal company data, with some clearly estimable financial costs listed for calculation.					
Risk Management	<ul style="list-style-type: none">Identification and Evaluation Process: The Working Group collects internal and external issues related to macroeconomics, industry and technology, customers and markets, supply chains, internal personnel, and operational processes to conduct a risk and opportunity identification and assessment process based on the members' duties, expertise and experience, ranking them based on two determining factors: likelihood of occurrence and degree of impact.Integration with the Organizational Risk Management Mechanism: Manage risks related to corporate operations in accordance with the existing organizational structure, internal controls and management mechanisms. Each business unit and functional unit are responsible for identifying risks in their respective areas and formulating management strategies and response measures for prevention, reduction, or transfer of risks.					
Metrics and Targets	<ul style="list-style-type: none">Scope 1, 2 and 3 GHG Reduction Goals: Reduction goals are set according to the Science-Based Targets (SBT), aiming to align with the Paris Agreement and be consistent with net-zero goals by 2050. Additionally, Scope 3 emissions accounting is included to further expand WNC's emissions reduction scope, thus achieving more comprehensive sustainability goals.Energy Conservation and Renewable Energy Usage Goals: Joining the RE100 initiative, we aim to enhance energy efficiency and increase the proportion of renewable energy use annually.Other Climate-related Management Goals: We have established management objectives for aspects such as water resource use, waste management, biodiversity, and green product design to ensure comprehensive management of the impacts of climate change on our business and supply chain. We promote practices that contribute to sustainable development and environmental protection.					

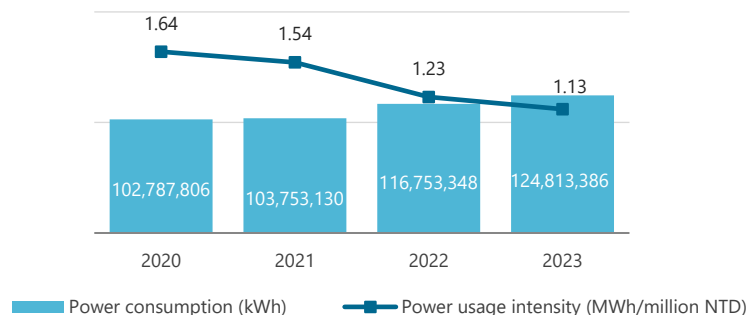
3.2.2 Energy Management

We have implemented an energy management system to continuously improve our energy efficiency by monitoring energy usage, setting energy-saving goals, and implementing energy-saving measures. This not only helps reduce energy consumption and greenhouse gas emissions but also lowers operational costs.

Energy Usage

WNC's main energy source across its sites is electricity, accounting for approximately 98.79% of its usage, with the remaining 1.21% coming from diesel, gasoline, and a small amount of natural gas. The usage of diesel primarily includes two aspects: At sites in Taiwan and Vietnam, a small amount of diesel fuel is used to power emergency generators during power outages. At sites in China, due to low winter temperatures, diesel fuel is used for heating. Currently, the usage of diesel is primarily to ensure energy supply stability and operational continuity in specific situations. Meanwhile, we are exploring alternative solutions to further reduce our reliance on diesel and promote more environmentally friendly energy usage. Natural gas is only used in the employee cafeterias at certain sites in Taiwan.

WNC's power usage and power usage intensity for the most recent four years^{Note}



Note: The power usage intensity goals listed here do not apply to WNC subsidiaries in the US, UK, Germany and Japan. The power consumption data in this table does not include WNC subsidiaries in the US, UK, Germany and Japan.

Renewable Energy

Increasing the proportion of renewable energy usage is a key strategy for WNC's carbon reduction efforts. We not only continue to expand self-generated solar power installations but also plan to incrementally increase the proportion of renewable energy usage through long-term green energy purchasing contracts and Renewable Energy Certificates (RECs). WNC became a member of RE100 in 2023, making it the first network communications company in Taiwan to join the initiative. We aim to lead the value chain in responding to this initiative and collectively work towards achieving 100% renewable electricity usage by 2040.

In recent years, WNC installed additional rooftop solar panels at its primary production sites, and a further plan involving the installation of additional solar panels at plants in Kunshan and new installation of solar panels at the plant in Vietnam was realized in 2022. These panels began generating power by the end of 2022. By the end of 2023, our new S3 plant commenced usage of solar panels. We are also continuously evaluating the feasibility of installing additional solar panels at other plants.

Up until now, WNC's solar farms have a total installed capacity of 7.3 MW and have generated a total of 7,000,939 kWh of electricity, 5,320,038 kWh of which was for self-use. In addition, WNC has also purchased International Renewable Energy Certificates (I-REC). The ratio of renewable energy use to total energy usage at WNC was 16.02% in 2023, meeting the goal for the year.



Solar panels installed at WNC sites in China



Solar power monitoring system used at WNC sites in China



Solar panels installed at WNC sites in Vietnam



Solar panels installed at S3 Plant

WNC's energy usage in the most recent four years^{Note 1}

Item			Unit	2020	2021	2022	2023
Electricity	Purchased power ^{Note 2}	Purchased non-renewable energy (A)	Kilowatt hours (kWh)	102,418,722	103,360,665	109,001,232	105,000,900
			Gigajoule (GJ)	368,707	372,098	392,404	378,003
		Purchased renewable energy (B)	(kWh)	0	0	6,800,000	15,000,000
			Gigajoule (GJ)	0	0	24,480	54,000
	Solar Power	Self-generated renewable energy for self-use (C)	(kWh)	369,084	392,465	952,116	5,320,038
			Gigajoule (GJ)	1,329	1,413	3,428	19,152
Total power consumption			Kilowatt hours (kWh)	102,787,806	103,753,130	116,753,348	125,320,938
			Gigajoule (GJ)	370,036	373,511	420,312	451,155
Energy usage percentage ((B+C) / (A+B+C))			%	0.36%	0.38%	6.64%	16.21%
Diesel ^{Note 3} (D)			Kilowatt hours (kWh)	365,485	2,695,473	1,559,194	871,618
			Gigajoule (GJ)	1,316	9,704	5,613	3,138
Natural gas ^{Note 3} (E)			Kilowatt hours (kWh)	244,425	306,432	338,932	374,980
			Gigajoule (GJ)	880	1,103	1,220	1,350
Gasoline ^{Note 3} (F)			Kilowatt hours (kWh)	228,603	188,314	197,999	291,482
			Gigajoule (GJ)	823	678	713	1,049
Total renewable energy usage (B+C)			Kilowatt hours (kWh)	369,084	392,465	7,752,116	20,320,038
			Gigajoule (GJ)	1,329	1,413	27,908	73,153
Total non-renewable energy usage (A + D + E + F)			Kilowatt hours (kWh)	103,257,236	106,550,883	111,097,356	106,538,980
			Gigajoule (GJ)	371,726	383,583	399,950	383,540
Total energy usage			Kilowatt hours (kWh)	103,626,320	106,943,348	118,849,472	126,859,018
			Gigajoule (GJ)	373,055	384,996	427,858	456,692

Note 1: The scope of the power consumption calculations covers WNC headquarters, S1, S3, WNC (Kunshan), Wistron NeWeb (Kunshan), WebCom Communication (Kunshan), WebCom Communication (Kunshan) – Nanjing Branch, Vietnam plant, and WNC subsidiaries in the US, UK. Subsidiaries in Germany and Japan adopt a work-from-home model and are therefore not included in the calculation.

Note 2: Purchased power statistics for WNC are compiled based on the utility billing cycle. Purchased power = Purchased non-renewable energy + purchased renewable energy (I-REC).

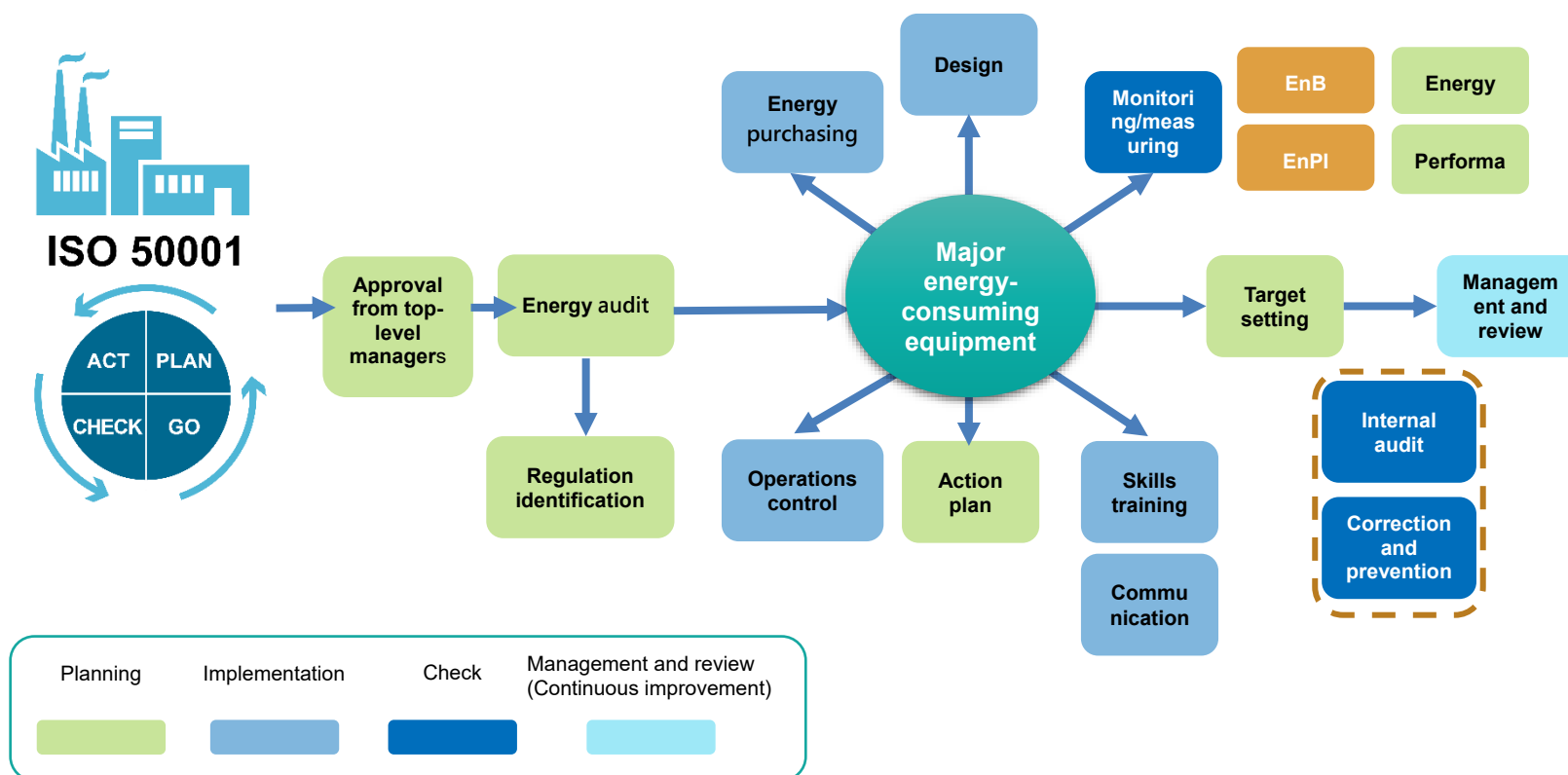
Note 3: According to the Heat Content of Energy Products table and the Abbreviation & Equivalents of Energy Units table in [the Energy Statistics Handbook 2022 published by the Bureau of Energy](#), one liter of diesel oil generates 9.7692 kWh or 0.0351 GJ of power, one cubic meter of natural gas generates 10.4670 kWh or 0.0377 GJ of power, and one liter of gasoline generates 9.0714 kWh or 0.0326 GJ of power.

Energy Conservation Management

In addition to enhancing the energy resource use efficiency of our product design, R&D and production processes, we have also implemented energy conservation and carbon reduction measures at our sites. These measures include recording and analyzing daily energy consumption, improving electricity usage efficiency, improving piping and electrical wiring, improving and/or replacing old facility equipment, and implementing energy conservation programs.

WNC has implemented the ISO 50001 energy management system at all sites. Following the ISO 50001 management system framework, we carry out a process of identifying major energy-consuming equipment. We list energy-saving action plans for each site, regularly engaging departments internally for discussions. We establish clear improvement plans for lighting power, ventilation, air conditioning, and air compression systems. Finally, we conduct internal energy management reviews to evaluate the effectiveness of implementation, continuously refining our management procedures and improvement measures for the next fiscal year. Additionally, we conduct annual energy-saving education and internal audit activities at each site. These initiatives aim to continuously educate and update our employees on energy-saving concepts, contributing together to the sustainable development of the company.

Energy Audit Flowchart



WNC's energy-saving measures in the most recent four years^{Note 1}

System	Item	Unit	2020	2021	2022	2023
Illumination	Energy conservation plans	No. of plans	9	3	5	22
	Electricity saved	Gigajoule	41	51	101	3,462
	Carbon reduction	tonnes CO ₂ e	6	9	19	536
	Amount invested	(thousand NT\$)	109.4	0	0.9	0.5
Exhaust	Energy conservation plans	No. of plans	6	12	5	4
	Electricity saved	Gigajoule	988	998	3,528	1,402
	Carbon reduction	tonnes CO ₂ e	140	141	674	192
	Amount invested	(thousand NT\$)	555	2,721.7	7,915.3	880
Air conditioning	Energy conservation plans	No. of plans	3	11	17	15
	Electricity saved	Gigajoule	1,271	3,188	12,041	2,707
	Carbon reduction	tonnes CO ₂ e	182	470	2,124	411
	Amount invested	(thousand NT\$)	14.0	5,190.2	11,249.6	3,796.1
Air compression	Energy conservation plans	No. of plans	4	9	8	4
	Electricity saved	Gigajoule	1,332	6,713	2,746	602
	Carbon reduction	tonnes CO ₂ e	192	1,029	420	87
	Amount invested	(thousand NT\$)	2,331	7,438.7	6,979	14.5
Manufacturing process	Energy conservation plans	No. of plans	4	3	5	3
	Electricity saved	Gigajoule	184	1,127	1,641	364
	Carbon reduction	tonnes CO ₂ e	26	193	247	50
	Amount invested	(thousand NT\$)	0	0	10,369.8	50
Other ^{Note 2}	Energy conservation plans	No. of plans	4	3	14	5
	Electricity saved	Gigajoule	69	621	1,660	247
	Carbon reduction	tonnes CO ₂ e	10	106	268	34
	Amount invested	(thousand NT\$)	7	0	1,924.5	632
Total	Energy conservation plans	No. of plans	30	41	54	53
	Electricity saved	GJ	3,885	12,698	21,717	8,784
	Carbon reduction	tonnes CO ₂ e	555	1,948	3,752	1,310
	Amount invested	thousand NT\$	3,016.4	15,350.6	38,439.2	5,373.1

Note 1: The amount of electricity saved is estimated based on the running hours of the equipment as well as the difference in power usage before and after improvements were made to the equipment.

The amount of carbon emissions reduction is calculated annually using the latest carbon emission factors. Additionally, different electricity carbon emission factors are adopted for this calculation based on the implementation region of the energy-saving program. Carbon emission factors used in 2023:
Taiwan sites: 0.494 kgCO₂e/kwh
China sites: 0.5568 kgCO₂e/kwh
Vietnam site: 0.6766 kgCO₂e/kwh

Note 2: Other energy-saving measures mainly include replacing old equipment with energy-efficient models and virtualizing machinery.

Project Spotlight 1: Installation of Energy Management Platform and Related Modules Development and Application

S3 Plant was completed and put into operation in 2023, planned as a smart factory area, aiming to enhance the efficiency of energy data collection and optimize energy allocation through comprehensive infrastructure construction. The plant has installed multiple circuit meters, with over 100 meters installed, and has set up an energy management platform along with the development of related modules and applications. These include not only plant facilities but also major production equipment. Currently, the main applications focus on energy-saving measure management and tracking abnormal power consumption, effectively reducing unnecessary energy losses. Currently, we are planning and developing related modules. In terms of factory power consumption, efficiency indicators can be established for the chiller and air compressor systems, which are the two largest energy-consuming equipment types in the facility. In terms of manufacturing process electricity usage, we integrate production data to generate daily unit energy consumption reports for each product. This allows us to identify exemplary machines with high output and low energy consumption. Additionally, we evaluate the replacement of aging equipment with low output and high energy consumption. In the alarm dispatch module, we define alert thresholds based on equipment characteristics and past operational records. When abnormal electricity usage occurs, an alert notification is immediately sent to the responsible unit, allowing prompt corrective action to be taken at the source.

Project Spotlight 2: Introducing Green Buildings at Our New Sites

When the S3 Plant was planned and constructed in 2019, the core concepts of the company's sustainable development was the initial consideration. It was designed following the standards of green building certification, taking into account four major aspects: ecology, energy conservation, waste reduction, and health. Based on these, strict standards were developed according to nine major indicators for evaluation, aiming to create a building with minimal consumption of the Earth's resources, minimal waste generation, and ecological, energy conservation, and health characteristics. The S3 Plant was planned to obtain bronze level Taiwan Green Building Label (EEWH) Certification. In 2021, it received the Candidate Green Building Certificate (Bronze Level), with the aim of obtaining the certificate in 2024, becoming WNC's first green factory. It is hoped that this project experience can be continued and applied to future new plant construction. The second phase of the Vietnam plant was built with the aim of achieving the silver level requirements of the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) certification program in 2023.

At the same time, we continue to promote energy conservation and carbon reduction in our daily operations. In addition to encouraging the use of online meetings instead of physical ones and opting for low-carbon transportation methods for commuting or business trips, we have also set up bicycle-exclusive parking areas in parking lots.

Beneficial Impact of Green Buildings at WNC's S3 Site

Indicator Items	Item
Ecological Greenification	Increase the overall greenification area and plant biodiversity.
Water Retention	Permeable bricks are used at sites to increase water retention.
Daily Energy Conservation	<ul style="list-style-type: none"> ✓ The building utilizes Low-E (Low-Emissivity) glass, which reduces solar heat gain during summer, thereby saving air conditioning costs. In winter, far-infrared heat radiation emitted by indoor heating, human bodies, and other indoor objects reflect back heat ensuring that indoor heat is not lost to the outside. This effectively reduces heating energy consumption and saves heating costs. ✓ Roofs are constructed with PS panels and heat-insulating paint to enhance insulation and energy efficiency for air conditioning. Additionally, solar panels are installed to provide self-generated power for the plant. ✓ LED lighting fixtures with energy-saving labels are selected for illumination within the plant.
Green Transport	The site provides parking spaces for electric cars and motorcycles, and plans to install charging stations for both.
Carbon Dioxide Reduction and Waste Reduction	During the construction period, the concrete mix ratio, selection of materials for interior partition walls, as well as earthmoving trucks and machinery entering and exiting the plant process are all strictly controlled, including cleaning, decontamination, sludge settling, drainage measures, etc. In addition, according to the park regulations, air pollution fees are paid, and earthwork is transported to designated areas.
Water Resources	Sanitation equipment is selected with water-saving labels and water recycling and filtration systems are installed for plant irrigation within the plant.
Indoor Air Quality Management	Install carbon monoxide sensors in the basement and carbon dioxide sensors in the production operational areas to continuously monitor the concentration of these gases in the respective areas. This setup enables the ventilation equipment to adjust air quality as needed.
Indoor Environment	Select factory building materials that are eligible for green building material certification, including cement paint, mineral wool ceilings, and calcium silicate boards.
Employee Leisure and Health Management	Establish medical rooms, reading rooms, recreation center, and yoga rooms within the plant to provide employees with leisure activity spaces and to take care of their physical and mental well-being.

3.2.3 Greenhouse Gases Management

Greenhouse Gas Inventory

WNC has referenced ISO 14064-1: 2018 and the GHG Protocol to set organizational boundaries according to operational control laws. We established 2022 as the base year to calculate our greenhouse gas emissions and for verification purposes. In 2023, WNC formulated goals superior to those initiated by the Financial Supervisory Commission in 2022 in the TWSE Listed and TPEX Listed Companies Sustainable Development Roadmap, accelerating the process of greenhouse gas inventories. By the end of January 2024, the greenhouse gas inventory operations for all existing sites had been completed, and verification of greenhouse gas inventory for WNC and all companies included in its consolidated financial statements are expected to be completed in 2024.

In 2023, our Scope 1 direct greenhouse gas emissions were 1,831.52 tonnes CO₂e, Scope 2 (market-based) indirect greenhouse gas emissions were 55,108.07 tonnes CO₂e, and Scope 3 indirect greenhouse gas emissions were 3,708,933.68 tonnes CO₂e. The 2023 GHG inventory result has been verified by a third-party agency, and a verification statement has been obtained.

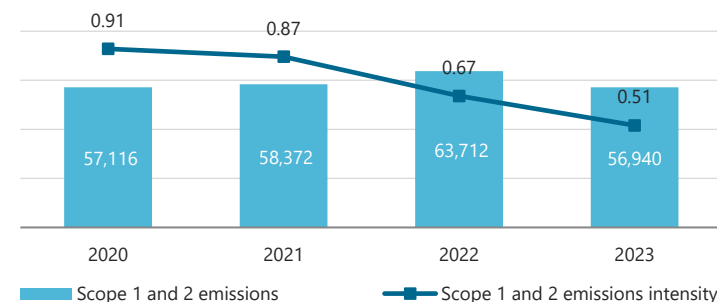
Joining the Science Based Targets Initiative (SBTi)

In response to international sustainability trends, WNC signed the Science Based Targets initiative (SBTi) commitment letter in 2023. Using 2022 as the base year, WNC has pledged to achieve a 42% reduction in Scope 1 and Scope 2 emissions by 2030 and reach net-zero emissions by 2050. To meet the goals set by SBTi and address carbon reduction demands, we have conducted a comprehensive inventory of greenhouse gas emissions across all sites.

For detailed energy-saving measures, please refer to section 3.2.2 Energy Management in this Report.

WNC's Scope 1 and Scope 2 (market-based) Greenhouse Gas Emissions in recent years

(Unit for calculating total emissions: tonnes CO₂e; emissions intensity: Tonnes CO₂e/million NTD)



WNC's Scope 1 and Scope 2 Greenhouse Gas Emissions for the most recent four years^{Note 1} (Unit: tonnes CO₂e)

Category		2020	2021	2022	2023
Scope 1 emissions	Stationary combustion, mobile combustion, manufacturing process emissions, and fugitive emissions	1,433.82	2,668.02	2,361.30	1,831.52
Scope 2 emissions	Location-based ^{Note 2}	55,681.72	55,704.14	65,301.24	65,257.07
	Market-based			61,350.44	55,108.07
Total				67,662.54	67,088.59
				63,711.74	56,939.59

Note 1: In 2023, the scope of the GHG emissions calculations covered WNC headquarters, S1, S3, WNC (Kunshan), Wistron NeWeb (Kunshan), WebCom Communication (Kunshan), WebCom Communication (Kunshan) - Nanjing Branch, Vietnam plant, and WNC subsidiaries in the US and UK.

Note 2: In 2023, the emission factors for Scope 1 were sourced from the Environmental Protection Agency's announced Greenhouse Gas Emission Factor Table (6.0.4), with the latest AR6 values selected for all greenhouse gases' Global Warming Potential (GWP) values. The carbon emission factors for Scope 2 were derived from the latest values announced by the local government.

WNC's Scope 3 Greenhouse Gas Emissions^{Note} in the most recent three years (Unit: tonnes CO₂e)

Category		2021	2022	2023
Greenhouse Gas Inventory Standard ISO 14064-1: 2018	GHG Protocol			
Category 3: Indirect GHG emissions from transport	Upstream transportation and distribution	-	191,337.41	469.96
	Downstream transportation and distribution			47,383.64
	Business travel	26.69	317.94	697.94
	Employee commuting	-	539.66	711.59
Category 4: Indirect GHG emissions from products used by the organization	Purchased goods and services	-	-	2,525,063.79
	Capital goods	-	-	110,307.55
	Fuel- and energy-related activities (not included in Scope 1 and Scope 2)	2,560.04	3,091.04	11,344.47
	Waste generated during operations	92.00	99.06	1,597.10
	Upstream lease assets	-	-	6,601.74
Category 5: Indirect GHG emissions from products produced by the organization	Processing of sold products	-	-	80.81
	Use of sold products	-	-	989,580.55
	End-of-life treatment of sold products	-	-	5,268.67
	Downstream lease assets	-	-	6,092.87
	Franchise operations	-	-	-
	Investment franchise	-	-	3,732.99
Total Scope 3 emissions		2,678.73	195,385.10	3,708,933.68

Note: The scope of the Scope 3 GHG emissions inventory covers WNC headquarters, S1, S3, WNC (Kunshan), Wistron NeWeb (Kunshan), WebCom Communication (Kunshan), WebCom Communication (Kunshan) - Nanjing Branch, Vietnam plant. The subsidiaries in the US, UK, Germany and Japan inventoried only the business travel category for Scope 3 GHG emissions inventory. In 2023, the emissions data for Scope 3 were classified according to the requirements of the GHG Protocol or ISO 14064-1. Coefficient sources vary based on the location of the facility. For Taiwan-based sites, we utilize information from the Product Carbon Footprint Database. For sites outside of Taiwan, we rely on data from the Ecoinvent 3.9.1 and EF database 3.1. Additionally, for categories related to air transportation, we use data from the ICEC database.

3.3 Environmental Resource Protection

3.3.1 Air Pollution Control

WNC voluntarily disclosed emissions from a stationary source of air pollution not described in the Air Pollution Control Act from 2021 to 2023. Currently, the main emission sources of air pollutants are volatile organic compounds (VOCs), such as flux and cleaning agents, used in production processes. The estimation method is based on periodic testing results and reference air pollution fee calculation methods to estimate the emission concentration of VOCs. In 2023, VOC emissions increased compared to previous years due to the addition of new facilities and the expansion of production capacity in existing plants. In the future, we will strengthen management measures to reduce the environmental impact of production processes.

Gas emissions in 2021, 2022 and 2023^{Note 1} (Unit: tonnes)

Air pollution types (Unit: tonnes)	2021	2022	2023
VOC ^{Note 2}	28.87	21.39	57.57

Note 1: The scope of gas emissions calculations covers WNC headquarters, S1, S3, WNC (Kunshan), Wistron NeWeb (Kunshan), WebCom Communication (Kunshan), and the Vietnam plant.

Note 2: VOCs are calculated according to the air pollution fee calculation method or the results of regular testing.

3.3.2 Water Resource Management

Water Resources Risk Assessment

To understand the level of water resource risk at WNC's owned or leased assets, we utilize the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI) to identify baseline water stress levels at each site and assess overall water resource risk. At the same time, we also conduct a further examination of the physical water risks at each production and supplier site. Following the Intergovernmental Panel on Climate Change's (IPCC) definition of climate risk, we consider three dimensions: hazard, vulnerability, and exposure. We assess the risk levels faced by these sites in extreme rainfall and drought scenarios and evaluate the impact of risks under different climate conditions. Finally, based on the comprehensive assessment results, we develop emergency response measures, disaster recovery actions, and regular drill plans for each factory. We integrate the risk analysis findings into supplier negotiations and recommend that suppliers strengthen their disaster response measures. In 2023, the water usage at key production sites of WNC was significantly less than 1% of the available water supply in their respective regions. Regarding water stress risks, only the facility located in Kunshan, China, falls within a high water stress area. Its water usage was 194.317 megaliters, accounting for 28.43% of the total water usage, with water consumption of 97.159 megaliters, representing 29.74% of the total water consumption. For detailed information on water resource risk analysis, please refer to WNC's 2023 TCFD Report.

Impact of WNC water usage in 2023

Country		Main source of water	Water stress risk level ^{Note}	Water treatment plant	Discharge destination
Taiwan	Hsinchu	Touqian River, Baoshan Reservoir and Baoshan Second Reservoir	Low (<10%)	Hsinchu Science Park sewage treatment plant	Koya River
	Tainan	Zengwen River, Zengwen Reservoir, Nanhua Reservoir	Low (<10%)	Southern Science Park sewage treatment plant	Yanshui River
China	Kunshan	Yangtze River and Kuilei Lake	High (40–80%)	Kunshan water treatment plant	Wusong River
	Nanjing	Yangtze River	Low (<10%)	Nanjing Jiangning Economic and Technological Development Zone sewage treatment plant	Yangtze River
Vietnam	Ha Nam	Red River	Low (<10%)	Third Dong Van sewage treatment plant	Pearl River

Note: According to the global water stress data published by the World Resource Institute (WRI), water stress risk levels are classified as Low (<10%), Low-Medium (10–20%), Medium-High (20–40%), High (40–80%), and Extremely High (>80%).

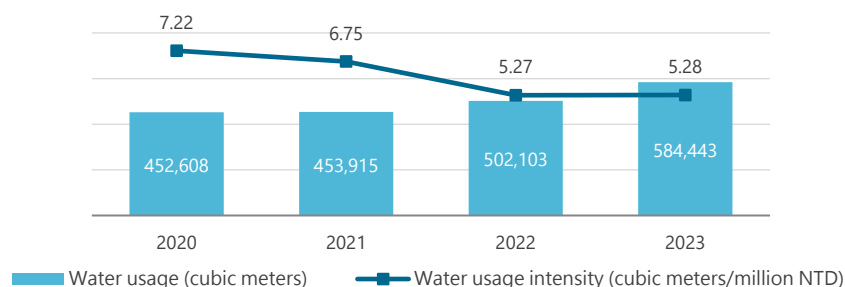
Water Resource Management

WNC is part of an R&D and technology intensive industry. Water for everyday use comprises the majority of water usage, with a small part comprising of water used by factory equipment and special manufacturing processes. WNC sites in Taiwan, China and Vietnam all use tap water. To manage water usage, we implement water management goals through monitoring water usage and implementing water conservation measures. Additionally, we conduct internal and external audits to ensure compliance with ISO 14001 standards.

For Taiwan sites, both S1 and S3 comply with local water standards. These sites have a high level of control over internal water usage. They not only develop water balance diagrams and inventory water resource uses but also regularly monitor and identify improvement plans to enhance water resource utilization. Currently, the S1 plant consistently meets the water standards set by the Hsinchu Science Park Management Center each year. Additionally, its process water recycling rate exceeds 85%. In 2023, significant water withdrawal and usage points within our sites in China were gradually upgraded from mechanical water meters to smart water meters. This upgrade not only significantly reduces manual meter reading tasks but also enhances monitoring efficiency. It allows us to monitor water usage in real-time, promptly identify leaks, and effectively manage water resources. Additionally, through data collection, we gain a better understanding of water usage patterns, enabling more efficient water resource management.

In 2023, WNC's water withdrawal and the water withdrawal intensity were higher compared to the previous year due to the establishment of new sites in Tainan and Vietnam. However, overall water resource management was significantly effective. The water withdrawal intensity (excluding recycled water) decreased by 26.87% compared to the base year of 2020, achieving the goal of a 12% reduction in consumption. Recycled water accounted for 25.86% of the total water withdrawn by WNC, which saved NT\$7.52 million in water withdrawal costs.

WNC's water usage amount and intensity in the most recent four years



WNC's water usage in the most recent four years^{Note 1} (Unit: megaliters)

Item		2020	2021	2022	2023
Water withdrawal (A)	Tap water	418.176	421.742	502.103	584.443
	Groundwater ^{Note 2}	34.432	32.173	0	0
	Surface water ^{Note 3}	27.400	30.813	28.608	99.125
	Total water withdrawn (A)	480.008	484.728	530.711	683.568
Water discharge (B)		189.400	202.621	300.858	356.832
Water consumption (A-B)		290.608	282.107	229.853	326.736

Note 1: The water usage and discharge amounts of locations in Taiwan and Nanjing, China, were based on water meters. The water usage in the Kunshan location in China was provided by the water supply company and the discharge amount was assumed to be half of the water usage according to experience. The water usage in the Vietnam site was based on water meters and the discharge amount was set as 80% of water usage according to the value announced by the local government.

Note 2: From 2019 to 2021, WNC's first Vietnam site used underground water. In 2022, all production lines in Vietnam were relocated to the newly built Vietnam site, and tap water was adopted as the water source.

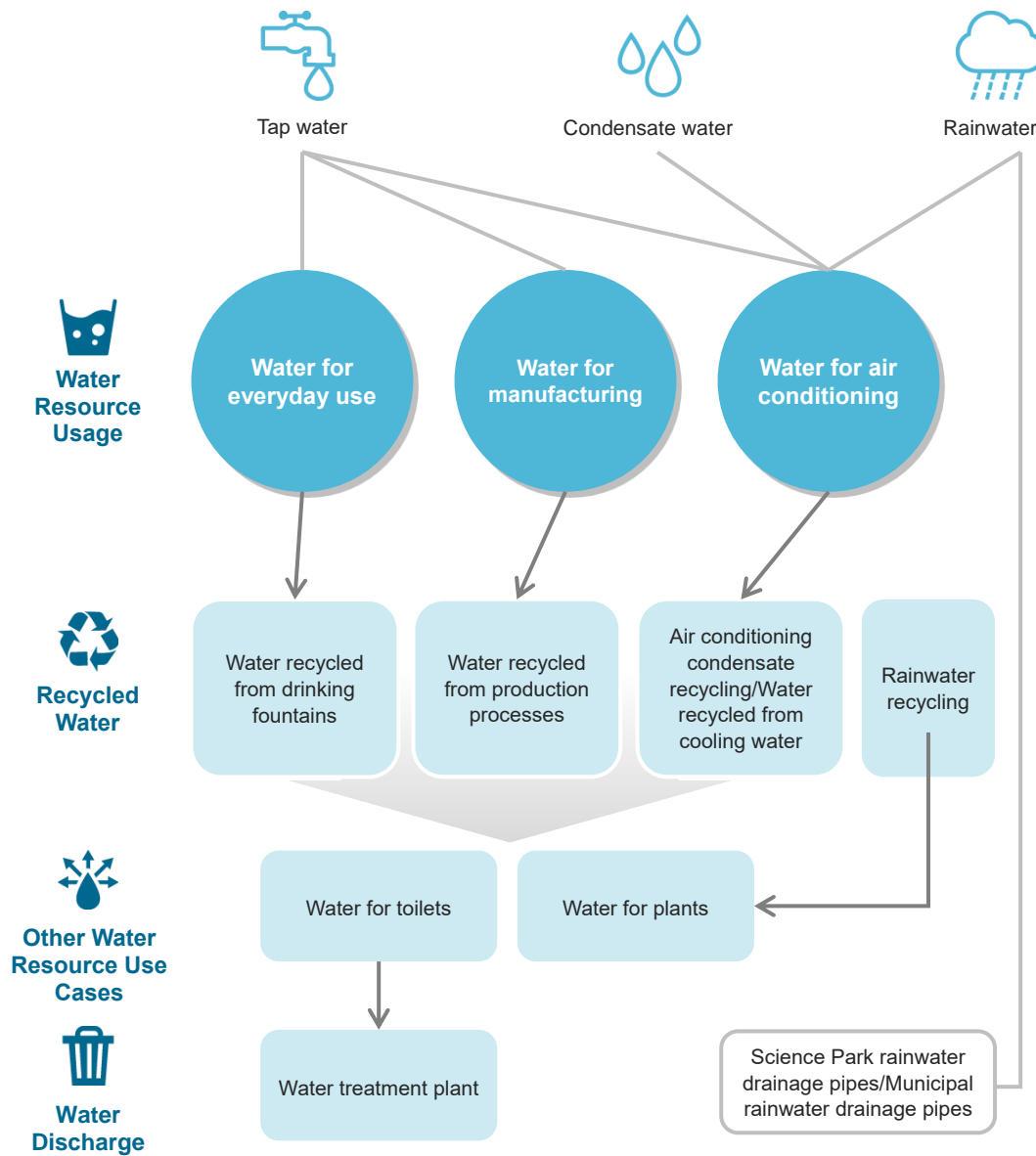
Note 3: Surface water, including rainwater and condensate water.

Amount of water recycled at WNC in the most recent four years^{Note 1} (Unit: megaliters)

Item		2020	2021	2022	2023
Tap water		16.657	28.445	17.413	36.415
Groundwater		0.657	0.62	0	0
Surface water		27.4	30.813	28.608	99.125
Other		10.2	23.469	26.556	41.221
Total		54.914	83.347	72.577	176.761
Water recycling rate ^{Note 2} (%)		11.44	17.19	13.68	25.86

Note 1: Tap water recycling includes drinking fountain RO, wastewater recycling and water recycled from production processes; surface water recycling includes water recycled from air conditioning systems and rainwater recycling (estimated using the volume of water in the rainwater tank, as well as daily rainfall statistics provided by the Central Weather Administration); and other recycled water includes cooling water.

Note 2: Water recycling rate = Total amount of water recycled divided by total water usage.

Water Balance at WNC Sites

Wastewater Management

The S1 plant is the only plant with washing processes that generate wastewater. In response to the increase in generated wastewater due to plant expansion, wastewater treatment equipment was installed at S1 in 2020, and wastewater processing permits were obtained in 2021. Water discharge monitoring instruments were installed in the plant to ensure that the wastewater complies with the water quality management regulations of the Hsinchu Science Park's sewage system. The Hsinchu Science Park Administration tests the water discharged by WNC every month, and WNC has passed all tests. Additionally, the S3 Plant does not have process wastewater; only wastewater from everyday use is generated. The Southern Science Park Administration tests the water discharged by WNC every month, and WNC has passed all tests. Every six months, WNC contracts an inspection agency approved by the National Environmental Research Academy to test the water discharged by WNC to ensure that said discharge meets wastewater discharge standards. Furthermore, regular wastewater education and training courses are conducted within the factory to ensure that equipment operators and new employees are well-versed in wastewater management practices. This ongoing training ensures that wastewater treatment operations are effectively implemented and maintained at a high standard.

Wastewater from sites other than S1 is mainly wastewater from everyday use, which is planned discharge. WNC (Taiwan) complies with the Regulations for the Use and Management of Wastewater Treatment and Sewage Systems in Science-based Parks. Before discharging wastewater into the Hsinchu Science Park sewage system and to the sewage treatment plant, WNC determines whether the water quality meets wastewater discharge quality standards of the Hsinchu Science Park and uses a dedicated pipeline to treat the wastewater until it meets national effluent standards and the values stated in Hsinchu Science Park environmental evaluations. The plants located in Kunshan discharge wastewater to the Kunshan sewage treatment plant in accordance with the Wastewater Quality Standards for Discharge to Municipal Sewers; the plants located in Nanjing discharge wastewater to the sewage treatment plant at the Nanjing Jiangning Economic and Technological Development Zone in accordance with the Nanjing City Water Drainage Management Regulations; the plant in Vietnam discharges wastewater into the Third Dong Van sewage treatment plant in accordance with the National Technical Regulation on Industrial Wastewater Regulations. Wastewater discharge quality at all WNC sites complies with local regulations. Water withdrawal and discharge by WNC sites have not had any significant impact on water sources.

2023 Wastewater Discharge Quality at all WNC Sites

Item / Location	Taiwan			China			Vietnam
	WNC Headquarters	S1 Plant ^{Note 1}	S3 Plant	WNC (Kunshan)	Wistron NeWeb (Kunshan)	WebCom Communication (Kunshan)	NeWeb Vietnam ^{Note 2}
pH value	6.2	7.9	7.9	7.8	7.7	7	7
Concentration of Suspended Solids (mg/L)	3.4	4.5	25	5	12	7	24.8
Chemical Oxygen Demand ^{Note 3} (mg/L)	--	210	200	10	22	31	32.3
Biochemical Oxygen Demand ^{Note 4} (mg/L)	<1.0	74.2	--	--	--	--	17.5

Note 1: Testing frequency at each site: Tests are conducted every six months at S1, once a year at WNC (Kunshan), Wistron NeWeb (Kunshan), and WebCom Communication (Kunshan), and quarterly at the Vietnam plant. The table presents average values, and each plant consistently complies with regulations every time.

Note 2: Chemical Oxygen Demand (COD) is a chemical method used to measure the equivalent amount of oxygen consumed when organic matter in a water sample is oxidized by a strong oxidant. It is used to express the amount of organic matter in the water.

Note 3: Biochemical Oxygen Demand (BOD) refers to the amount of dissolved oxygen consumed during the biochemical reactions of microorganisms decomposing biodegradable organic matter present in water under certain conditions.

3.3.3 Waste Management

WNC's waste sources include raw materials used in production (such as electronic parts, mechanical parts, and packaging materials), wood, plastics and paper generated during the production process, etc. In order to realize resource recycling and reduce environmental impact, WNC promotes green product design to reduce waste generation. At the same time, through cooperation with the supply chain, we promote the recycling of incoming packaging materials, and continue to optimize the resource classification management procedures in the factory to ensure the effective use of resources. In terms of waste disposal, WNC continues to look for legal reuse methods to achieve the goal of reducing waste and realizing resource utilization.

In order to effectively manage waste generation and comply with the environmental management system ISO 14001, WNC has set up waste management indicators at each site, and manages and tracks the waste situation through the environmental data platform. If it is found that the standards are not met, the composition ratio of waste from each process or production source will be analyzed to check whether there is still room for improvement in waste resource recycling within the organization, or whether there is abnormal waste generation.

Waste Contractor Management

Evaluation standards for waste contractors of Taiwan locations:

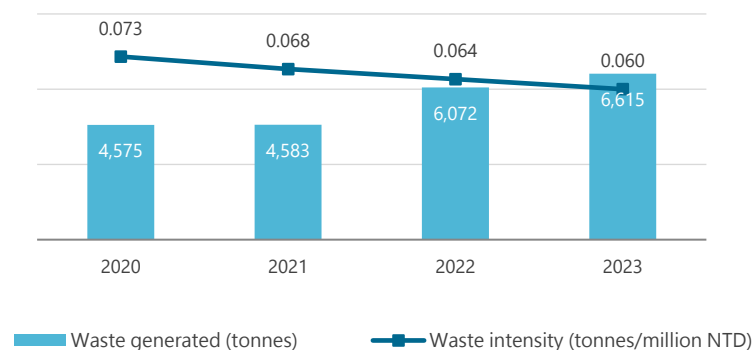
- Level A (≥80 points): Maintain the status quo and list the supplier as a preferred supplier in the next year.
- Level B (65–79 points): Include the supplier on the watchlist, notify the supplier of improvement items, and increase the audit frequency.
- Level C (<65 points): Seek alternative suppliers and replace the original supplier to reduce risk.

WNC conducts annual evaluations of waste removal, processing, and recycling companies. In addition to regular annual audits, the evaluation mechanism also incorporates pre-contract assessment to ensure that contractors can properly handle the waste commissioned by WNC. In 2023, 19 companies completed the waste contractor onsite or written evaluations. The evaluations tracked the removal vehicle operations, waste storage facilities, onsite safety management, and sales of recycled products.

Waste Generation

In 2023, 6,615 tonnes of waste from operations were produced. Although the overall waste production has increased with the increase in production capacity, the waste generation intensity in 2023 has been successfully reduced to 0.060 tonnes/million NT\$ through regular analysis and improvement of waste hotspots. At the same time, the resource recovery rate has also increased to 87.30%, showing that our continuous efforts in waste management and resource recycling have achieved clear results.

WNC waste generation and waste generation intensity in the most recent four years



Waste recycling rate in the most recent four years

Category	2020	2021	2022	2023
Waste recycling (tonnes)	3,904.78	3,705.51	5,077.47	5,774.46
Waste disposal (tonnes)	670.66	877.69	994.54	840.34
Total recycling rate (%)	85.34%	80.85%	83.62%	87.30%

Note: The scope of waste weight calculations covers WNC headquarters, S1, S3, WNC (Kunshan), Wistron NeWeb (Kunshan), WebCom Communication (Kunshan), and the Vietnam plant.

Participation of All Members in Environmental Protection and Waste Reduction

In 2023, through the online training platform, a total of 910 training hours were completed, and a total of 2,183 employees participated and completed the training assessment. The annual training course covers various environmental protection and waste reduction topics such as Green Design, 5Rs of Waste Reduction and Waste Composition and Classification. It aims to assist all employees to implement company policies from source design to classified disposal.

Waste generated by WNC in the most recent four years (Unit: tonnes)

Category / Handling process			2020	2021	2022	2023
General business waste	Waste recycling	Reuse	0	0	0	55.50
		Recycling and reuse	3,672.37	3,456.62	4,899.55	4,053.59
		Other recycling methods	0	0	0	1,354.86
		Subtotal	3,672.37	3,456.62	4,899.55	5,463.94
	Waste disposal	Landfill	0	26.49	0	-
		Incineration (with energy recovery)	0	145.17	112.51	636.79
		Incineration (without energy recovery)	614.15	604.76	766.78	121.65
		Other disposal methods	0	0	0	0
		Subtotal	614.15	776.42	879.29	758.44
	Subtotal (general business waste)		4,286.55	4,233.04	5,778.84	6,222.38
Hazardous operations waste	Waste recycling	Reuse	0	0	0	0
		Recycling and reuse	232.41	248.89	171.18	177.80
		Other recycling methods	0	0	6.74	132.72
		Subtotal	232.41	248.89	177.92	310.52
	Waste disposal	Landfill	0	0	0	0
		Incineration (with energy recovery)	0	0	0	16.44
		Incineration (without energy recovery)	48.62	94.91	108.56	65.46
		Other disposal methods	7.89	6.36	6.69	0
Subtotal		56.51	101.27	115.25	81.90	
Subtotal (hazardous operations waste)		288.90	350.16	293.17	392.42	
Total			4,575.45	4,583.20	6,072.01	6,614.81

Note: The scope of waste weight calculations covers WNC headquarters, S1, S3, WNC (Kunshan), Wistron NeWeb (Kunshan), WebCom Communication (Kunshan), and the Vietnam plant. Statistics are rounded to the second decimal place.

Waste Reduction Hotspots Analysis and Resource Recycling Project

WNC regularly tracks and manages the waste output structure and improves waste raw material removal methods. In terms of process waste, we continue to promote off-site reuse plans for solder dross, solder paste plastic containers, epoxy resin, and printed circuit board metal scraps. In terms of raw material packaging materials and containers, such as plastic trays, outer packaging cardboard boxes and styrofoam boxes are negotiated with suppliers, requiring manufacturers to reuse them to achieve waste reduction, and the scope of negotiations is gradually expanded. For production consumables and test equipment, use and waste management are strengthened to create higher recycling benefits. For waste materials that cannot be reused, such as electrostatic bags, we promote the conversion of waste heat into energy. In 2023, the resource recovery rate reached 87.30%, and recycling revenue reached NT\$53.05 million. It is estimated that this can reduce the emissions of approximately 1,323.18 tonnes of CO₂e in the value chain. In order to continue to improve resource recycling and reduce the impact of waste on the environment, the Vietnam plant has introduced the UL 2799 Zero Waste to Landfill in March 2024 and is expected to obtain certification in 2025. At the same time, the Vietnam plant will serve as a demonstration site to display the results and benefits to sites around the world.

2023 WNC circular economy promotion results

Category	Measures	Waste recycling (tonnes)	Waste recycling benefits (thousand NT\$)	Carbon reduction ^{Note} (tonnes CO ₂ e)
Solder waste	Recycle solder waste generated during production processes for recycling vendors to turn into electroplated plates.	53.76	28,386.3	19.35
PCB trim scraps	Provide PCB trim scraps generated during production processes to recycling vendors for them to recycle heavy metals (such as copper and gold).	253.16	13,369.7	91.14
Used pallets	Provide unusable pallets to recycling vendors to remanufacture into fuel balls. These are used by cogeneration plants as combustion aids.	714.29	230.1	257.14
Empty solvent barrels and solder paste plastic containers	Provide empty plastic containers to recycling vendors for washing and processing. The containers are then broken up into plastic pellets which can be remanufactured into other plastic items.	14.77	30.5	5.32
Waste paper and waste cardboard boxes	Cooperate with recycling vendors to produce recycled pulp from waste paper.	2,176.20	7,227	783.43
Scrap plastic trays	Scrap plastic trays from production lines are sent to recycling vendors for sorting and recycling.	282.46	3,809.4	101.69
Scrap styrofoam	Scrap styrofoam packing material is sent to recycling vendors and turned into styrofoam balls for reuse.	1.84	-	0.66
Waste activated carbon	Waste activated carbon is sent to recycling vendors for desorption procedures to regenerate activated carbon materials.	30.42	-	10.95
Epoxy resin	Epoxy resin is sent to waste disposal vendor as raw material for wood-plastic board production.	3.58	-	1.29
Other	Waste packing tape and other mixed plastics are sent to recycling vendors to produce solid renewable fuels.	145.03	-	52.21
Total		3,675.51	53,052.9	1,323.18

Note: The amount of carbon reduction achieved through waste recycling is calculated based on the waste incinerated services (Gangshan Refuse Incineration Plant) coefficient announced on [the Carbon Footprint Information Platform](#) (this coefficient was 360 kgCO₂e/tonne in 2020). The calculation formula is recycling volume (tonnes) × 0.36.

3.3.4 Biodiversity



WNC Biodiversity and No Gross Deforestation Commitment

WNC aims to achieve a Net Positive Impact on the environment and No Gross Deforestation by 2050.

New manufacturing sites and office areas all avoid being located in biodiversity-sensitive and important habitats and nature reserves. We adopt the best feasible low environmental impact practices to promote biodiversity measures. These measures are complemented by biodiversity risk assessment and monitoring to mitigate the impact of our operations on the environment.

Collaborating with internal and external stakeholders to support biodiversity conservation initiatives, and continuously enhancing stakeholders' awareness of the importance of biodiversity and forest conservation.

Assessing the lifecycle of green products, promoting and requiring the use of paper materials certified by the Forest Stewardship Council (FSC) or other environmentally friendly forest sources, as well as recycled eco-friendly paper and environmentally-friendly ink printing.

Collaborating with academic and research institutions to promote afforestation projects, prioritizing native species in Taiwan, to enhance ecological resilience, biodiversity, and increase the natural carbon sequestration capacity.

Implementing paperless initiatives across all manufacturing sites and office areas.

Promoting environmental and biodiversity education helps build eco-friendly awareness, fostering harmonious development for humans and the environment.

Supporting Biodiversity

In 2023, WNC's President signed the [WNC Biodiversity and No Gross Deforestation Commitment](#). The commitment also calls on suppliers and partners in the value chain to join in responding to the UN's SDGs, taking responsibility to mitigate the overall impact on the ecological environment.

In 2023, in order to stay abreast of international environmental trends and respond to global goals, WNC responded to the [Taiwan Nature Positive Initiative \(TNPI\)](#) launched by the World Business Council For Sustainable Development (WBCSD). The company aims to utilize the international resources and tools provided by this organization to examine its own operational impact on the environment. Additionally, WNC plans to organize workshops, providing a platform for employees to exchange ideas and discussions, in order to build consensus within the Group on ecological conservation.



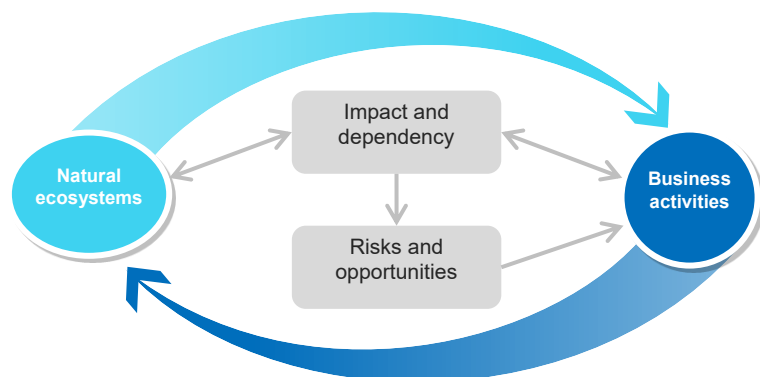
NTU Conservation Forest Adoption Campaign

WNC has paid greater attention to biodiversity issues in recent years. In 2023, it began to implement an industry-academia partnership program with National Taiwan University. This not only mobilizes employees to participate in practical social participation actions such as tree planting and ecological surveys, but also develops forest carbon sinks. WNC also conducts an annual species survey in its adopted forest land. We hope to track the positive impact of this project on the environment through long-term monitoring, while also raising employees' awareness of ecological conservation and achieving the purpose of environmental education.

Introduction of Biodiversity Risk Assessment

Business operations rely on the ecosystem services provided by nature, but at the same time, business activities or other external factors may also generate driving forces that alter the natural environment, thereby impacting the normal functioning of ecosystems and giving rise to potential risks and opportunities for businesses. Therefore, corporations need to establish assessment processes to regularly review dependency and impact on natural ecosystems.

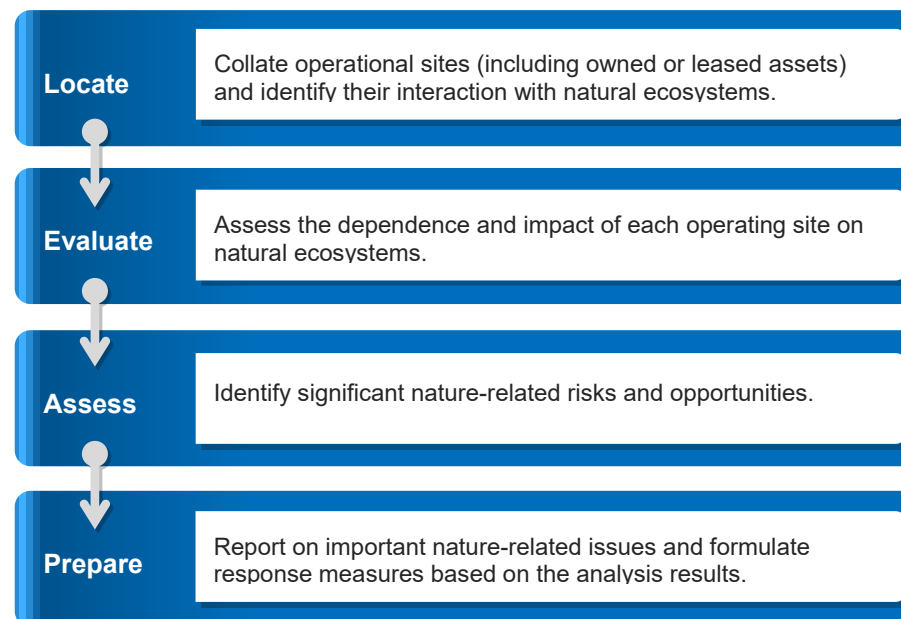
Interaction between business activities and natural ecosystems



In 2023, WNC, referencing the Taskforce on Nature-related Financial Disclosures (TNFD) framework, categorized drivers of environmental change into five major types: climate change, land/freshwater/marine use change, resource use/recovery, pollution/removal, and invasive species introduction/removal. Following the LEAP (Locate, Evaluate, Assess, Prepare) risk assessment approach, WNC initiated phased assessments of the interactive relationship between business operations and natural ecosystems.

We first used the Biodiversity Risk Filter (BRF), a tool developed by the World Wildlife Fund (WWF), to conduct preliminary assessments, giving priority to 15 owned or leased assets at home and abroad. Based on the operational status, significance, and geographic location of each site, we evaluated the dependency- and impact-related biodiversity risks these sites pose on the natural environment, identifying 33 items of biodiversity-related physical and reputational risk in the following eight categories: Provisioning Services, Regulating & Supporting Services - Enabling, Regulating Services - Mitigating, Cultural Services, Pressures on Biodiversity, Environmental Factors, Socioeconomic Factors, and Additional Reputational Factors.

Biodiversity Risk Assessment Process



According to the BRF tool analysis results, WNC's current comprehensive assessment of biodiversity all falls within the moderate to low-risk category. Among physical risk items, the impact of the Tropical Cyclones item under the Regulating Services - Mitigating category is the greatest. Among reputational risk items, the impact of the Media Scrutiny item under the Additional Reputational Factors category is the greatest. In the future, WNC will continue to strengthen governance on environmental issues and provide education and training for employees. Nature-related risks will be integrated into decision-making considerations, and a comprehensive system for managing natural risks will be developed. Additionally, methodologies consistent with international standards will be formulated.

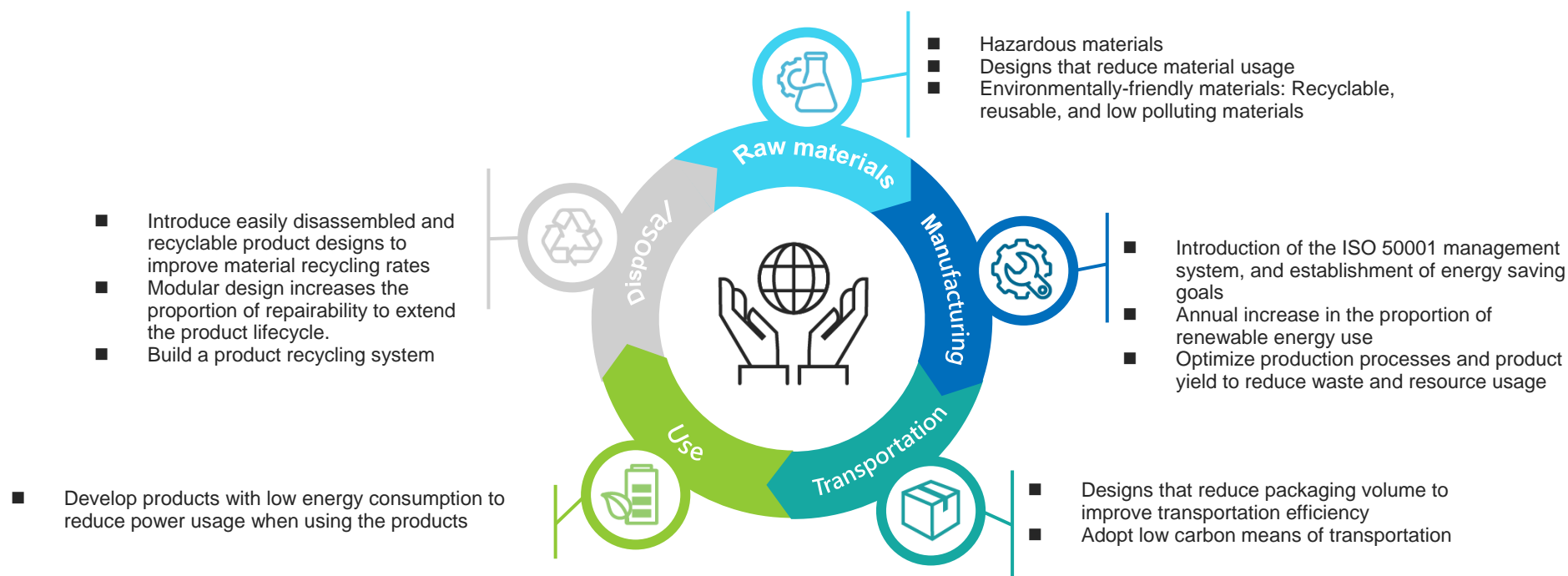
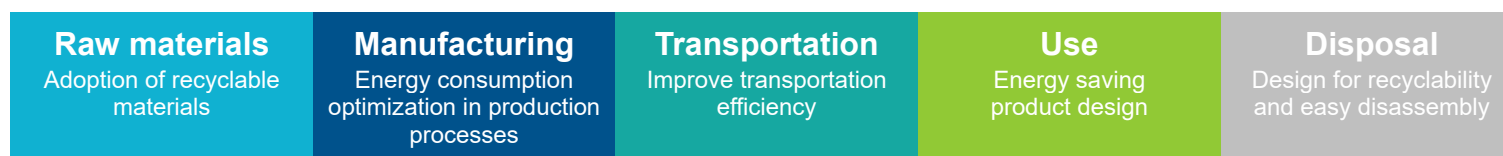
WNC Biodiversity Comprehensive Assessment Results

Top 10 Risk Indicators		Category
1	Tropical Cyclones	Physical Risk - Regulating Services - Mitigating
2	Landslides	Physical Risk - Regulating Services - Mitigating
3	Pollution	Physical Risk - Pressures on Biodiversity
4	Extreme Heat	Physical Risk - Regulating Services - Mitigating
5	Media Scrutiny	Reputational Risk - Additional Reputational Factors
6	Labor/Human Rights	Reputational Risk - Socioeconomic Factors
7	Fire Hazard	Physical Risk - Regulating Services - Mitigating
8	Water Scarcity	Physical Risk - Provisioning Services
9	Water Condition	Physical Risk - Regulating & Supporting Services - Enabling
10	Air Condition	Physical Risk - Regulating & Supporting Services - Enabling



3.4 Green Products

WNC is dedicated to the development of communication technologies and green products. We define green products as those that meet the two major requirements of being safe and have low carbon emissions. In terms of safety, we require our products to be free from environmentally harmful substances, complying with regulations on prohibited and restricted substances management, ensuring they are harmless to human health and the environment. In terms of carbon reduction, we are committed to reducing carbon emissions throughout the five major stages of the product lifecycle: from raw material procurement, manufacturing, transportation, consumption, to waste disposal and recycling, thereby reducing our impact on climate change. Through adoption of environmentally-friendly materials and packaging materials use, optimizing low-carbon manufacturing processes, developing energy conservation technologies for products, and designing products for easy disassembly and recycling, we aim to reduce the negative environmental impact of products during each stage of their lifecycle, providing customers with energy efficient products and manufacturing services.



3.4.1 Green Products Management and Assessment

In order to continue to strengthen the sustainability of products, WNC has established Regulations for Eco-design Requirements of Energy-using Products and introduced life cycle assessment (LCA) to turn eco-design requirements into a basic aspect of early product design. The considerations include hazardous substance restrictions, energy usage efficiency, recycling and reuse, and environmental information disclosure. Furthermore, we have requested our suppliers to provide components that meet the standards in our Regulations for Eco-design Requirements of Energy-using Products, ensuring that we produce low toxicity, low polluting, energy saving, resource saving, and easily recycled products.

Green Product Design Training Workshops

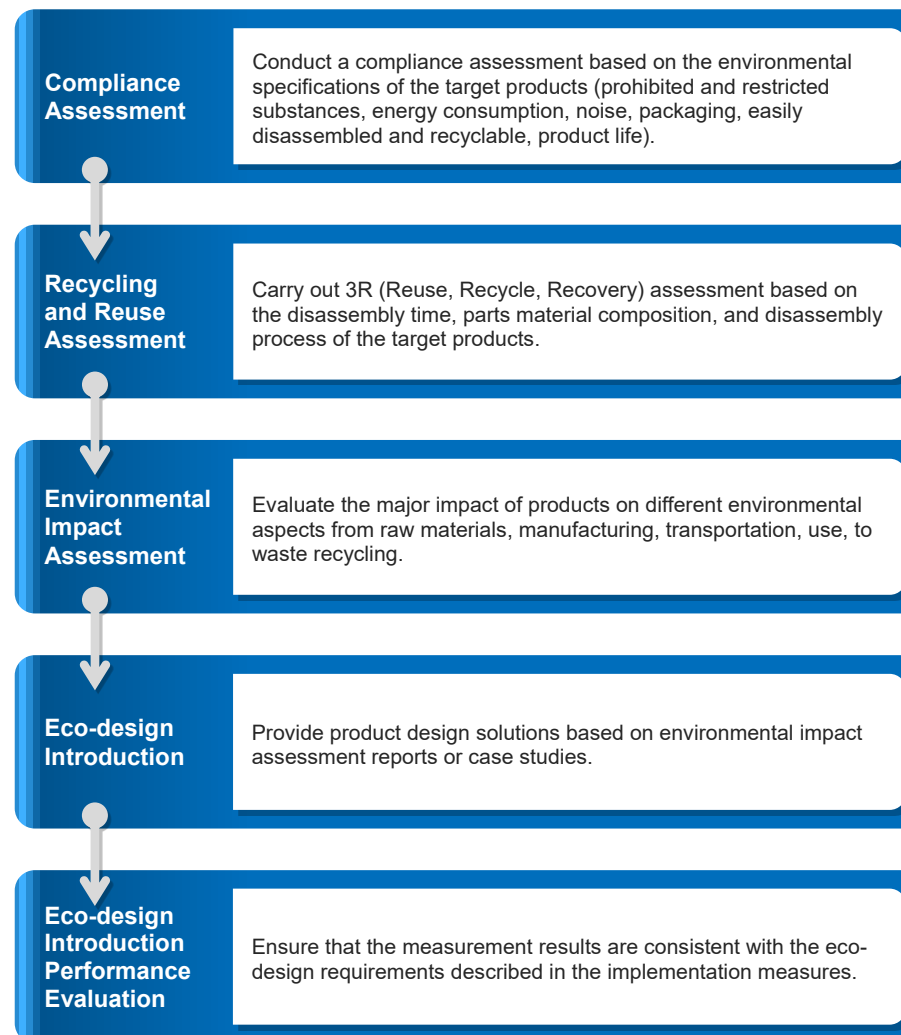
In cooperation with National Cheng Kung University, WNC offered a series of green product design workshops and training in 2023, including circular economy in the manufacturing sector, recycled materials and green design guidelines, EU guidelines for packaging materials, and eco-marks. Units related to product development, quality assurance, production and manufacturing, and sustainable development were invited to enroll in the courses.

Environmental Impact Assessment

WNC assesses its potential environmental impact through product carbon footprint and life cycle assessments. Based on the evaluation results, improvement methods are formulated to reduce negative impact on the environment and business operations.

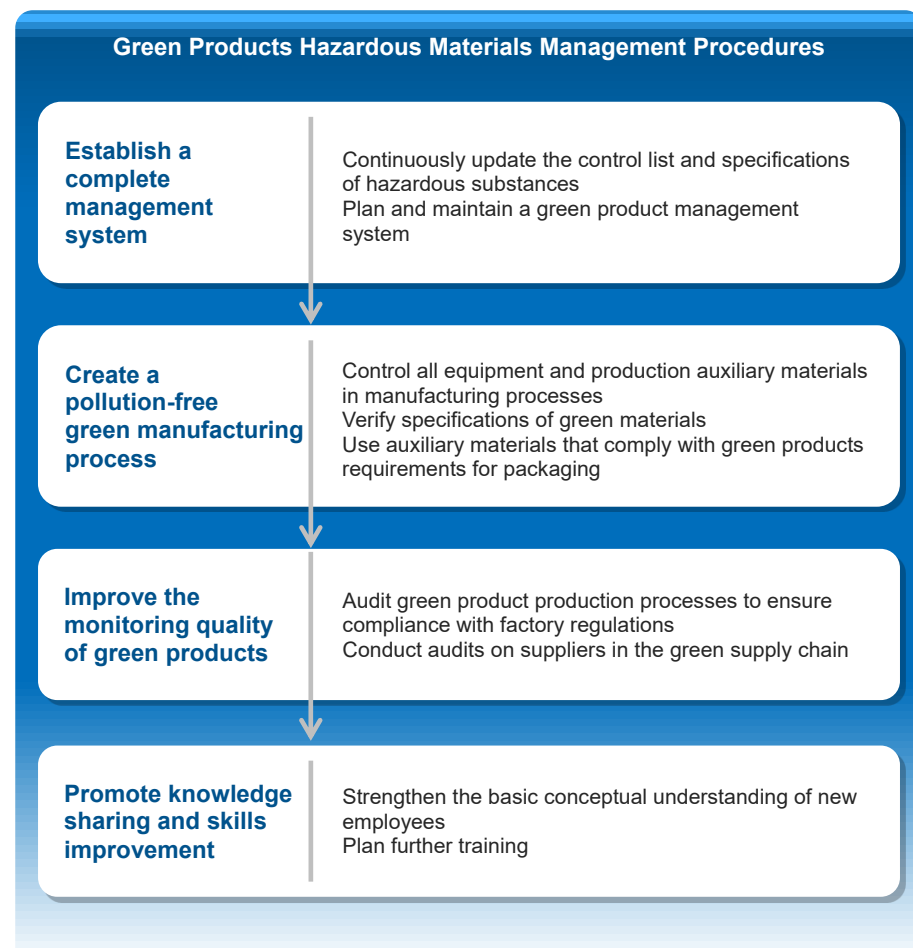
2023 environmental assessment projects on the following products:

- **Home RouterLCA Assessment:** In cooperation with National Cheng Kung University, a smart home product that generates 5% of total revenue for WNC was evaluated and analyzed across 18 environmental impact aspects, and redesigned in three major directions to improve the use of recycled materials, energy efficiency, and waste recycling rate.
- **Target Products Carbon Footprint Inventory:** In 2023, four types of target products that generate 9% of total revenue for WNC, including home routers, automotive modules, network adapters and set-top boxes, were selected from WNC sites in Taiwan, China and Vietnam for a carbon footprint inventory. Based on the inventory results, we analyzed for carbon emissions hotspots and formulated redesign plans. At the same time, information about the carbon footprint of product raw materials will be gradually integrated into the existing raw materials database in order to facilitate future inventory and management of carbon emissions of products.



3.4.2 Hazardous Materials Management Policy

WNC Green Product Directives Development



To prevent harm to human health or environmental safety caused by products, WNC has established a set of Green Product Hazardous Substances Management Procedures and a Standard for Restricted Usage of Environmentally Hazardous Substances, and has created a control list of hazardous substances in consideration of domestic and international environmental regulations, market concerns, and customer requirements. WNC complies with the Green Product Hazardous Substances Management Procedures in the product development phase to ensure that its products meet the EU RoHS

(2011/65/EU) regulation, the REACH SVHC (Substances of Very High Concern) regulation, the EU Battery Directive (2006/66/EC), the EU Directive of Packaging and Packaging Waste (94/62/EC), the EU PFOS Directive (2006/122/EC) and restrictions and limitations on the use of hazardous substances as required by customers. In 2023, none of WNC's shipped products violated any provisions of the Green Product Directives.

In addition, WNC has also established requirements for prohibited and restricted substances for suppliers. The suppliers are also required to sign and follow the Supplier Statement on Non-Use of Environmentally Hazardous Substances to ensure that products and parts supplied (including bundled accessories, packaging, and other materials) to WNC comply with WNC's prohibition of substances harmful to the environment and relevant international directives such as RoHS, WEEE, REACH, the European Battery Directive, other related international standards.

Management of Prohibited and Restricted Substances

WNC has introduced lead-free production processes and enforced halogen-free standards in material specifications and production processes of products in order to reduce their environmental impact. WNC also utilizes XRF equipment in its plants to perform reliable and rigorous measurement and monitoring of prohibited and restricted substances in raw materials and products that are hazardous to the environment.

In addition, in order to enable procurement units and quality management related units to promptly and effectively confirm whether the raw materials provided by suppliers comply with customer specifications for prohibited and restricted substances, suppliers are required to upload their product composition analysis reports, inspection results, warranty cards, and related documents to WNC's Green Product Management System. This helps us acquire the product material information from this management system and ascertain the performance of the green supply chain. We also request our suppliers to meet our green purchasing standards, which will enable all parties to meet international environmental standards. Every effort is made to provide customers with design and manufacturing services that are energy-saving, toxin-free (or of low-toxicity), low polluting, and that use recyclable materials, as well as provide green products that have lower impact on the environment.

IECQ QC080000 Certification

Through the QC080000 hazardous materials management system, WNC ensures that products comply with regulations about restricted materials for electronic products listed by the European Union. IECQ QC080000 certification, which is developed according to the electronic component evaluation system of the International Electrotechnical Commission (IEC), is based on the ISO 9001, TL 9000, and IATF 16949 management systems. The certification incorporates a process-orientated method to reduce or eliminate hazardous substances in products and to further systemize hazardous substances management. It is capable of meeting RoHS, REACH, and special customer requirements.

3.4.3 Environmentally Friendly Materials

Post-consumer Recycled Resin

WNC proposes the use of different recyclable/recycled materials to customers based on customers' expected product specifications and the usability and durability requirements of communications products. Currently, most recycled materials are used in mechanical parts and packaging materials, including the use of post-consumer recycled PCR plastics in product cases and recycled pulp products in packaging paper. In 2023, calculated based on the purchase amount, the proportion of recyclable/recycled materials used in mechanical parts and packaging materials increased significantly to 24.59% compared to 2022.

2023 ratio of recycled or reused materials at each WNC site (unit: million US\$)

	Taiwan	China	Vietnam	Total
Use of recycled materials ^{Note 1}	31.60	20.61	24.38	76.59
Use of materials ^{Note 2}	157.22	83.05	71.16	311.43
Ratio of recycled materials	20.10%	24.81%	34.25%	24.59%

Note 1: If the weight of recycled materials in mechanical parts and packaging materials exceeds 20% of the total weight of the material, the recycled material will be included in data.

Note 2: The total material usage includes mechanical parts and packaging materials.

According to the product lifecycle assessment results, the use of product raw materials has had a significant impact on environmental indicators this year. Therefore, WNC collaborates with suppliers to develop recycled plastics, aiming to increase the proportion of PCR recyclable plastics used in products without affecting product quality. Additionally, Environmental Qualification Tests (EQT) were conducted to ensure the safety of PCR materials used in networking products. Calculated based on material weight, in 2023 a total of 3,375.73 tonnes of thermoplastics were used, of which 297.91 tonnes were PCR plastics, accounting for 8.83% of total thermoplastics usage. Based on the carbon emission coefficients provided by plastic suppliers for post-consumer recycled (PCR) material per kilogram compared to virgin plastic, it is estimated that approximately 1,426 tonnes of carbon dioxide equivalent emissions have been reduced by using PCR material instead of virgin plastic.

In addition, to incorporate green product design concepts into product design processes of each unit more effectively, the Mechanical and Industrial Design Division initiated an Environmentally-friendly Attributes Database of Mechanical Components project in 2022. The database consolidates attributes of mechanical components that help reduce carbon emissions and waste, including the percentage of recycled materials used in these components so that R&D personnel can select the most appropriate materials during the design and material selection stage.

Environmentally Friendly Packaging Materials

The packaging materials used to ship products, including corrugated cardboard, EPE, plastic bags, labels and stickers, manuals, pulp boxes, and blister shells, are all recyclable and environmentally friendly materials. Such materials comply with the restrictions on the four hazardous materials of lead (Pb), cadmium (Cd), mercury (Hg), and chromium (Cr6+) in the European Union's Directive of Packaging and Packaging Waste (PPWD) 94/62/EC. In addition, WNC strives to reduce packaging volumes to improve space utilization, increase the amount of containers that can be loaded in a shipment, reduce the energy consumption and pollution produced during transportation, and reduce unnecessary transportation costs and carbon emissions. In addition, as a part of a sustainable forest initiative, WNC started using paper materials certified by the Forest Stewardship Council's (FSC) Chain of Custody Standards (hereinafter referred to as FSC™ CoC) in 2014 and received FSC™ CoC certification in 2015. We regularly conduct internal audits and third-party verification to ensure that the packaging, corrugated paper bags, adhesive labels, and paper materials for printing that we use are made from trees grown in certified forests. As of the date of publication, all Taiwan and Vietnam sites have passed FSC™ CoC third-party audits.

WNC has introduced Cradle to Cradle (C2C) certified packaging materials, using non-toxic materials, clean energy, and water-saving processes to replace environmentally harmful materials and production processes that consume large amounts of energy. We have also established measures for recycling packaging. The reinforced craft paper tape for sealing product boxes and vegetable oil based inks for printing color boxes currently used by WNC are all C2C certified products. These products do not contain volatile organic solvents, both environmentally-friendly and good for employees' safety and health.



3.4.4 Green Product Design

To implement green product design, environmental factors are taken into consideration during product development, with the aim of minimizing environmental impact across the product lifecycle. With smarter designs, products become more effective and environmentally friendly.

Energy-efficient design

Reducing energy consumption during the product use phase is an important way of cutting GHG emissions. Therefore, WNC has been developing products with low environmental impact, which can effectively lower the carbon footprint during use phase. WNC is dedicated to improving product energy efficiency through R&D and innovation in software and hardware, providing customers with energy saving solutions for smart automotive equipment, network access devices and smart home devices.

- **Examples of energy-efficient products:** WNC strived to simplify product designs in 2023. We removed some repetitive functional components from one of our home routers without compromising its functions to reduce energy consumption. According to our tests, this product can lower energy consumption by about 1% and if it is in continuous use for 24 hours a day, it saves around 3.78 million joules annually. WNC also continues to improve its existing products. After our energy-saving design was introduced to a router, this product can cut energy consumption by about 29%. If the router is in continuous use for 24 hours a day, it saves around 192.37 million joules annually. Based on the number of products shipped annually, WNC's energy efficient products helped customers save approximately 196.15 million joules in 2023, equal to a reduction of 6,126 tons of CO₂e^{Note}.
- **Compliance with EU's Energy-related Products Directive:** To further regulate energy-using products, the European Parliament approved the Energy-related Products (ErP) Directive, establishing a framework for the setting of eco-design requirements for energy-related products throughout their lifecycle. WNC also reviewed its energy efficient product design, utilizing this Directive. In 2023, WNC passed third-party verification for four products, ensuring these products comply with ErP regulations.

Circular Design

To foster circular economies, recycling processes are taken into consideration during the initial phase of product design. This helps us extend product lifecycles and reduce waste generated.

WNC wants to optimize product value and allow some components to be reused through circular design. We incorporate the 5R (reduce, reuse, recycle, redefine and redesign) design concept in products. With easy-disassembly design, parts can be changed more conveniently during maintenance or upgrades without discarding the entire equipment, thereby expanding product lifespan. For products that need to be changed or disposed of, no particular disassembly tools are required due to the easy-disassembly design. In addition, all antennas adopt snap-fit designs and no glue or adhesive is used, which makes classification and recycling easier and helps recyclers reduce costs.

3.4.5 WNC Product's ESG Performance

Results of Carbon Emissions Reduction Measures

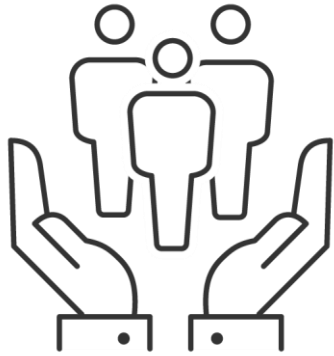
In order to reuse resources and reduce GHG emissions, WNC adopts low-carbon product designs. Through continuous innovation and improvement, we reduce product carbon footprints throughout their life cycle while ensuring compliance with related regulations and standards. We believe that green products can both provide our customers with more sustainable solutions and make a contribution to our society.

Sony Green Partner Certification

Starting from 2007, WNC, Wistron NeWeb (Kunshan), and WebCom (Kunshan) began acquiring green partner certification of Sony and other leading brands, and they have also passed annual recertification since then.

The revenue proportion from green design products in 2023			
Product Type	Contribution to revenue	Definition (items meeting one of the following criteria are included)	Carbon reduction ^{Note} (tonnes CO ₂ e)
Material manufacturing: low carbon emissions	42.3%	Use of low-carbon materials and packaging materials <ul style="list-style-type: none"> • Use of PCR > 50% • Reduce total materials used • Integrally formed structures to reduce product weight • Reduce materials used for shipment packaging 	1,426.47
		Optimization of low-carbon processes <ul style="list-style-type: none"> • Use existing molds; reduce development of new molds • Reduce energy consumption during manufacturing processes (streamlining and automation) • Increase renewable energy use during manufacturing processes 	13,344.83
Consumer use: prevent emissions	9.03%	Energy-efficient design <ul style="list-style-type: none"> • Improve energy efficiency of predecessor products (both software and hardware included) • Optimize product's energy saving mode 	6,126.23
		Design for easy disassembly and easy recycling <ul style="list-style-type: none"> • Snap-fit design for easy maintenance and recycling • Easy disassembly and maintenance, extending product lifecycle 	N/A

Note: The amount of carbon emissions cut is estimated based on the variance in emissions between products improved by green design and their predecessors. Since products are used in different regions, the latest electricity carbon emission factors of current year from their respective regions are adopted for this calculation: China sites 0.5568 kgCO₂e/kWh; US sites: 0.3753 kgCO₂e/kWh



4

Harmonious Workplace

Respect for Human Rights
Talent Recruitment
Talent Training and Cultivation
Compensation and Benefits
Occupational Safety and Health



WNC respects human rights and values talent. Apart from providing employees with reasonable remuneration and benefits and stipulating reward structures to encourage employees and units with excellent performance, we are focused on elevating the professionalism and general knowledge of our employees. In order to implement the idea of “the right person at the right place”, WNC launched a three-year human resource digital transformation plan in 2021, to optimize existing human resource management procedures and introduce human resource capital management systems. We aim to optimize employee allocation and establish talent development plans that are in line with WNC’s operating strategies. WNC is dedicated to creating a healthy, safe, equitable and tolerant work environment, and introduced the “A Workplace You Can Feel Safe In” initiative at its Taiwan sites. We are working with all employees to provide a workplace that supports, emphasizes, guarantees, and protects the physical and mental safety of WNC employees.

Annual Performance

Salary and Benefits



- The number of employees eligible for the Employee Retention Plan was 5,616 and **2,079** employees actually took advantage of the plan, with a cost to the company totaling **NT\$125.38 million**.
- 51 female employees at Taiwan sites applied for childcare leave and 28 female employees applied for compensation in lieu of childcare leave. A total of **NT\$1,365,752** was issued and the usage rate of maternity leave or compensation in lieu reached **100%**.

Talent Cultivation



- The average employee education and training hours per person was **21.9** hours and related expenses amounted to **NT\$16.8 million**.
- A total of **62** students participated in internship programs, and a total of 12 students stayed at WNC after their internship.
- The company worked with Chung Hua University to provide students with on-the-job training opportunities and a total of **192** students enrolled in these courses.

Equitable Workplace



- The percentage of women serving as supervisors is **27.6%** with the figure rising to **44.8%** for the sales department.
- A total of **23** employees used the WNC Employee Assistance Program free consultation service, and **105** employees used the individual interview service.
- Percentage of employees in Taiwan sites who feel safe in the workplace reached **80%**.
- **Zero** major occupational accidents in 2023.

Material Topics and Goal Management

Sustainability Focus	Material Topic	Performance Indicators	2023 Results		Future Goals			Corresponding SDGs
			Target	Results	Short-term 2024	Mid-term 2025	Long-term 2030	
Empowerment	Human Resource Management	Global average training hours per employee	32	21.9	32	35	40	4.4
		Turnover rate of Taiwan IDL employees	12–15%	9.0%	12–15%	12–15%	12–15%	
		Percentage of women serving as supervisors globally	> 25%	27.6	> 25%	> 25%	> 25%	10.3
		Taiwan childcare leave/cash equivalent use rate	100%	100%	100%	100%	100%	3.2
	Employee Relations and Communication	Percentage of Taiwan employees who feel safe at work	> 85%	80%	> 85%	> 85%	> 85%	10.2
	Occupational Safety and Health	Number of major occupational accidents	Zero	Zero	Zero	Zero	Zero	3.9
		Incidence per 1,000 workers ^{Note 1}	< 2.2	2.76	< 2.1	< 2.0	< 2.0	
		Number of incidents of occupational disease due to chemical exposure	Zero	Zero	Zero	Zero	Zero	
		Tracking rate of number of Taiwan employees with moderate to severe health abnormalities in health examinations	> 80%	99.5%	> 80%	> 80%	> 80%	3.8
		Taiwan employees influenza vaccination rate ^{Note 2}	-- (New Target)	120.9%	> 85%	> 85%	> 85%	

Note 1: Incidence per 1000 workers = number of injuries or deaths/total workers x 1000 person frequencies (incidence per 1000 persons includes full-time workers, contractors and dispatch workers)

Note 2: Vaccination rate for Taiwan employees = actual number of vaccinations / number of applications for vaccination

4.1 Respect for Human Rights

4.1.1 Human Rights Policies

WNC complies with international regulations and local laws, including internationally recognized human rights standards such as the [Universal Declaration of Human Rights](#), the [UN Global Compact](#), the [UN Guiding Principles on Business and Human Rights](#), [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#) and the [RBA Code of Conduct](#). We do not discriminate against employees based on their gender, sexual orientation, age, race, nationality, religion, marital status, or political views. In order to implement labor rights, apart from promoting human rights concepts and related regulations during new and existing employee training, we have established diverse, open, and transparent proposal and communication channels. We also review our performance on issues such as the prevention of child labor and minor workers, forced labor, sexual harassment, labor-management communications, and freedom of expression. In 2019, WNC released the [WNC Modern Slavery Statement](#) as the foundation of its human rights policy. The statement is reviewed and updated annually, showing our commitment that WNC and our suppliers respect and safeguard human rights and do not have policies, management practices or related measures that involve slavery or human trafficking.



[WNC Modern Slavery Statement](#)

4.1.2 Human Rights Management



At the beginning of each year, responsible units at WNC conduct human rights risk identification based on impact level and probability in compliance with the latest international trends, the RBA Code of Conduct, ISO 45001 Occupational Health and Safety Management Systems and stakeholder expectations to ensure that all risks have their corresponding management measures and that these measures are properly implemented. Medium and high-level human rights risks identified by WNC in 2023 and their mitigation measures are as follows:

Risks	Risk Description	Risk	Policy	Management Measures
Working hours management	Working overtime (more than 60 hours per week)	High	WNC Modern Slavery Statement	<ul style="list-style-type: none"> ■ The Responsible Business Alliance (RBA) Code of Conduct ■ Regulations on the Reporting and Handling of Workplace Harassment
	Working more than seven consecutive days	Medium		
Humane treatment	Sexual harassment/assault, mental or physical coercion, verbal abuse and threats	Medium		
Freedom to choose employment	Charging foreign migrant workers employment fees	Medium		

Mitigation and remedial measures corresponding to human rights issues in 2023

Risks	mitigation measures		Remedial Measures		
	Training Courses/ Awareness Programs	Management	System Adjustment	Remedies	Disciplinary Actions
Working hours management	All new employees are required to complete the WNC Introduction to RBA course to ensure that employees and supervisors are fully aware of regulations about working hours.	Set up working-hour alarm in the employee management system, and a monthly review mechanism. Establish multiple communication channels for employees to speak out.	Check manpower needs weekly, and establish channels to supplement manpower. Produce accurate production forecasts, regularly analyze industry trends, and check manpower demand.	Upon receiving notifications of anomalies in an employee's working hours, the HR department contacts the employee's unit and provides assistance. With the working-hour alarm system, the HR department can keep track of employees' working hours and remind them of taking some rest.	If a violation of the rule is identified during a monthly working hour inspection, the unit head is required to provide explanations and remedial measures.
Humane treatment	All new employees are required to complete the WNC Introduction to RBA" course. Shift leaders and managers are required to take courses about managing emotions and annual refresher training courses. Reminders about employee rights are provided to employees frequently to ensure observance of these rights.	By following the RBA Code of Conduct, WNC is committed to improving employee rights and benefits. The RBA VAP is promoted across all sites to ensure that the same framework and standards are applied consistently. Regulations on the Reporting and Investigation of Workplace Harassment have been formulated. In addition to promotion of workplace harassment prevention, employees can report on any ongoing situation in a confidential manner without fear of retaliation.	Regularly review and revise preventive measures against workplace harassment at all sites and related guidelines about complaints, disciplinary actions and protection of complainants.	Employees can raise questions or offer suggestions through channels such as the Employee Suggestions Platform and the DL Self-service Platform, and obtain feedback. WNC has established clinics, arranged on-site doctors for health consultation on a regular basis, and provided psychological counseling on an online consultation platform. Add content about prevention of workplace harassment (including verbal abuse) in quarterly shift leader meetings and training courses for new shift leaders to raise their awareness of workplace harassment issues.	Disciplinary actions are imposed on offenders according to related company regulations based on accountability and severity.
Freedom to choose employment	WNC has signed contracts with legally registered recruitment agencies for hiring foreign workers, and migrant workers are required to sign a labor contract before coming to Taiwan. In addition, we ensure that newly hired migrant laborers fully understand the provisions of their labor contract before they sign them.	Foreign migrant workers can pose questions in a timely manner through asking supervisors, mailing to the plant manager's mailbox, and posting on DL self-service platforms.	The management of recruitment agencies must comply with RBA regulations. WNC also conducts ad hoc audits on these agencies to ensure compliance with human rights policies. Covenants about fees for entering Taiwan were added to the labor contract which all foreign migrant workers hired by WNC must sign. Inspection mechanisms for foreign migrant workers before they enter Taiwan have been established to safeguard their rights.	Foreign migrant workers can raise doubts to human resource units. If issues with fees are confirmed, the fees will be refunded within 90 days of entry to Taiwan.	If recruitment agencies are found to violate any rules or policies, they are required to remediate the issues before a specified deadline. These violations are also included in WNC's agency assessment.

Prohibition of Child Labor

WNC does not employ workers younger than the minimum employment age stipulated by law. No WNC sites worldwide employ workers under the age of 16. The WNC Responsible Business Alliance (RBA) Code of Conduct Handbook clearly prohibits the use of child labor, and the Administrative Measures for the Appointment of New Personnel and Administrative Measures for the Employment of Minor Workers stipulate that new personnel shall present their ID during orientation to ensure that no employees under the age of 16 are employed. In 2023, no child labor was employed at any WNC site.

Protection of Juvenile Workers

In accordance with the Cooperative Education Implementation in Senior High Schools and Protection of Student Participants' Rights Act stipulated by the competent authority, when employing technicians over the age of 16 but under the age of 18, vocational training is provided to assist them in acquiring work skills, but they cannot be forced to engage in heavy and hazardous work. They cannot work at night and on holidays, and the Company must comply with the regulations on working hours. In addition, the Company must cooperate with the partner schools to strengthen the management of minor workers to ensure their physical and mental development and labor rights.

In order to support the technical and vocational education system and narrow the gap between academic and practical work needs, WNC and the Private Dong Wu Senior Industrial Home Economics Vocational High School and Wan-Neng Senior Industrial and Commercial Vocational School signed long-term cooperative education contracts, arranging for students to go to WNC to learn practical operations and related professional skills. In 2023, a total of 319 students joined the WNC production line for internships, including 126 workers over the age of 16 but under the age of 18.

Elimination of Forced Labor

All WNC sites follow international social standards and local regulations, including the US California Transparency in Supply Chains Act of 2010 and the UK Modern Slavery Act 2015, providing employees with good working conditions and reasonable working hours. WNC does not require employees to hand over ID cards, passports or work permits. WNC respects the wishes of employees in terms of the content of the work, and all employees have the right to leave their jobs freely in accordance with the law. The WNC Supplier Code of Conduct clearly prohibits forced labor, and this code will continue to be implemented for all suppliers. Every year WNC issues a WNC Modern Slavery Statement to show that WNC and its suppliers do not have policies, management practices or related measures that involve slavery or human trafficking.

The "working-hour alarm system" and "seven straight working days notification system" automatically notifies employees and their supervisors if they work overtime or work for seven days straight. WNC also provides a monthly report on unusual working hours to supervisors at the beginning of each month to highlight anomalies in employees' working hours and to remind supervisors to pay attention to employees' physical and mental status. Regulations regarding overtime hours are communicated at quarterly meetings with shift leaders as well as at labor-management meetings.

Prevention of Workplace Harassment

To create a safe and harmonious workplace and protect employees from workplace harassment (including physical, linguistic, psychological abuse and sexual harassment), WNC (Taiwan) established Regulations on the Reporting and Handling of Workplace Harassment. The Human Resources Administration Division is responsible for the prevention, correction, complaint handling, and punishment of harassment in the workplace. The Division is responsible for contacting and coordinating related units within 24 hours of receiving reports. A task force consisting of personnel from the HR and Legal and the units of the involved parties is then formed and will investigate, interview and discuss before they submit a report to the CEO.



During 2023, 18 unlawful infringement complaints were received, including eight cases of workplace bullying and ten cases of sexual harassment. All cases have been closed after internal disciplinary actions were implemented. Remedial measures include reviewing and adjusting work procedures, avoiding contact between the parties in the workplace, and enhancing security monitoring facilities. In July 2023, a mandatory training course was launched, with the content focusing on prevention of workplace bullying and sexual harassment. In the course, scenarios were introduced to help raise awareness of unlawful infringement issues in workplace among employees and managers. In addition, we have invited a famous lawyer, Angela Lai, to give a lecture on sexual harassment and handling procedures and on how to create a safe workplace.

In view of the differing cultural and administrative requirements, WNC's sites in China and Vietnam implemented Regulations on Filing and Handling of Internal Complaints. Employees may file complaints and reports regarding various issues, such as sexual harassment, with the Human Resources Unit. The Human Resources Unit is responsible for handling, investigating, and offering feedback on all complaints. Employee representatives and the employee union are responsible for monitoring the methods that WNC use to handle such complaints and reports. In 2023, neither China nor Vietnam sites received any complaints.

4.1.3 A Workplace You Can Feel Safe In

WNC introduced the “A Workplace You Can Feel Safe In” initiative at its Taiwan sites in 2021. The goal of this initiative is to create a workplace that ensures, emphasizes, promises and protects the physical and mental wellbeing of WNC employees. Through the Five Elements of Workplace Well-Being listed here, the initiative encourages all WNC employees to work together to create a safer workplace.

WNC's Five Elements of Workplace Well-Being

- **Common good of WNC employees: implement measures to prevent workplace harassment and provide easy-to-use communication channels for employees.**

The series of activities relating to the common good of WNC employees were enthusiastically kicked off by our top tier managers. In the “Enthusiasm Relay” activity, 45 employees uploaded photos to show their support for turning the workplace at WNC into a friendly environment for all.

- **Safety & Health: ensure food safety, environmental sanitation, and occupational safety and health.** Protecting Your Safety & Health and Safe and Healthy Food videos were released to give an overview of the measures WNC has implemented to ensure work safety and a safe and sanitary work environment. A Q&A activity was held alongside the release of the videos.

- **Healthcare: protect employees' health by providing occupational injury and maternity care services and conducting follow-up health checks.**

Staffed with healthcare personnel with clinical and workplace experience and on-site doctors as health consultants, WNC's health center provides interpretation of physical examination results and health consultation services.

- **Consultation & Assistance: provide consultation and resource sharing services to help solve employees' problems**

Word regarding the Employee Assistance Platform and WNC New Parents Support Network was spread via announcements and promotional posters to remind employees that they can use these services to share their worries and help solve their problems.



- **Diversity and Equality: embrace diversity and uphold equality.**

WNC is committed to creating a diverse and inclusive work environment where all employees can thrive and succeed regardless of their gender, marital status, ethnicity, political affiliation, or religion.

Workplace Equity Award – Outstanding Enterprise

Adhering to the concept of a friendly workplace in its promotion of equal rights, including initiatives related to female care, flexible work arrangements and encouragement of parental leave, WNC hopes everyone can work together to create a safe and happy workplace. After receiving the Workplace Equity Award - Outstanding Enterprise in 2022, WNC was honored to receive the same award from both the Southern Taiwan Science Park (STSP) administration and Hsinchu Science Park Administration in succession in 2023.

Southern Taiwan Science Park's

2022 Workplace Equity Award –

Outstanding Enterprise



Hsinchu Science Park's

2023 Workplace Equity Award –

Outstanding Enterprise



4.1.4 Communication Mechanism

WNC provides open and transparent suggestion and communication channels for employees. Timely communications with employees are enhanced via committees, forums, events, as well as physical and electronic mail, hotlines, and system platforms. In addition, public email addresses for [stakeholder interaction](#) and [reporting of violations](#) are provided for employees to raise questions, offer suggestions, or make complaints without fear of retaliation.

The main communication channels at Taiwan sites include the employee suggestions platform, labor-management conference, welfare committee, safety committee, and the physical suggestion box set up on production lines. The Employee Suggestions Platform was the main source of employee proposals. The proposals are sent to a dedicated unit for tracking and processing according to the proposal category. In 2023, Taiwan sites received a total of 1,337 proposals and complaints. Among the cases, 79 were from plant managers' mailboxes, 1,210 from the employee suggestions platform, and 48 from the email address for reporting of violations. Management units handled these cases in confidentiality immediately after receiving the complaints. All cases were assigned to responsible units according to their type and severity and were properly handled. Among these cases, 18 cases were categorized as workplace misconduct, all of which were substantiated after investigation, and five cases were categorized as integrity violations, two of which were substantiated after investigation. Regarding the handling procedures and results of workplace misconduct and integrity violations, please refer to [4.1.2 Human Rights Management](#) and [1.3.2 Grievance and Consultation Mechanisms](#) in this report for more details.

In WNC's China sites, unions have been established and employee representative conferences are convened at least once every month. In addition, the HR units have set up and are responsible for the management of physical suggestion boxes and employee care hotlines. The units coordinate to handle and reply to employees' questions and suggestions. WNC (Kunshan) Corporation has also created a WeChat public platform where the Company can share activity information and provide online consultation. In Vietnam, the main communication channels are the union and physical suggestion boxes. All proposals are forwarded to the union for discussion, and management responds through the union. Additionally, seminars are held for different groups to share work experiences and facilitate communication of opinions with employees. To enhance the efficiency and immediacy of employee communications, starting in 2024 union meetings are now held quarterly (originally annual).

In 2024, in support of its "zero tolerance" stance towards workplace harassment, WNC introduced a dedicated "Workplace Harassment and Sexual Harassment Complaint Inbox" (8585@wnc.com.tw). This provides employees across all sites with a means to report cases of workplace harassment and bullying. These complaints, upon receipt by the CHRO, are assigned to the respective HR management units at each site for investigation. All processes follow strict confidentiality principles.

Through diversified communication channels, we aim to create an inclusive and equitable workplace for all employees.

Communication channels at WNC sites

★The main channel at each site

Communication Mechanism and Participants		Taiwan sites	China sites	Vietnam site
Consultative organizations	All employees	Labor-Management Committee, Employee Welfare Committee and OSH Committee★	Labor unions★	Labor unions★
Physical mailboxes		Plant manager's mailbox★	Suggestion box★	Suggestion box★
System platforms		Employee Suggestions	WeChat public platform★	
Email addresses				Plant manager's mailbox: wecare@wnc.com.tw
Hotlines		8585 Employees Care Hotline★		
Forums	All employees	A Talk with the CEO forum	Employee Representative Forum★	Employee Representative Forum
	Production line employees	Plant manager's/Shift manager's/foreign employees' forums		Shift manager's forums
	New employees	New Hire Forums Experiencing WNC culture and a talk with the CEO forum		
	Management			Section level/foreign employees' forums
Complaint mechanisms	All stakeholders	<div>■ Mailbox for violation reporting wnc.integrity@wnc.com.tw</div> <div>■ Workplace Harassment and Sexual Harassment Complaint Inbox 8585@wnc.com.tw</div> <div>■ Stakeholder engagement mailbox public@wnc.com.tw</div>		

Taiwan Sites - Employee Suggestions Platform

Proposals are sent to each dedicated committee for processing according to the proposal category, including Labor-Management Committee, Employee Welfare Committee and OSH Committee. Employees can check the latest progress on the platform.



Taiwan Sites - Experiencing WNC Culture and A Talk with

New employees working over three months are invited to experience WNC culture and have a talk with the CEO so that they can understand WNC's policies and future directions.



China Sites - Labor Unions

Representatives of labor unions are elected by employees at all sites, with a term of three years. Employees can offer their suggestions and raise questions to the Company via representatives.



Taiwan Sites - A Talk with the CEO

Every quarter, employees with outstanding performance are invited to have a talk with the President and CEO to raise questions and offer suggestions to the CEO and the Company.



Taiwan Sites - Tea Party for New Hires

To answer questions from new employees who have worked more than a month, helping them adapt to their new environment and increase interaction with employees from different units.



China and Vietnam Sites - Physical Mailboxes

Employees can make suggestions and raise questions through physical mailboxes. The progress of handling is publicized on the bulletin board on production lines and employee identities are kept confidential.



4.2 Talent Recruitment

WNC follows the principle of "respect for human rights" when recruiting new employees and the entire recruitment process conforms to the Labor Standards Act, Employment Service Act and the Gender Equality in Employment Act. Professional ability is the key factor and all participants have an equal opportunity to display their capabilities in an open and transparent recruitment process. Personnel from the recruitment affairs unit also regularly participate in training programs on interview skills and the use of specialized evaluation tools. In order to gain employees' and stakeholders' support for an inclusive, equitable and harmonious workplace, WNC issued a [Statement on Diversity, Equity, and Inclusion](#) in November 2023. We will continue to facilitate a culture of diversity and equity while improving related management mechanisms.

The Human Resources Administration Division across all WNC sites works closely with hiring units to locate outstanding talent. For colleagues with different qualifications at different levels of the organization, we offer orientation, bonuses for long service and outstanding performance, internal transfers, promotions, salary-structure adjustments, and other incentive measures in order to create a sound work environment.

4.2.1 Human Resources Structure

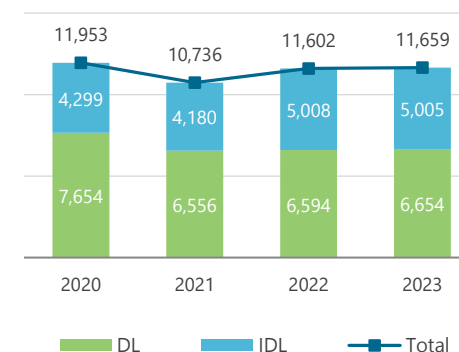
As of the end of December 2023, WNC had a total of 11,686 employees worldwide, representing an increase of 0.26% compared to 2022. Of these, 27 were part-time employees. The number of full-time employees at Taiwan sites is 7,383, an increase of 11.8% compared to 2022. The figure for China sites has decreased by 26.1% compared to 2022 to 1,962 due to adjustments in WNC's global production capacity. A total of 2,232 employees are working at our Vietnam site, a 1.4% drop compared to 2022.

Total number of WNC employees worldwide in 2023 ^{Note 1}										
Country		Permanent employees			Contract employees			Total		
		Male	Female	Subtotal	Male	Female	Subtotal	Male	Female	Subtotal
Taiwan	Full time	2,981	3,844	6,825	372	186	558	3,353	4,030	7,383
	Part time	1	1	2	16	6	22	17	7	24
China	Full time	1,207	755	1,962	0	0	0	1,207	755	1,962
	Part time	1	0	1	0	0	0	1	0	1
Vietnam	Full time	1,099	1,133	2,232	0	0	0	1,099	1,133	2,232
	Part time	0	1	1	0	0	0	0	1	1
Other ^{Note 2}	Full time	57	17	74	6	2	8	63	19	82
	Part time	0	0	0	1	0	1	1	0	1
Total		5,346	5,751	11,097	395	194	589	5,741	5,945	11,686

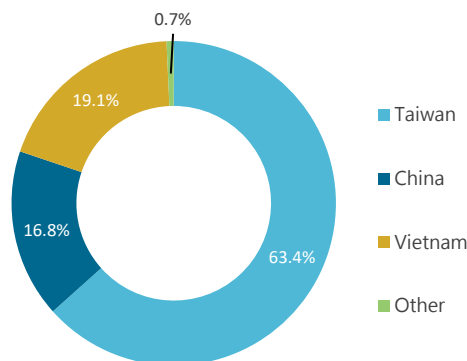
Note 1: Permanent refers to non-fixed-term full-time personnel. Contract refers to fixed-term personnel. WNC does not utilize zero-hours contracts.

Note 2: "Other" includes branches in the United States, the United Kingdom, Germany and Japan.

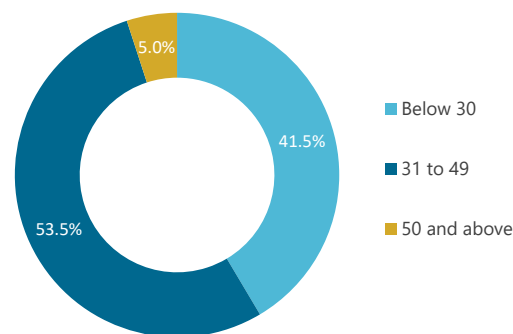
Total number of WNC global full-time employees in the past 4 years (unit: number of persons)



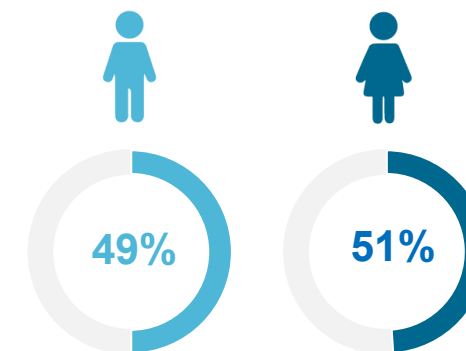
WNC Employees in Each Country



Age Distribution of WNC Employees



Employee Gender Ratio



Local Management Talent

The percentage of managerial positions taken by Taiwanese employees is 99.4%. As for subsidiaries in China and Vietnam, we have been committed to training local employees to help them attain management-level positions. The percentage of managers in China and Vietnam promoted from locals is 94.6% and 76.4%, respectively. For branches in the United States, the United Kingdom, Germany and Japan, the percentage is 85.7%.

Local hires serving as managers across WNC's sites in 2023^{Note}

Country	Top-level managers	Mid-level managers	Junior managers	Subtotal
Taiwan	100.0%	99.5%	99.1%	99.4%
China	0.0%	81.6%	100.0%	94.6%
Vietnam	--	13.3%	89.7%	76.4%
Other	100.0%	85.0%	--	85.7%

Note: Lower-level managers: shift leaders and section level managers; middle managers: department level managers; senior managers: top-level managers include top-tier managers, Chairman, President & CEO.

Non-employee Workers

Non-employee workers of WNC include contractor personnel working at WNC, as well as on-site personnel such as caterers, security guards, cleaners and drivers. Dispatch personnel recruited by production sites in Taiwan due to short-term needs are also included. Branches in the United States, the United Kingdom, Germany and Japan are sales offices. No dispatch personnel are hired in these offices.

Total number of WNC non-employee workers worldwide in 2023^{Note}

Country	Contractor personnel	On-site contractors	Dispatch employees	Subtotal
Taiwan	93.7	265.1	125.4	484.2
China	99.0	64.5	-	163.5
Vietnam	290.4	135.6	-	426.0
Total	483.1	465.2	125.4	1,073.7

Note: WNC estimates the number of non-employee workers using full time equivalent method (FTE). The total number of non-employee workers for the year = the total hours worked of non-employee workers / the total work days of the year x 8 work hours per day.

4.2.2 Talent Diversity

Diverse Cultural Backgrounds

WNC aims to offer customers products and services that make life more convenient. This is achieved through a professional team from diverse backgrounds that provide different perspectives. In addition to hiring talent according to functional requirements, the recruitment rate of different nationalities and different ethnic groups has gradually increased. This facilitates contact with our international customers and suppliers and makes WNC more internationalized. The employment rates of ethnic minorities in Taiwan, China, and Vietnam were 0.2%, 0.8%, and 28.2%, respectively and the percentage of them to take on managerial positions are 0.1%, 1.2% and 14.3% respectively.

WNC's Employees Worldwide by Nationality in 2023

Nationality	Employees (number hired)	Percentage (%)	Managers (number hired)	Percentage of persons serving as managers (%)
Taiwan	5,562	47.6%	847	56.8%
China	1,982	17.0%	423	28.4%
Vietnam	2,294	19.6%	198	13.3%
The Philippines	1,751	15.0%	0	0.0%
US	52	0.4%	15	1.0%
UK	8	0.1%	2	0.1%
Others ^{Note}	37	0.3%	6	0.4%
Total	11,686	100%	1,491	100.0%

Note: In Others, employees from Germany, Spain, Brazil, France, New Zealand, Japan, Macau, Hong Kong, Malaysia and Indonesia are included.

Employment of minorities in WNC's sites in 2023

Country	Employees (number hired)	Percentage (%)	Managers (number hired)	Percentage of persons serving as managers (%)
Taiwan	16	0.2%	1	0.1%
China	16	0.8%	5	1.2%
Vietnam	629	28.2%	37	14.3%
Total	661	5.7%	43	2.9%

Note: Ethnic minorities in Taiwan refer to aborigines and new immigrants. In China, the term refers to non-Han ethnic groups while in Vietnam, it refers to non-Kinh ethnic groups.

Women Working in the Technology Industries

The percentage of women serving as supervisors at WNC is 27.6%, with the figure rising to 44.8% for sales departments. Science, Technology, Engineering, and Math (STEM) positions at WNC include positions related to R&D, production management, materials management, logistics, procurement, warehouse management and information. The percentage of female employees taking these positions is 26.8%.

Percentage of women in managerial positions in 2023

Managerial positions	Top-level managers	Mid-level managers	Junior managers	Total
Number of women serving as	5	117	290	412
Number of managers	22	609	860	1,491
Percentage (%)	22.7%	19.2%	33.7%	27.6%

Employment of Persons from Disadvantaged Groups

Individuals from disadvantaged backgrounds work at WNC as masseuses, operators on assembly lines, engineers, or dispatch personnel. Accessible restrooms were built at WNC headquarters and S3 for employees and visitors with physical disabilities. It is our goal that after arranging a suitable working environment, colleagues with disabilities are able to enjoy roles in which they can develop their skillsets. In 2023, WNC's Taiwan sites hired 54 employees with disabilities, accounting for 0.7% of our total employees, lower than the statutory 1% employment quota. As such, WNC has paid a difference subsidy to the employment fund for people with disabilities in accordance with related laws.

Employment of persons from disadvantaged groups in WNC's sites in 2023

Area	Employees (number hired)	Percentage (%)	Managers (number hired)	Percentage of persons serving as managers (%)
Taiwan ^{Note}	54	0.7%	4	0.5%
China	0	0.0%	0	0.0%
Vietnam	0	0.0%	0	0.0%
Total	54	0.5%	4	0.3%

Note: WNC's Taiwan sites hired 26 people with mild or moderate disabilities and 14 with severe disabilities. According to related laws, when an organization employs a person with severe disabilities, the person is counted as two persons.

4.2.3 Employee Turnover

WNC's turnover rate for global IDL employees in 2023 was 15.1%, 0.8 lower than that in 2022, with an average monthly turnover rate of 1.26%. Due to some political and economic factors and WNC's global manufacturing capacity adjustments, the turnover rate for worldwide DL employees remained high, reaching 84.1%.

To look at the turnover rate by region, the job market in Taiwan has stabilized and the turnover rate in Taiwan sites has dropped slightly. The Vietnam site continues to recruit more employees to increase its production capacity. The turnover rate at this site is therefore significantly lower in comparison with 2022. China sites have witnessed higher turnover rates due to political and economic changes around the globe and WNC's production capacity adjustments.

Turnover rate of full time WNC employees^{Note}

Country	2023			2022		
	Voluntary	Non-voluntary	Total turnover rate	Voluntary	Non-voluntary	Total turnover rate
Taiwan	16.8%	1.5%	18.2%	19.8%	0.8%	20.6%
China	151.6%	1.8%	153.4%	136.2%	1.2%	137.4%
Vietnam	72.4%	1.7%	74.2%	276.9%	0.5%	277.4%
Other	6.8%	0.0%	6.8%	6.0%	0.0%	6.0%
Total	51.7%	1.6%	53.3%	99.0%	0.8%	99.8%

Note: Turnover Rate = Turnover Quantity of DL (IDL) Permanent Employees in the Category Concerned / Total Number of DL (IDL) Permanent Employees at the End of the Year.

Turnover rate of full time WNC employees in 2023^{Note}

Category		IDL		DL	
		Employees who resigned (number hired)	Turnover rate (%)	Employees who resigned (number hired)	Turnover rate (%)
Country	Taiwan	297	9.0%	948	26.9
	China	325	31.1%	2,686	292.3
	Vietnam	123	23.0%	1,533	90.3
	Other	5	6.8%	--	--
Gender	Male	470	14.5	2,798	133.3
	Female	280	16.4	2,369	58.6
Age	≤ 30	265	22.5	3,322	108.9
	31–49	460	13.8	1,818	62.2
	≥ 50	25	5.7	27	17.2
Total		750	15.1	5,167	84.1

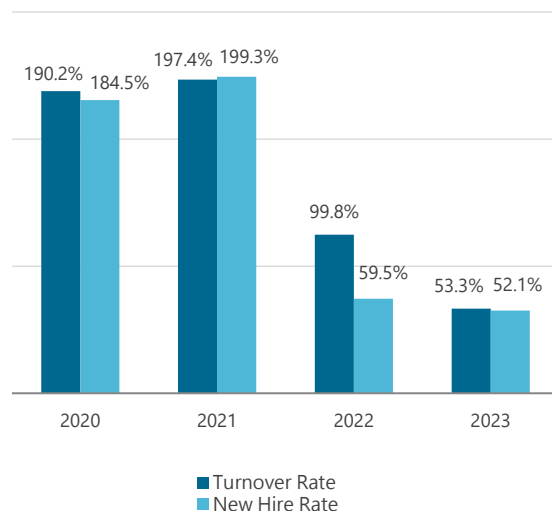
Note: Turnover Rate = Turnover Quantity of DL (IDL) Permanent Employees in the Category Concerned / Total Number of DL (IDL) Permanent Employees at the End of the Year.

WNC's recruitment rate of full-time employees in 2023^{Note}

Category		IDL		DL	
		New employees (number hired)	New hire rate (%)	New employees (number hired)	New hire rate (%)
Country	Taiwan	446	13.5	1,311	37.2
	China	82	7.9	2,217	241.2
	Vietnam	144	26.9	1,568	92.3
	Other	10	13.5	--	--
Gender	Male	430	13.2	2,435	116.0
	Female	252	14.8	2,661	65.8
Age	≤ 30	341	28.9	3,371	110.1
	31–49	320	9.6	1,707	58.4
	≥ 50	21	4.8	18	11.5
Total		682	13.8	5,096	83.0

Note: New hire rate = Number of DL (IDL) New Hires in the Category Concerned / Total Number of DL (IDL) Permanent Employees at the End of the Year

**WNC's recruitment rate and turnover rate
of full-time employees in 2023**



Talent Retention Strategy: Total Rewards Initiative

To better understand reasons for resignation, and as a basis for talent cultivation and employee retention strategies, WNC holds exit interviews. Our retention system focuses on the three aspects of recruitment and hiring procedures, new employee development training and career development planning. Strategies to retain and attract outstanding talent include adjustments to the process of new recruit interview screening, an enhanced guidance/mentorship mechanism, improved supervisor interview techniques so as to understand employees' thinking and respond before it is too late, professional skills inventory enhancing to boost employees' sense of worth, drawing up individual development plans (IDP), promoting career development by making employees aware of internal vacancies.

In addition, to retain talent, attract talents and create an empowering workplace, we are committed to building teams that can continuously grow and to making WNC a benchmarking company. In 2021, WNC implemented the Total Rewards initiative, aimed at providing employees with a positive work experience.

	Friendly work environment and structure	Employee learning and development	Recruitment/Remuneration and benefits	Digital transformation in talent management
Vision	Committed to creating a friendly work environment that helps employees achieve a good work-life balance. Reduce the percentage of routine manual tasks by making work processes more intelligent. Improve employee health and well-being by providing flexible working hours and options. Facilitate a corporate culture of mutual respect and support.	Help employees achieve career growth through on-the-job training, development plans and a learning and development platform while encouraging employees to continuously learn new things by themselves.	Relatively competitive salary structures, leave benefits superior to regulations in the Labor Standards Act, and employee stock ownership trust. Expansion in academia-industry collaboration in response to transformation growth strategies. Maintain our technological leadership and attract key talents.	Introduce Workday and apply it to all sites around the globe to help WNC conduct strategic human resource planning and analysis. Provide employees with an improved work experience and allow managers and employees to manage human resources and map out meaningful career paths.
Target	<ul style="list-style-type: none"> Facilitate work-life balance Make work processes more intelligent Reduce percentage of routine manual tasks 	<ul style="list-style-type: none"> Build a sound management team Invest in advanced technology Provide an education and development platform Facilitate collaboration between outstanding talents 	<ul style="list-style-type: none"> Expand recruitment channels for industry-academia collaboration Team building and key talent recruitment in response to transformation growth strategy 	<ul style="list-style-type: none"> Support digital transformation in talent management Optimize existing HR management procedures: Global HR data and workforce planning
Measures	<ul style="list-style-type: none"> Digital Employee Assistance Program Employee suggestions platform More flexible working hours Newcomer mentorship 	<ul style="list-style-type: none"> WNC Colleges x job training blueprint Internal rotation and career development Language study subsidy Online Library i-Learning self-learning website/newsletter 	<ul style="list-style-type: none"> Employee stock ownership trust Employee referral bonus: Encourage employees to refer qualified candidates to the Company Leave benefits superior to statutory limit: 28 days of paid childcare leave and 10 days of paid leave for their spouses' prenatal check-up and parental leave 	<ul style="list-style-type: none"> Introduce Workday, a human resource capital management system DL communication platforms

4.2.4 Industry-Academia Cooperation

In order to attract outstanding talent, WNC cooperates closely with many colleges and universities to organize activities such as campus talent recruitment, teacher and student visits, mentors, technical lectures, and book and newspaper discussions. WNC also actively participates in and promotes industry-academia cooperation programs, assists young students in understanding the industry structure in advance, and employs talents from all walks of life and fresh graduates with development potential.

WNC provides students with internship opportunities. Interns with outstanding performance during their internship are given the opportunity to continue to work at WNC. In 2023, a total of 62 students participated in internship programs, and a total of 12 students stayed at WNC after their internships ended. In addition, WNC actively participates in talent training programs organized by universities or the government. In 2023, WNC participated in the following talent training programs organized by external organizations:

WNC Talent Development Program			
Program	Organizer	Plan content	2023 results
Industry-Academia Cooperative Training Program	Ministry of Labor	WNC worked with the National Taipei University of Technology to organize a two-year internship program. The program focuses on the development of manufacturing engineering talent, integrating the skills and knowledge needed by the industry.	Since its launch in 2019, 17 students have participated in on-site internships. As of the end of December 2023, nine students chose to continue working at WNC in their senior year and were transitioned to contract assistant engineers. Six of them continued working at WNC after graduation and took on permanent positions in fields such as manufacturing technologies, maintenance, mechanical design.
Leadership Talent Development Program	Tsinghua University	Conduct a 7-month corporate cross-sector training course, with mentors leading students to understand career paths and cultivating students' soft power.	10 elite students were selected and a total of nine training courses were held, leading students to jointly develop ideas related to "The Last Mile". The project aims at optimizing the last stage of delivery processes through AGVs. The project received excellent reviews from the participating students. One of the participating students joined WNC after graduation and took on an HR position.
Career Coaching Program	National Cheng Kung University	Courses are planned according to the career interests of students, and then middle and senior managers of the Company serve as career coaches to guide students to understand the practical aspects of the industry and provide necessary employment preparation information.	In 2023, eight students participated in the program and seven courses were held. WNC assigned managers of business units, human resources, mechanical design, marketing and manufacturing departments to serve as coaches to share practical experience in different aspects.
Mobileheroes Communication Competition	Ministry of Economic Affairs Industrial Development Administration, MOEA	WNC has sponsored National Sun Yat-sen University to hold an annual network communications competition from 2019. We also dispatch staff to guide Kaohsiung University of Science and Technology students to carry out projects to participate in the competition.	Provide instruction to Kaohsiung University of Science and Technology students for participating in the competition with a project on the theme of Design of circularly polarized and dual-polarized broadband array antennas for 5G applications in low Earth orbit satellites.
Keynote Speeches	Departments in Universities/Colleges	Executive managers with different backgrounds share their thoughts about industry trends, career development, technologies and others in classes, allowing students to gain industry knowledge and plan their career paths.	In 2023, 21 lectures were held by 15 different departments in different universities, with a total of 1,714 participants.
One-on-one online career counseling with young students	Held by WNC	Experienced employees at WNC formed a volunteer team to provide college/university students with one-on-one online career counseling. In one-hour sessions, these volunteers discuss with students and provide suggestions concerning challenges they encountered on their academic and career exploration journey.	In 2023, 15 students participated in the counseling sessions with a total of 15 hours of counseling.

WNC Industry-Academia Collaboration Programs

To provide students with employment opportunities during their studies, from 2017 onward, WNC and the Department of Industrial Management at Chung Hua University have launched an industry-academia enterprise program. In recent years, WNC has organized several industry-academia programs, including international industry-academia collaboration programs and technical paper collaborations, in response to the establishment of new WNC plants and the demand for overseas talent.

Outcomes of WNC Industry-Academia Collaboration Programs in 2023

Program		Plan content	Co-organizer	No. of participating students	Results
Bachelors Programs	Customized enterprise program	Customized enterprise courses in this program are taught by WNC employees.	Department of Industrial Management at Chung Hwa University	192	There have been three batches of graduates from this program since 2017. Among the graduates, 39 have stayed in WNC, including four lower-level managers on production lines, nine assistant engineers, one engineer, and operators or production line assistants in fields such as manufacturing operations, warehousing and production technologies.
	Academia-industry training programs	Through MOEA's academia-industry collaboration 2.0 project, WNC provides internship opportunities to students to nurture talent and help students complete their studies while acquiring practical skills.	Department of Information Management at Kun Shan University	11	Since the launch of the project in August 2023, 16 students enrolled in the program, 11 of whom worked as interns at WNC. In the first quarter of 2024, a total of NT\$275,000 in scholarships and grants were given out.
	International industry-academia collaboration	This program promotes the cultivation of international talent and international industry-academia cooperation, helping to increase the sources of foreign students for the university but also recruits excellent talent for domestic industries.	Minghsin University of Science and Technology Department of Industrial Engineering and Management and Department of Electronic Engineering	50	50 students participated in this program and NT\$1,250,000 in scholarships and grants were given out int 2023.
Kun Shan University Department of Electrical Engineering, Department of Information Engineering and Department of Intelligent Robotics Engineering			65	The program was launched in January, 2022. In 2023, 65 foreign students served their internships at WNC, 20 of whom continued working at WNC after graduation.	
Master's Programs	Technical paper collaboration	Technical exchange through internships This collaboration provides graduate students with opportunities for on-site internships, where they are co-supervised by their professors and WNC supervisors. This allows the practical application of experimental theories in actual production operations.	Taipei University of Technology Department of Industrial Engineering and Management	2	Since 2017, a total of 14 students have participated in this program, eight of whom have graduated and stayed at WNC while two are on internships.
			National Cheng Kung University Department of Electrical Engineering	2	<div><div></div><div>By combining theory and practice, a new framework design has been proposed and a patent application has been filed.</div></div> <div><div></div><div>To attract and retain outstanding talent, pre-employment arrangements have been initiated for graduate students in this project.</div></div>

Outcomes of WNC Industry-Academia Collaboration Programs in 2023

Program	Plan content	Co-organizer	No. of participating students	Results
Master's Programs	Overseas manufacturing and engineering program: A four-year foreign student industry-academia collaboration program was launched, helping students integrate research papers with real-world applications.	Minghsin University of Science and Technology	31	<ul style="list-style-type: none"> Since 2019, 34 students have participated in this program. In 2022, collaboration with Tatung Institute of Technology also started. Currently, 22 students are on internships. By the end of 2023, a total of eight graduates remain at our Vietnam factory.
	NCKU-WNC Talent Cultivation Scholarship Program: This program nurtures future talents in the network communications industry through scholarships, summer internships, and employment opportunities.	National Cheng Kung University	12	As of the end of 2023, 12 students enrolled in this program. A total of NT\$2.25 million in scholarships were given out. Two students are now working at WNC.
	Taiwan-Vietnam Talent Development Program: This program promotes the cultivation of international talent, expanding sources of foreign students for the university and recruiting high-level talent for domestic industries.	Department of Electrical Engineering at National Chung Cheng University, Vietnam National University-University of Engineering and Technology (VNU-UET)	0	In 2023, no students from VNU-UET enrolled in the Department of Electrical Engineering at National Chung Cheng University. Thus, there are no participants for this program.
	Overseas Talent in Taiwan Scholarship Program: Foreign students in their first or second year of graduate school in Taiwan can apply for scholarships. The purpose of this program is to nurture talents for the networking and communications industry through scholarships, internships and job opportunities.	WNC	2	This program was launched in 2023. Two foreign students from two universities have participated in this program.
Foreign students project				

Senior High School and Vocational School Talent Recruitment Programs

In addition to long-term collaboration with the Dong Wu Senior Industrial Home Economics Vocational High School to organize cooperative education programs, WNC introduced industry-academia collaboration programs and career development camps starting in 2022 to provide students with scholarships and miscellaneous subsidies. WNC also organizes career development events on school campuses to offer advice for students to help them transition to WNC's industry-academia programs.

Outcomes of Senior High School and Vocational School Talent Recruitment Programs in 2023

Program	Subject	Co-organizer	Subsidy amount per person	No. of participating students	Subsidy amount
Industry-academia talent cultivation program	High school students in their third year	Electronics, electrical engineering, and mechanical engineering departments of public senior high schools and vocational schools	■ The total amount (excluding scholarships) is NT\$14,000, including NT\$4,000 for tuition and miscellaneous fees during the first and second semesters of the third year, and NT\$ 3,000 in grants for each person.	17	119,000
Industry-academia talent cultivation program for students from low-income families			■ The total amount (excluding scholarships) is NT\$29,000, including NT\$5,000 for living expenses for the second semester of the second year, NT\$5,000 for living expenses for the first and second semesters of the third year, NT\$4,000 for tuition and miscellaneous fees, and NT\$3,000 in scholarships. ■ Scholarships ranging from NT\$1,000–3,000.	No eligible candidates in 2023	0
Career development camp	Vocational school students	Career development camp for Dong Wu Senior Industrial Home Economics Vocational school students	■ The total amount is NT\$20,000, including a career development grant of NT\$2,500/month for the first and second semesters of the third year (one semester is calculated as four months).	8	80,000



International industry-academia collaboration with Minghsin University of Science and Technology

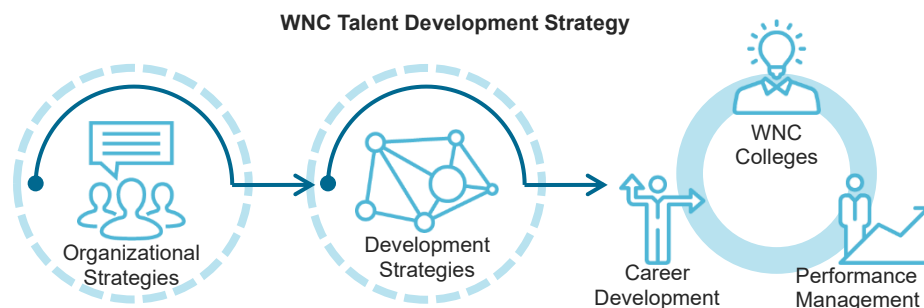


Career development camp for Dong Wu Senior Industrial Home Economics Vocational school students



Leadership Talent Development Program with NTHU

4.3 Talent Training and Cultivation



4.3.1 Dynamic Talent Management

WNC attaches great importance to recruiting talented people and improving their skills and general knowledge. Employees are provided with job function enhancement training programs, key competencies enhancement programs, and supervisory and leadership training. Recruitment activities in compliance with local laws and regulations are held. WNC employees are provided with healthy and safe working conditions and complete occupational training.

Cultivation of Outstanding Employees

For high-potential, high-performance talents, ability evaluations and personal development planning are provided to combine organizational development goals, and use multiple learning contents and methods, including curriculum training, action learning, job rotation, project assignment, challenging task execution and one-on-one coaching to motivate and strengthen the abilities of employees, enhance practical experience and gain more opportunities for career development. WNC performs organizational talent review annually to select outstanding employees who have demonstrated high potential, pinpoint gaps in organizational talent development, and plan for organizational learning development.

Cultivation of Management Capabilities

The Human Resources Administration Division plans progressive talent cultivation courses according to the different levels and positions of employees. The courses feature a systematic training and development structure to promote learning and development through multiple learning channels and talent-development plans to assist employees in enhancing their capabilities in all aspects, including professional skills, communication skills, and management practices.



4.3.2 Training Systems

Encouraging Participation in Internal and External Training

In addition to the five college courses, WNC also encourages employees to participate in other internal and external training to increase the breadth and depth of their personal competencies. The external training courses include seminars, lectures, professional training and on-the-job training. The external training courses can be fully subsidized with the approval of the supervisor of the affiliated unit. English language training courses can be subsidized up to NT\$10,000 per person per year. In addition, departments are encouraged to host reading clubs to share insights gained through books. To ensure the quality of course content, participants are surveyed after courses conclude to determine the participants' retention, the teaching skills of the instructors, and recommendations for course improvement.

Developing a Learning Organization

Supervisors of all levels are encouraged to teach at least one two-hour class to share their management practices, professional knowledge/skill, lessons learned, new trends/technologies, and project experience each year. At the same time, WNC has instituted an internal instructor certification system to train instructors according to the training and development objectives of the year. Top-tier managers from different units in WNC's sites in Taiwan and China recommend candidates for the instructors. The candidates must attend the instructor training courses organized by the Human Resources Administration Division, conduct demonstration lectures, and be assessed based on their performance in the demonstration. All instructors will be recognized on Teacher's Day every year. Also, activities are organized during the Teacher's Day celebration for employees to show appreciation for their instructors. As of the end of 2023, WNC's sites have trained a total of 394 internally certified lecturers.

Project Discussion

Regular project meetings enable employees to check progress and discuss product-related issues with other team members. Through asking questions, engaging in discussions, sharing practical examples and lessons learned, as well as preparing material and response measures in advance, employees can avoid potential issues in project management. In addition, through participating in the quarterly business review and technical exchange meetings, different units can learn skills related to organizational management, product development, and business expansion from one another.

4.3.3 Worldwide Learning System

E-learning System

WNC's LMS (learning management system) human resource development system is a resource sharing platform for education, training, and performance management. You can also manage organizational and personal learning records through this system, such as applying for internal or external training. The system will automatically issue course

notifications, submit after-class study reports, post-lesson satisfaction surveys and other reminder messages.

i-Learning Self-Learning Website






Due to the impact of the pandemic and a rapidly changing knowledge environment, the i-Learning self-learning website was launched on the Company's internal website in June 2021. By linking internal and external resources, the website provides multiple learning channels, helping employees and organizations to establish self-learning environments and habits.

Modularized Courses

WNC also formulates modular courses to meet the needs of employees of different competencies and management levels. Corresponding training courses are provided in accordance with promotions and the resulting requirements of competency for the promoted position. This includes the new recruits course series, Six Sigma courses, targeted selection course series, new management training course series, basic management courses for general managerial positions, and advanced management courses such as performance management, strategic planning, and organizational development courses for middle-and upper-level supervisors.

WNC Colleges

The WNC Colleges were established in 2010 and underwent reorganization in 2021 in response to industry trends and internal organizational adjustments. The Colleges are now composed of a Digital Leadership College, a Business College, an R&D College, a Smart Manufacturing College, and an AI & Digital College. Respective colleges are led by top managers of related units, with organizational topics, future vision, and strategy adopted as points of departure for the construction of a successful template for a talent development system. In 2023, WNC Colleges held a total of 792 courses, and there were a total of 128,409 participations.

WNC Colleges			
College name	Principal	Participant	Number of Courses in 2023
 Digital Leadership College	CHRO	Functional unit supervisors	439
 Business College	President	Product managers/Sales supervisors	27
 R&D College	CTO	Product R&D Center/RD Forum Chairperson	112
 Smart Manufacturing College	General Plant Manager/	Manufacturing/Quality Assurance/Materials Center Manager	197
 AI & Digital College	CIO	Automation unit/Information unit/R&D unit supervisors	17

WNC Colleges

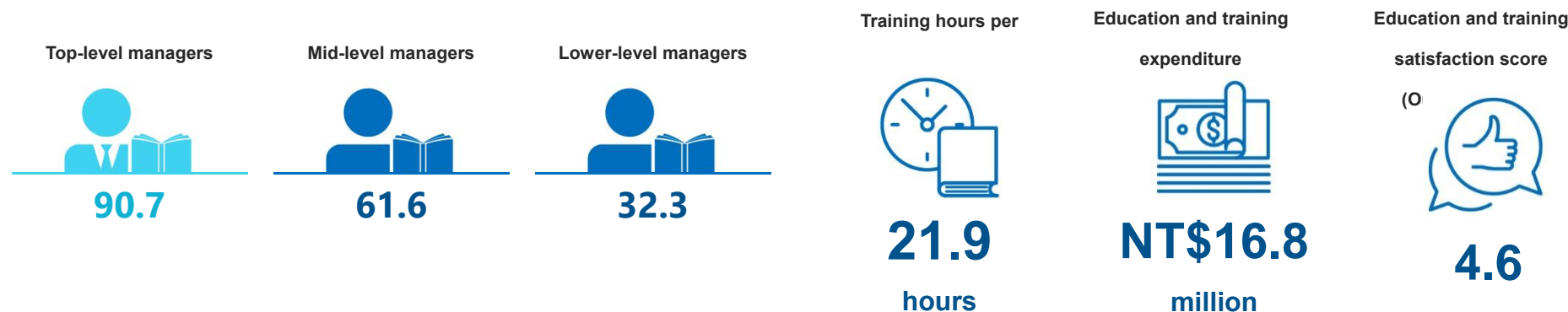
College name	Purpose	Description
Digital Leadership College	<ul style="list-style-type: none"> ■ Management courses focus on developing the management skills of supervisors, including management skills training in leadership, motivation, and the self-growth of newly appointed supervisors and strategic planning development for middle- and upper-level supervisors. ■ General purpose courses help new employees understand the corporate culture, work environment, and system operations. A number of functional and skills-related courses are planned to enhance the work efficiency and self-management capabilities of all employees. 	<ul style="list-style-type: none"> ■ In addition to organizing management courses based on different levels of management ability, we also conducted a human resources inventory to develop training courses for handpicked personnel. ■ General purpose courses include newcomer training, ESH related courses and drills, presentation creation and skills, and internal instructor training. Additionally, training is provided to newcomer counselors so that counselors can improve counseling skills to help new employees shorten the adaptation period and smoothly integrate into the WNC family.
Business College	In addition to implementation of project management and the application of individual skills and specialized knowledge, topics covered include new industry knowledge, presentation skills, conference planning, international trade, and customer management and service capabilities.	We will continue to arrange for senior supervisors to share experiences of successful customer interactions through case studies and exchange of opinions with participants.
R&D College	Following the company's research and development focus, the establishment of the RD Forum and the introduction of R&D innovation methods will enrich the research and development staff's own skills and further cultivate new research and development knowledge. Through the RD Forum, R&D employees can conduct cross-domain technical exchanges, so that R&D employees specializing in different fields can have more comprehensive vision and thinking.	Each moderator of the R&D Forum participates in the planning of the R&D College courses, and improves the technical knowledge of R&D employees through industry-university cooperation and external experts.
Smart Manufacturing College	Implement WNC's quality strategy and improve operational abilities of factory staff. Courses offered include engineering practices, six sigma, production processes, green-product design, quality systems, equipment, and failure analysis.	Regular training for internal auditors of various quality certification systems are held each year.
AI & Digital College	The AI & Digital College provides courses on professional knowledge and skills related to digital transformation and product development. Information from internal and external resources are integrated and shared to facilitate the incorporation of AI and digital learning into everyday work.	The AI & Digital College teaches AI knowledge to employees through integration and sharing of internal and external learning resources. AI projects are shared to inspire flexible applications in the various units and promote the implementation of WNC AI and digitization courses.

Significant Talent Cultivation Programs in 2023

Course Name	6 Sigma Green Belt	Coaching Leadership
Content	<ul style="list-style-type: none"> ■ Definitions and procedures of Six Sigma ■ Practical exercises of statistical tools ■ Program presentation and CIP Results 	<ul style="list-style-type: none"> ■ Definitions and roles of coaches ■ Procedures introduction and situational exercises ■ Role play and practical case study
Target	The main target of this course is to continuously improve product quality in accordance with the Company's core values and business development strategies; enhance product design and production quality through applications of Six Sigma and make continuous improvements based on the principles of customer centricity and business profits optimization.	In response to the Company's business development and market trends, coaching leadership is an important concept and management style for managing diverse talents from different generations. It can help nurture mid- and high-level managers, enhance leadership and retain talents.
Results Based on the Kirkpatrick Model (four levels of training evaluation)	<ul style="list-style-type: none"> ■ Lv. 1 Reaction - satisfaction with course contents: 4.4 ■ Lv. 2 Learning - passing rate: 60% (number of employees completing the training: 159 / number of participants: 264) ■ Lv. 3 Behavior - CIP and result presentations: 54 projects ■ Lv. 4 Results: <ul style="list-style-type: none"> ■ Improved design and production efficiency helped reduce costs by NT\$5.56 million ■ Optimization of job responsibilities and introduction of auto-rotation helped reduce human resource costs by NT\$22 million ■ Become environmentally-friendly and improve energy efficiency by more than 60%, reducing related costs by NT\$9 million 	<ul style="list-style-type: none"> ■ Lv. 1 Reaction - satisfaction with course contents: 4.5 ■ Lv. 2 Learning - passing rate: 100% (number of employees completing the training: 18 / number of participants: 18) ■ Lv. 3 Behavior - Implementation rate of employee performance counseling: 100% ■ Lv. 4 Results: <ul style="list-style-type: none"> ■ Improve leadership skills of executive managers and the retention rate of participants achieves 100%. ■ Turnover rate down to 12.7%, 3.2% lower than last year

4.3.4 Training Participation

There are no differences based on gender in the planning and organization of education and training for employees of WNC. We optimized and streamlined all training courses and adjusted manpower structures in 2023. Thus, the training hours per employee dropped to 21.9 hours, with related expenditures reaching NT\$16.8 million and training costs per employee decreasing to NT\$1,448. The satisfaction survey result was 4.6 points (out of 5 points).



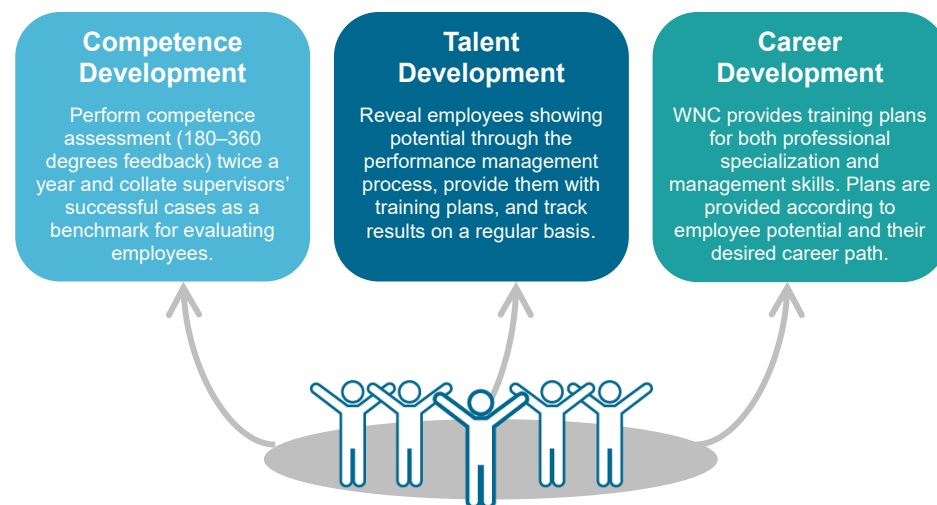
Total training hours in 2023 (by job level and gender)

Country	Type	Male			Female			Total		
		Training hours (A)	Number of employees ^{Note 1} (B)	Average hours per person ^{Note 2} (A/B)	Training Hours (C)	Number of employees ^{Note 1} (D)	Average hours per person ^{Note 2} (C/D)	Training hours (E)	Number of employees ^{Note 1} (F)	Average hours per person ^{Note 2} (E/F)
Taiwan	DL	17,122	1,138	15.0	50,511	2,901	17.4	67,632	4,039	16.7
	IDL	74,145	2,232	33.2	27,603	1,136	24.3	101,748	3,368	30.2
China	DL	15,392	560	27.5	9,425	359	26.3	24,817	919	27.0
	IDL	22,118	648	34.1	8,909	396	22.5	31,026	1,044	29.7
Vietnam	DL	8,847	743	11.9	8,650	955	9.1	17,498	1,698	10.3
	IDL	8,364	356	23.5	3,413	179	19.1	11,776	535	22.0
Total		145,988	5,677	25.7	108,510	5,926	18.3	254,498	11,603	21.9

Note 1: Number of training hours of full-time employees were calculated as of the end of the year.

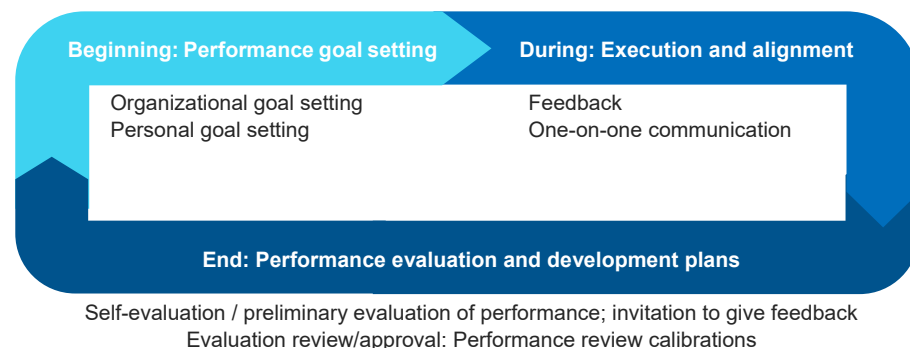
Note 2: Hours Per Employee = Total Training Hours/Number of Employees

4.3.5 Performance Management



Performance Management Cycle

In WNC's performance management cycle, performance review is conducted every six months. A cycle comprises three stages: goal setting at the beginning of the period, performance alignment during the period, and evaluation at the end of the period. We want to facilitate regular performance alignment between managers and employees through positive and transparent performance management and communication. By doing so, employees and managers can agree on concrete goals and development plans.



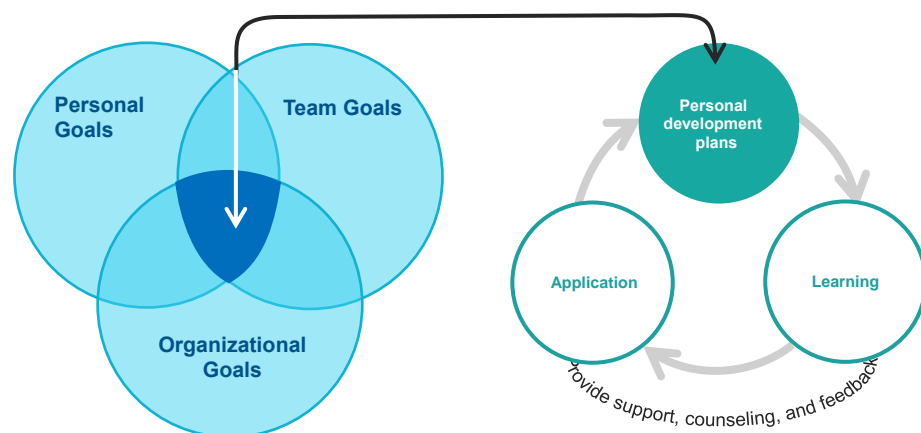
Competence Development

WNC's performance appraisal system was developed by considering both operational efficiency and the development of individual competencies. Performance is evaluated based on two parameters: Management by Behavior (MBB) and Management by Objective (MBO). Periodically, performance in terms of both quality and quantity is simultaneously examined, and the results are compiled semi-annually with one-on-one interviews to evaluate the performance of employees, strengthen communication, adjust roles and responsibilities, foster career development, and serve as a basis for giving appropriate rewards or promotions to employees. All WNC employees, excluding the Chairman and the CEO, who pass probation and who have been in service for one month or longer must participate in WNC's performance appraisal system.

Work Item	Description
Goal Management (MBO)	WNC's performance management cycle comprises three stages: goal setting at the beginning of the period, performance alignment during the period, and evaluation at the end of the period. Evaluations are conducted every six months.
Multiple aspects 180, 360 degrees	Perform competence assessment (180–360 degrees feedback) twice a year as a benchmark for evaluating employees. Subjects include: <ul style="list-style-type: none"> 180-degree assessment: All WNC employees 360-degree (self-evaluation, evaluation by superiors, evaluation by subordinates, peer evaluation): Center-level manager and above, specific professionals
Feedback on collaborations (peers and colleagues from different units)	The Company continues to encourage giving feedback on collaborations. It is hoped that balanced, concrete and immediate feedback on collaborations among internal upstream, midstream and downstream partners can facilitate a corporate culture of learning from each other and boost team spirit.
Team-oriented	Performance evaluations are conducted every six months. The president can approve the performance ratings based on the Company's overall achievement rate so as to help teams achieve their goals. When supervisors are evaluating subordinates' performance, they should take into consideration the overall performance of their respective units, the employee's performance in their project team and the performance of each subordinate as well as the Company's organizational goals.
Agile communication	<ul style="list-style-type: none"> Establish Cross Functional Team (CFT) In addition to existing functional teams, the CEO can also designate employees to establish a CFT for specific projects, initiatives or customer services. This can facilitate cross-functional team collaborations to respond to the complex business environment rapidly, and increase synergies across clients and projects within the Company. This method also helps improve professional capabilities and horizontal communication skills, thereby ensuring the Company achieves its strategic goals. Agile assessment: In addition to semi-annual performance evaluation and interviews, ad hoc one-on-one interviews are also conducted during the assessment period to evaluate the performance of employees, strengthen communication, update performance timely and foster career development.

Talent Development

- ✓ **Personal development plan**
WNC cares about employees' personal development. Employees and managers work together to formulate individual development plans and learning targets that cater to individual, team, and organizational goals. Through training courses, experience sharing, practical applications, job rotation, guidance and feedback from supervisors and goal-driven performance evaluations, we support and foster employees' growth and development. Also, based on the Company's development strategies, the Company identifies talents that have demonstrated potential for becoming future mid- and high-level managers and their needs for future development in the annual talent inventory and development meetings. Personal development plans for each talent are then formulated to satisfy the Company's need for talent and operational stability during organizational expansion.



- ✓ **Employee Transition Assistance**
When a supervisor finds that the work performance of an employee is not as expected, it is necessary to clarify whether there are other internal and external factors at play. If necessary, the supervisor will cooperate with the Human Resources Department to initiate a Performance Improvement Plan (PIP). Regular performance reviews and coaching interviews will be conducted within the period to provide employees with immediate guidance and feedback, help improve their functions and work performance, and reduce the impact on organizational performance. To assist managers in dealing with and improving the competency of failing employees in a timely and effective manner, a course on "Handling of Under-performing Employees" is held every year for newly appointed supervisors.

Career Development

In accordance with management guidelines for employee promotion, IDL employees who have been in their positions for a requisite number of years, and who are regarded as capable of taking on greater responsibilities than their current job grade and duties dictate, are eligible for promotions in job position or level based on their performance, professional skills demonstrated and competency, as recognized by their supervisors.

- **Promotion Management Planning:** Adopt a dual-track system of both specialized and management positions to provide appropriate planning for employees.
- **Assessment of candidates for promotion:** Refer to candidates' past experience and performance in their position, in order to assess their readiness for post-promotion responsibilities. The Promotion Review Committee performs assessment after the unit supervisor's nomination.

Regarding promotions for DL employees, after production line supervisors have considered work performance and taken organizational needs into consideration, DL employees may be promoted to production line leaders and be given a raise after they pass evaluation. Alternatively, they may be transferred to positions with specialized work duties and be given work allowances. In addition, in accordance with hiring procedures for IDL employees, DL employees with distinguished performance may become IDL employees and serve as assistant engineers, engineers, or function team directors.

In 2023, rates of male and female employees accepting WNC career planning were 12.8% and 11.0% respectively.

Percentage of WNC employees accepting career planning in 2023^{Note 1}

Gender		DL	IDL	Total
Number of persons	Male	311	389	700
	Female	434	201	635
Percentage (%) ^{Note 2}	Male	12.7%	11.8%	12.8%
	Female	10.3%	11.6%	11.0%

Note 1: Chairman and President & CEO are excluded.

Note 2: The denominator is the number of employees in each category at the end of the year.

4.4 Compensation and Benefits

4.4.1 Remuneration Structure

WNC regularly adjusts employees' salaries to ensure reasonable compensation for employees as well as to attract and retain talent. Taking into consideration other factors including stockholder rights and interests, employee quality of life, and sustainable development of WNC, employee wages are also regularly adjusted according to current price levels, market supply/demand, average salary levels in the industry, and local laws/regulations.

WNC stipulates various reward systems to encourage full-time employees and units with excellent performance, such as performance bonuses, project bonuses, restricted stock and other equity incentive plans, as well as annual long-term employee awards, outstanding team awards, outstanding employee awards and patent awards. WNC is committed to not discriminating against employees and providing differential treatment based on gender, age, race, nationality, religion, marital status, or political view.

An Employee Stock Ownership Trust (ESOT) program has been set up at WNC's Taiwan sites as a way to encourage employees to save funds for obtaining and managing company stocks. To encourage more employees to participate in the shareholding trust, the Employee Shareholders Association Charter was revised in 2021 and 2023 to relax the qualifications for membership. As of the end of 2023, a total of 1,693 employees joined the employee shareholding trust, which was an increase of 22% compared to 2022. In China and Vietnam sites, unit managers evaluate the seniority and performance of employees, then submit a list of key employees to be retained. The aforementioned managers and employees will sign a retention agreement after terms and conditions are agreed to.

WNC Employee Retention Plans in 2023^{Note}

Item	Number of eligible candidates	Actual participants	Amount invested (Unit: million NT\$)
Employee stock ownership trust	4,961	1,693	94
Employee retention plans	468	386	31.38
Total	5,616	2,079	125.38

Note: Only retention plans for employees at Taiwan, China and Vietnam sites are disclosed.

In 2023, Universal Scientific Industrial Co., Ltd. conducted a cash capital increase, reserving 12.5% of the total issuance of new shares, amounting to 5,000,000 shares, for employee subscription. The subscription price was set at NT\$106 per share, and the employee subscription rate reached as high as 99%.

Remuneration for full-time employees who are not in supervisory positions in WNC Taiwan locations^{Note}

Item	Difference from the previous year	2023	2022
Number of employees	35.6%	6,521	4,810
Total combined salary (unit: thousand NT\$)	37.1%	7,630,695	5,566,426
Average salary (unit: thousand NT\$)	1.1%	1,170	1,157
Median salary (unit: thousand NT\$)	-14.5%	702	821

Note: Based on the exemption and exclusion items described in the Description of Reporting Operations published by the Taiwan Stock Exchange, employees whose salary period is less than six months due to factors such as new entry, exit, suspension of pay, are deducted from the number of full-time employees who are not in supervisory positions.

For details of the remuneration system, please refer to the [MOPS](#).

Comparison between the minimum salary standard for WNC employees and the legal minimum wage in 2023

Country	Position	Male	Female
Taiwan	DL	1.00	1.00
	IDL	1.25	1.25
China	DL	1.14	1.14
	IDL	1.21	1.31
Vietnam	DL	1.43	1.43
	IDL	2.61	2.70

WNC's average salary ratio in 2023^{Note 1}

Item	Position	Male ^{Note 2}	Female
Fixed salary	Top-level managers ^{Note 3}	1	0.92
	Management ^{Note 4}	1	0.94
	Non-management	1	0.93
Annual salary	Top-level managers ^{Note 3}	1	0.81
	Management ^{Note 4}	1	0.92
	Non-management	1	0.87

Note 1: Average Remuneration = Average remuneration of all permanent employees for the year, including basic salaries, allowances, and bonuses.

Note 2: Given that the majority of R&D employees are male, their share of total employee salaries is slightly higher than that of female employees.

Note 3: Top-level managers: top-level managers include top-tier managers, Chairman, President & CEO.

Note 4: Management: All managers other than top-level managers.



Employee Retention Plan

Sites	Reward plan	Overview	Rewards	2023 Results
Taiwan	Cash bonus plan	Employees who are working at WNC during the calculation period of the cash bonus and the payment date of the bonus.	WNC will allocate a certain percentage of revenue for the distribution of performance bonuses, employee remuneration and project bonuses based on its business performance in the current year, and the amount of remuneration/bonuses each employee receives is based on their performance.	Amounts of cash bonuses are confidential; and the number of employees entitled to cash bonuses is subject to change due to personnel movements, so this data is not disclosed.
	Stock reward plan	Employee Stock Ownership Trust: Full-time employees who have worked at WNC for at least six months may participate. For employees whose performance is rated B or below, the Company has the right to suspend the employer contribution for the following six months.	Employees' that are ESOT members contribute a fixed amount from their monthly salary in accordance with their job grade into the ESOT account, and WNC will match the contribution, which will also be deposited into the account and be used to purchase company shares. After three years of membership, employees are eligible to receive 50% of the shares purchased with WNC's contribution. After four and five years the percentage goes to 70% and 100%, respectively. The ESOT helps WNC retain talent, helping to ensure that employees are able to share in the success of the company and create further value together with WNC.	By the end of 2023, there were 4,961 qualified employees, of whom 1,693 employees were participating in this plan, a participation rate of 34%, and more than NT\$94 million had been withdrawn from the Company's fund.
		Restricted Stock: Mid- to upper-level employees who have made significant contributions to WNC's business performance.	WNC gives restricted stock to employees over a period of three years, and employees obtain these stocks if business performance targets and personal performance targets for the current year are achieved.	A total of 102 employees received the reward with the total bonus amount of over NT\$220 million.
	Outstanding Patent Awards	WNC units submit patents they have obtained to the Patent Selection Committee for review, then WNC's President & CEO selects the winners.	The winning teams of the Outstanding Patent Awards will receive medals and prize money. Those who win a Platinum Award will receive NT\$100,000 per patent, those who win a Gold Award will receive NT\$60,000 per patent, and those who win a Silver Award will receive NT\$30,000 per patent based on the contribution. The winners will also get an extra ticket for the lucky draw at the year-end party.	Five employees received bonuses, with a total amount of NT\$180,000.
	CIP projects: Award for outstanding financial contribution	Project teams submit CIP projects that were completed in the past two years to an evaluation committee composed of personnel from the DMIS Division and the Finance Division for review. The committee will select projects that have shown to bring significant financial benefits to WNC, and the selected projects will be presented to the President & CEO, who will select the winners.	The winning teams will receive medals and prize money. Teams who win the Gold Award will receive NT\$50,000, and teams who win the Silver Award will receive NT\$20,000. Winning teams will also get extra tickets for the lucky draw at the year-end party.	Two employees received bonuses, with a total amount of NT\$50,000.
	Outstanding employees	The nominees are evaluated by a committee, and then the President & CEO selects the winners.	Outstanding employees will receive a commemorative plaque and NT\$ 5,000 in prize money as well as an extra ticket for the lucky draw at the year-end party.	A total of 70 employees received bonuses, with a total amount of NT\$350,000.
	Outstanding teams		Outstanding team winners receive prize money. Teams who win a Gold Award receive NT\$20,000, teams who win a Silver Award receive NT\$15,000 and teams who win an Outstanding Team Award receive NT\$10,000. Winning teams will also get extra tickets for the lucky draw at the year-end party. Leaders and MVPs of outstanding teams also receive a commemorative plaque.	A total of 76 employees received the bonuses, with a total amount of NT\$300,000.
	Employees with seniority	Employees that have worked at WNC for 5, 10, 15, 20 and 25 years.	Employees with seniority are commended at the year-end party, and each receive a commemorative plaque and an extra ticket for the lucky draw at the year-end party.	A total of 449 employees were commended.

Sites	Reward plan	Overview	Rewards	2023 Results
China	Employee retention plans	Unit managers will evaluate the seniority and performance of employees, and then submit a list of key employees to be retained. The aforementioned managers and employees will sign a retention agreement after terms and conditions are agreed to.	The time period for the plan is two years. If an employee's performance meets the requirements in these two years, the retention bonus is given in batches. If the employee resigns within two years, they must give back retention bonuses that they've already received.	The Kunshan site distributed employee retention bonuses to 250 employees with an amount of about RMB4.34 million; the Nanjing site distributed retention bonuses to 86 employees with an amount of about RMB2.78 million.
Vietnam			The time period for the plan is three years. The bonus is 40% of the salary amount given to social security and is paid monthly. Prior to bonus payment, the most recent performance rating is taken into account. If the rating is A or higher, the employee is entitled to payment of the full bonus amount; if the rating is A-, 50% of the bonus amount is paid; if the rating is below B, the employee's retention contract is deemed to be terminated. However, the employee is not required to return the bonuses they've already received.	The Vietnam site has distributed talent retention bonuses to 50 employees with the total amount of approximately VND400 million.

4.4.2 Employee Insurance

WNC participates in Taiwan's Labor Insurance (which covers injury and sickness benefits, disability benefits, maternity benefits, and death benefits) and National Health Insurance and contributes to pension accounts according to Articles 55 and 56 of the Labor Standards Act. The company contributes labor pension funds to a designated statutory account every month. Based on the original or newly-enacted regulations, employers are required to deposit 2% or 6% (respectively) of their employees' monthly salary into pension accounts. All employees, except for vocational students and overseas employees, in compliance with the regulations of the Labor Pension Act, participate in this retirement scheme, with only six employees following the old labor pension fund scheme. For details concerning pension funds, please refer to Item 14 Employee Benefits of Notes to the Consolidated Financial Statements on page 166 of [WNC's 2023 Annual Report](#).

All employees are enrolled in a group insurance plan (which includes life insurance, accident insurance, hospitalization insurance, cancer insurance, and occupational accident insurance) on the first day they report to work. Employees may also purchase insurance for family members. Employees stationed overseas long-term are entitled to healthcare upgrades, and family members who relocate with them (spouse and children) are also provided casualty insurance.

Employees in China are enrolled in social insurance and a housing providence fund as required by the Labor Law of the People's Republic of China (five types of insurance and a mutual housing fund). The social insurance includes endowment insurance, medical insurance, employment injury insurance, unemployment insurance and maternity insurance. Employers are required to deposit 16% of an employee's monthly salary based on individual payment baselines as an endowment insurance pension. All employees participate in this insurance scheme. Employees in Vietnam are enrolled in social insurance (including pension and death insurance), medical insurance, occupational injury insurance, and unemployment insurance according to the [Regulation on Payment of Social Insurance and Unemployment Insurance](#). The Law on Social Insurance requires labor pension contributions to be made into a designated account. All employees in the Vietnam site participate in this insurance scheme.

Monthly Contributions to Employee Pensions for Employees at WNC's Taiwan Sites

Category	Source	Ratio
Labor Standards Act (old scheme)	Contributed by employers	2%
Labor Pension Act (new scheme)	Contributed by employers	6%
	Contributed by employees	Maximum of 6%

Allocation of the Five Types of Insurance and Mutual Housing Fund for Employees at WNC's China Sites

Item		Contribution Source / Ratio	
		Contributed by employers	Contributed by employees
Regulations on the Collection and Payment of Social Insurance Premiums in Jiangsu Province	Endowment Insurance	16.00%	8.00%
	Medical Insurance	7.00%	2.00%
	Employment Injury Insurance	0.70%	N/A
	Unemployment Insurance	0.50%	0.50%
	Maternity Insurance	0.80%	N/A
Management Regulations for the Suzhou Housing Provident Fund	Housing Provident Fund	8.00%	8.00%

Allocation of Social Insurance for Employees at WNC's Vietnam Site


Item		Contribution Source / Ratio	
		Contributed by employers	Contributed by employees
Regulations on Payment of Social Insurance and Unemployment Insurance	Social Insurance	14.00%	8.00%
	Medical Insurance	3.00%	1.50%
	Employment Injury Insurance	3.50%	N/A
	Unemployment Insurance	1.00%	1.00%

4.4.3 Employee Support Program

To help employees maintain a work/life balance, in addition to providing diverse work modes, all WNC sites have leave regulations and relevant management measures, such as maternal and child support leave, for full-time employees and contract personnel that are superior to the requirements stipulated in local laws and regulations.

Employee Support Programs at WNC Sites

	Taiwan sites	China sites	Vietnam site
Diverse work modes	<ul style="list-style-type: none"> WNC has offered three options for flexible working hours for IDL employees: from 07:30 to 16:30, 08:00 to 17:00, and 09:00 to 18:00; DL employees work according to their respective shift schedules. Other flexible attendance plans will be planned in the future. In special circumstances, employees can register to work from home and record their attendance status through online check-in. 	<ul style="list-style-type: none"> From May 2014, flexible working hours from 07:30 to 16:30, 08:00 to 17:00, and 08:30 to 17:30 have been offered for employees who have long commutes and are raising children under the age of 13. In special circumstances, employees can register to work from home and submit proof of attendance records to the HR Department for review. 	<p>In special circumstances, employees can register to work from home and record their attendance status through online check-in.</p>
Paid leave	<ul style="list-style-type: none"> New employees are entitled to 5 days of annual leave in the first year of employment. Employees at or above a specific job grade can enjoy paid personal leave and sick leave. From January 2023, employees (non-primary caregivers) are entitled to 10 days of paid leave for their spouses' prenatal check-up and parental leave, which is superior to the statutory limit, for the period starting from pregnancy to 15 days after giving birth. Female employees are entitled to 3 days of menstrual leave per year, and those who hold a certain job level and/or above are entitled to paid menstrual leaves. 	<ul style="list-style-type: none"> After working for one year, employees are entitled to five further days of annual leave, 13 days of marriage leave, 158 days of maternity leave (for females) or 15 days of parental leave (for males) after their spouses give birth, and 15 days of leave for difficult child births. Under the "Special Regulations on Labor Protection for Female Employees", paid prenatal check-up leave, maternity leave, miscarriage leave, and breastfeeding time are granted to maintain a work-life balance for female employees. Male employees (non-primary caregivers) are entitled to 15 days of parental leave after their spouses give birth. If International Women's Day, March 8, falls on a weekday, employees are entitled to four hours of compensatory leave, if it falls on a weekend, employees can directly register for four hours of overtime pay. In case an employee is the only child in the family and his/her parents become ill and are hospitalized after reaching the age of 60, the employee is entitled to 5 days of paid nursing leave per year. 	<ul style="list-style-type: none"> New employees are entitled to 12 days of annual leave, three days of marriage leave, six months of maternity leave (for females) or parental leave for males (five days for natural childbirth, and seven days for cesarean birth), as well as family care leave (20 days for children under 3 years old; 15 days for children > 3 years old and < 7 years old) in their first year of employment. Under the local "Law on Social Insurance", a paid menstrual period rest (30 minutes per day) is granted (for female employees).

	Taiwan sites	China sites	Vietnam site
Childcare leave	<ul style="list-style-type: none"> ■ Employees who need to take care of children are entitled to unpaid leave (referred to as parental leave). WNC will inquire about their intention to resume work and assist in preparing for resumption of work one month before the expiration of the parental leave. In 2023, WNC's Taiwan sites had a total of 69 employees applying for unpaid parental leave, including 14 males and 55 females. ■ From January 2023, after the initial 56 days of maternity leave, female employees giving birth (the primary caregiver) can apply for a further 28 days of paid childcare leave, longer than that prescribed by law; those who choose not to apply for paid childcare leave will have their childcare leave converted to a taxable cash amount. As of the end of December 2023, 51 female employees applied for childcare leave and 28 female employees applied for compensation in lieu of childcare leave. A total of NTD1,365,752 of was issued. 	<p>Starting from 2022, new childcare leave was implemented according to the latest announcement of Jiangsu Province. Both spouses are entitled to 10 days of childcare leave each year before their children reaches the age of 3.</p>	<ul style="list-style-type: none"> ■ Female employees who are more than 7 months pregnant or whose children are under 1 year old are allowed to leave work 1 hour earlier. ■ Under the local Labor Act, WNC assists employees in applying for social insurance, and provides paid prenatal check-up leave, maternity leave, miscarriage leave, and postpartum/miscarriage recovery leave.
Support for mothers and children	<ul style="list-style-type: none"> ■ The lactation rooms at WNC's HQ and S1 have obtained the Hsinchu County Workplace-Friendly Lactation Room Certification and Hsinchu City Friendly Lactation Room Premium Certification. ■ The factory nurse regularly checks up on pregnant and breastfeeding employees, and conducts individualized pregnancy and postpartum assessments in coordination with physicians, nursing staff, and industrial safety supervisors. ■ Maternity allowance: Pregnant employees or their spouses can apply for a childbirth subsidy of NT\$2,000/child. In 2023, a total of 113 applied for the subsidy, with a total amount of NT\$226,000. ■ WNC Pregnancy Giftset Project: A pregnant employee or her spouse can use the expecting mother handbook to apply for a giftset from WNC. The gift set includes a pregnancy handbook, a handbag for the mother, and a gift box for the newborn baby. The gifts inside gift boxes are made of 100% organic cotton certified by GOTS and the packaging materials are recycled pulp certified by FSC. In 2023, WNC gave away 161 giftsets for pregnant employees, 26% more than 2022. ■ WNC has signed special agreements with childcare service providers of Hsinchu City, Hsinchu County, Taoyuan City, Miaoli County, Tainan City and Kaohsiung City to offer preferential childcare discounts to employees. As of 2023, a total of 25 childcare service providers were contracted. 	 <p>The Kunshan site in China has arranged a spacious and comfortable lactation room. In 2018, it was certified as a model lactation room by the Kunshan Municipal Government.</p>	<ul style="list-style-type: none"> ■ A lactation room has been set up within the site. ■ Under the local Labor Act, employees with children under the age of 6 can receive an allowance, as determined by the company.

	Taiwan sites	China sites	Vietnam site
Employee benefits	According to "WNC's Employee Benefits Regulations", deceased employees shall be entitled to full 2 months' salary for funeral expenses and full 5 months' salary for those who die while on duty. The Welfare Committee also provides an NT\$30,000 condolence payment.	Employees in China are enrolled in social insurance and a housing providence fund as required by the Labor Law of the People's Republic of China (five types of insurance and a mutual housing fund). The social insurance includes endowment insurance, medical insurance, employment injury insurance, unemployment insurance and maternity insurance.	Employees in Vietnam are enrolled in social insurance (including pension and death insurance), medical insurance, occupational injury insurance, and unemployment insurance according to the Regulation on Payment of Social Insurance and Unemployment Insurance.
Physical and Mental Health Management	<ul style="list-style-type: none"> ■ Recreation centers, aerobics rooms and reading rooms have been established. The Company organizes seasonal events and encourages employees to participate in these events. Event themes range from art, food to healthcare. ■ WNC conducts general/special medical examinations for newcomers, general/special on-the-job health examinations and offers an occupational medicine specialists' on-site health service. In addition to health examinations legally required, WNC also provides additional test items such as abdominal ultrasound, eye pressure, uric acid, glycosylated hemoglobin (blood sugar test), and alpha-fetoprotein (liver cancer test). ■ WNC implements health promotion projects every year. ■ WNC launched a digital employee assistance program, through which the company commissioned a counselling service provider to provide a variety of consultation and counselling services via a user-friendly app. Counselling services are conveniently offered through text, audio and video chats. ■ For more details, refer to 4.4.4 Recreational and Exercise Equipment, 4.4.5 Activities and Welfare and 4.5.2 Healthy Workplace. 	<ul style="list-style-type: none"> ■ A complete and multifunctional living center named Qi Yuan is provided at employee dormitories. In addition to catering services and a supermarket, there are other recreational facilities such as a reading room. ■ All new employees in China are required to undergo general health examinations. In addition, according to the Occupational Disease Prevention Law of the People's Republic of China, employees with potential occupational disease hazards will also be provided with new, in-service and pre-resignation occupational health examinations for special projects. 	All employees in Vietnam are required to undergo general health examinations every year. In addition, according to the Labor Law and Occupational Health and Safety Law, employees with potential occupational disease hazards are also provided with semi-annual occupational health examinations for special projects.

Number of WNC employees in Taiwan sites applying for parental leave

Item	Male	Female
No. of people who were eligible to apply for parental leave in 2023 (A) ^{Note}	99	96
No. of people who applied for parental leave in 2023 (B)	14	55
Application rate for parental leave in 2023 (B/A)	14.1%	57.3%
No. of people expected to be reinstated from parental leave in 2022 (C)	15	41
No. of people who have been reinstated from parental leave in 2023 (D)	12	31
Reinstatement rate from parental leave in 2023 (D/C)	80.0%	75.6%
No. of people who were reinstated from parental leave in 2022 (E)	6	32
No. of people who were reinstated for one year in 2022 (F)	5	31
Retention rate after parental leave in 2023 (F/E)	83.3%	96.9%

Note: Number of employees who have applied for maternity or paternity leave between 2021 and 2023.

4.4.4 Recreational and Exercise Equipment

Recreational facilities at WNC's Taiwan sites include recreation centers, aerobics rooms and reading rooms. The recreation centers have a variety of exercise and fitness equipment. Employees are encouraged to use these centers during their lunch breaks and after work-hours. Showers and changing rooms are available for employees to freshen up in. The aerobics rooms are used for both aerobics classes and department group activities. Twelve visually impaired massage therapists are on the payroll to provide free massage service during evenings every Monday to Thursday evenings to help employees relieve stress and reduce pain. The spacious reading rooms provide a wealth of magazines, books and newspapers for employees to enjoy. The Sunshine Corridor on the 1st floor of WNC Headquarters, the Arts and Cultural Center on the B1 floor of the S1 site, and the Art Corridor on the 7th floor of the S3 site display photos taken at WNC's internal events. A complete and multifunctional living center named Qi Yuan is provided at employee dormitories in China. In addition to catering services and a supermarket, there are other recreational facilities. A badminton court, basketball court, table tennis room, and snooker parlor are also offered onsite in China. To enrich employees' off-duty life and promote interaction and communication among employees, the Kunshan operating location in China has set up a leisure and entertainment space for employees to use in Qi Yuan,

which is equipped with sofas, TVs, projectors, stages, KTV and other equipment can accommodate 150 people at the same time. The Vietnam site offers catering services and sports equipment (table tennis room and treadmills).



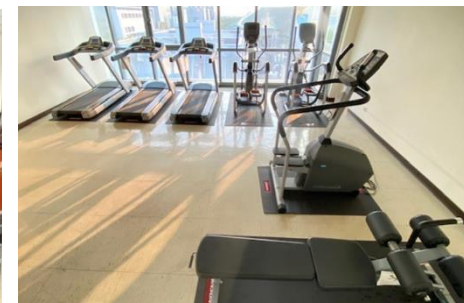
WNC Headquarters Recreation Center



WNC Headquarters Aerobics Room



S1 site Recreation Center



Recreational facilities at the S3 site



Grocery store at one of WNC's China sites



Catering service at the Vietnam site

4.4.5 Activities and Welfare

In addition to measures related to health care and leisure sports, WNC also focuses on caring for the bodies and minds of employees and improving the quality of life of employees by formulating annual employee activities and welfare plans. The content and results of activities in 2023 are summarized as follows.

The Company organizes seasonal events and encourages employees to participate in these events. Event themes range from art, food to healthcare. Activities held in 2023 include Summer Activities, WNC Book Festival, Family Day, and the Organic Foods Festival.

Summer Activities

A series of activities were held during the summertime, encouraging employees to go greener in life through some fun activities.

Family Day

WNC was finally able to hold a Family Day event after the COVID-19 pandemic ended. Activities in the Family Day included fun competitions, DIY, performance by singers, garden party with foods from different countries and some stalls for charity groups. The Company has incorporated ESG concepts into these activities as well.

Enjoying Life Via Art

By holding a range of cultural and artistic activities, the company hopes to enrich the lives of employees.

Online Library

WNC launched the WNC Online Library at the end of 2022, providing ten different types of books. The Company buys new books every quarter and holds book fairs with various themes. From the beginning to the end of 2023, the number of employees using the online library tripled. Books about finance and parent-child relationships are the most popular.

As a result, WNC's 2023 book festival arranged physical and virtual book fairs and speeches regarding investment and parenting. The speeches were given by a financial expert and a psychologist respectively, with a total of 303 attendants.



WNC Summer Activities in 2023



WNC Online Library



Book Festival speech: Path to investment success

Employee Welfare Committee

WNC has established Employee Welfare Committees at its Taiwan sites in compliance with the Employee Welfare Fund Act. The annual employee welfare budget is derived from company revenue and employee welfare funds. Employee representatives elected by employees work with management teams to allocate funds. Gift certificates given to employees for Chinese New Year, Labor Day, and Mid-Autumn Festival are now provided in electronic form. In addition, gifts given to employees for the holidays are selected via employee vote, with voting rates reaching 64%.

WNC respects employees' freedom of association and encourages employees to develop their personal interests and talents in club activities. Employee clubs hold regular meetings and organize a variety of events.



Volleyball club events



Hiking club events



Road running club events



Basketball club events

DIY Classes

In 2023, free monthly DIY classes were held in Taiwan sites. As of the end of 2023, 31 DIY classes have been organized, including environmentally friendly dyeing of cloth bags, tree planting, cup bag making, and doll making. A total of 1,585 employees participated in these classes.

Exercise Courses

Yoga, aerobics, rhythmic balance, MV dancing, Zumba, body sculpting and other exercise courses are offered at WNC's Taiwan sites every quarter. In 2023, a total of 57 courses were organized, with 911 participants.

Green Marketplace



Certified as
**Eco-Friendly
Restaurant**
by Ministry of Environment



Taiwan Corporate Sustainability Awards
Corporate ESG Performance Awards -
Social Inclusion Leadership Award



Green Dining Guide
**Pioneer Enterprises
in Green Dining
Award**

At the end of 2013, WNC launched a clean food movement, becoming the 1st large-scale enterprise in Hsinchu Science Park to use 100% organic vegetables in its employee cafeterias. Caterers also reduce excessive processing and over-seasoning. This helps provide employees with healthier lunch and dinner options. Special activities such as healthy meals and green diet are occasionally held. These activities have been continuously organized for the last 10 years. In 2022, cafeterias for WNC employees were transformed and positioned as Green Marketplaces, with four major initiatives: regular safety and health inspections, selecting of certified high-quality products, promoting green consumption and practicing environmental sustainability.

In December 2022, WNC became the first large-scale enterprise to provide guidance for the use of green foods as part of the "Green Dining Pledge"; In 2023, we applied for tier 1 restaurant certification, and will continue to develop policies related to the use of healthy ingredients and green foods.

Organic Foods Festival

To deepen colleagues' awareness of green dining, WNC's Green Marketplace regularly sold limited-time green bento boxes in 2023. This allowed colleagues to not only enjoy menu selections made with organic and eco-friendly ingredients but also to appreciate the commitment to health and sustainable sourcing. In addition, in response to Taiwan's local Golden Autumn Earth Day, WNC Green Marketplace held an Organic Foods Festival at

three sites in Taiwan during October. This included a lecture on green dining, agricultural creative markets, DIY cuisine sessions, and a series of green dining activities. It led colleagues to taste local ingredients, explore Taiwanese culture, and delve into the most down-to-earth and close-to-the-land culinary traditions.

For the lecture on green dining, we invited nutritionist Li Wanping to talk about the nutritional value behind eco-friendly ingredients from a nutritional science perspective. She guided colleagues to understand green dining trends and everyday purchasing principles. For the DIY cuisine sessions colleagues made German sauerkraut, Middle Eastern pocket bread, and Javanese salad, overturning stereotypes about ugly produce and leftover ingredients. Through a series of activities, we aim to assist colleagues in enhancing their awareness of green dining and their ability to make eco-friendly food choices, both in theory and practice.

Dedicated to enhancing the quality of food and promoting a green dining culture in the staff canteen, WNC has accumulated more than 10 years of dedication and practical actions. In 2023, WNC received certification from the Environmental Protection Administration as an [Environmental-friendly Restaurant](#), the Taiwan Corporate Sustainability Awards' Social Inclusion Leadership Award and recognition from [the Green Dining Guide \(GDG\)](#) as a Pioneer Enterprise in the Green Dining Award.



Agricultural creative markets



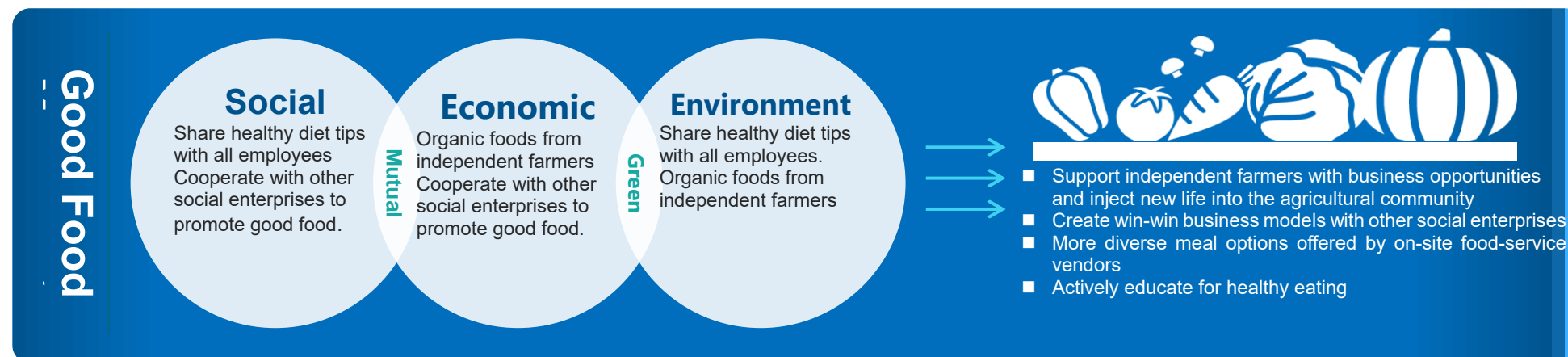
DIY cuisine sessions



Lecture on green dining



WNC Honored with a Pioneer Enterprise in Green Dining Award from the Green Dining Guide (GDG)



- 2014 Cooperated with “Buy NearBy”, a social enterprise, to promote the Good Food Movement and Healthy Thursday and Friday programs.
- 2015 Expanded Healthy Thursday and Friday to every day and worked alongside small-scale farmers to diversify food ingredients.
- 2018 Won first prize in the “Social Innovation Products and Services Procurement Award” of the Ministry of Economic Affairs
- 2019 Became the first large-scale enterprise in Hsinchu Science Park to fully digitize employee gift vouchers
- 2020 From July, employees at WNC's headquarters can order and receive organic vegetables through 7-Eleven and employees at S1 and S2 can purchase organic vegetables at their factory's marketplace
- 2021 WNC gave a commemorative jacket made of 100% PET bottle eco-friendly material to all employees for its 25th anniversary. In the same year the company received the Social Innovation Product and Service Procurement Incentive Award from the Ministry of Economic Affairs.
- 2022
- Signed the Green Initiative, joined the Green Dining Guide (GDG), and began disclosing the sources of all food ingredients.
 - All employee holiday gifts are brands or products based on sustainable concepts.
 - Recruited Sustainability Cadets to commit to implementing the concept of sustainability in daily life and supporting the company's ESG activities.
 - In November, Taiwan sites held the “Live a Greener Life” event, in which sustainable actions that colleagues can take in their daily lives were promoted through interactive games.
- 2023
- Certified as Eco-Friendly Restaurant. Reduced input and aimed at meeting international sustainable food standards.
 - Invite all vendors of the market place to sign the Supplier Commitment to Sustainability Declaration.
 - Applied for the Green Dining Guide's LEAF restaurant certification to align with the British Sustainable Food Restaurant Association (SRA) international sustainable food standards.
 - In response to the late October Earth Day, the four Taiwan sites held an Organic Foods Festival.
 - WNC honored with the Pioneer Enterprises in Green Dining Award from the Green Dining Guide (GDG)



Number of employees using environmentally-friendly tableware increased significantly



Improve the healthy eating habits of employees, while effectively controlling the amount of food waste.



Motivate employees and caterers to build a healthy food culture

4.5 Occupational Safety and Health

4.5.1 Occupational Safety and Health Management

WNC Occupational Safety and Health Policy

- Create a healthy and safe work environment for employees, contractors, visitors, partners and other personnel.
- Comply with international standards, local laws and other regulations in signed agreements related to occupational safety and health.
- Establish and maintain an ISO 45001 occupational safety and health management system, regularly conduct risk identification and formulate concrete short-, mid-, and long-term goals and action plans to achieve the goal of zero incidents.
- Implement workplace health management systems and educate employees on how to prevent occupational injuries and illness. Adopt a “zero tolerance” principle towards workplace harassment, especially sexual harassment.
- Provide employees with appropriate training courses, communication channels and participation mechanisms to reinforce occupational safety and health performance awareness and accountability while optimizing communications and cooperation with all stakeholders.

Occupational Safety and Health Committee

An Occupational Safety and Health Committee has been established for Taiwan sites and committee meetings are held quarterly in accordance with the Occupational Safety and Health Act to review the implementation results with worker representatives. The committee members serve a two-year term. Eighteen of the members are drawn from worker representatives, representing over 1/3 of the committee members. In 2023, the election of labor representatives was held in December. These members work as a safety and health communication platform between WNC and employees. WNC holds an annual organization consultation meeting to communicate and promote occupational accident prevention to construction contractors. In 2023, a total of 420 contractors participated.

Production safety committees established for China sites hold monthly production safety management meetings. Department-level managers from various units and labor union representatives attend the meetings to discuss occupational safety and health management issues. In addition, each unit assigns an employee to serve as its safety officer, and these employees participate in safety officer training courses approved by related government agencies and acquire safety officer certification. This ensures that safety officers have the required skills and knowledge in occupational safety and health.

A Labor Health and Safety Committee is set up at WNC's Vietnam sites, and a labor safety and health meeting is convened quarterly and attended by 15 labor representatives from each unit, including two union committee members. These representatives are responsible for reporting on occupational safety and health administrative matters to WNC's management representatives at union meetings.

Occupational Safety and Health Management System

WNC headquarters and main manufacturing bases have introduced the ISO 45001 occupational safety and health management system and passed third-party verification with regards to this. We regularly review operation of the occupational safety and health system to prevent occupational diseases and injuries and promote the physical and mental health of colleagues. In 2023, no major occupational accidents occurred at any sites.

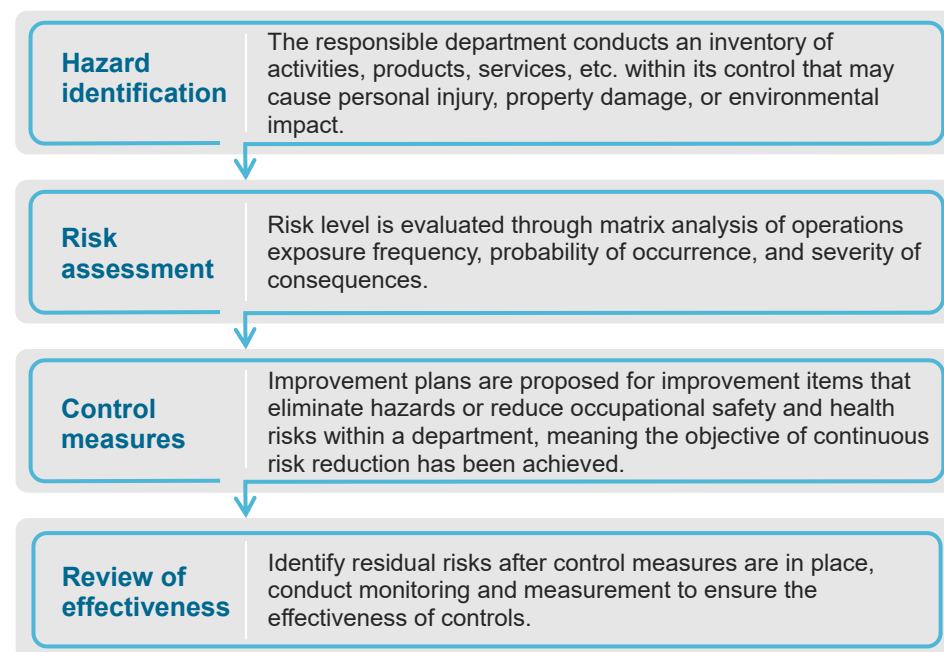
The number of nonconformities found in WNC sites during the 2023 internal audit and corresponding explanations are as follows:

Country	Non-conformities	Description
Taiwan	10	Mainly concerning chemicals management and electrical and fire safety. Improvements already completed.
China	10	Mainly concerning chemicals management and electrical and fire safety. Improvements already completed.
Vietnam	4	Mainly concerning chemicals management and electrical and fire safety. Improvements already completed.

Risk Identification

In order to lessen the impact on WNC of occupational safety and health risks, every unit conducts risk identification each year, evaluates risk levels through matrix analysis (likelihood, severity, frequency), proposes corresponding control measures and objectives for high-risk operations, and conducts monthly tracking (such as: when there are changes in operations, technologies, engineering, operations/design specifications; injury events with more than one day of incapacity; repeated occurrence of false alarm incidents; hidden danger notification).

Risk Identification Process



Occupational Injury Statistics

In 2023, all 25 occupational injuries resulting in disability at WNC's sites were due to physical hazards, and there were no disabling injuries reported among non-employees, nor incidents resulting in permanent disability or death due to occupational injuries. Each incident has been investigated and analyzed. Responsible units have developed appropriate improvement and preventive measures in response to the increase in the number of employees and the changing environment to reduce operational risks for workers.

Recordable occupational injuries of WNC employees in 2023

Number	Category	Cause	Improvement strategy
25	Crushing/Pinch injuries Bruising/Fall	Employee insufficient safety awareness Insufficient equipment/ safety protection Poor slip resistance of footwear	Case study publication Environment improvement/ addition of safety measures SOP formulation/ optimization Safety enhancement of equipment Provision of standard footwear
	Contact with high temperatures/ hazardous materials	Insufficient protection of protection gear/equipment	SOP formulation/ optimization Assess appropriateness of protective gear
	Fall	Employee insufficient safety awareness	Case study publication

WNC employees occupational injury statistics in the recent four years

Item	2020	2021	2022	2023
Total working hours ^{Note1}	24,461,016	21,262,912	23,969,608	23,162,848
Number of recordable occupational injuries ^{Note2}	29	39	17	25
Recordable occupational injuries ^{Note3}	1.19	1.83	0.71	1.08
Number of serious occupational injuries ^{Note4}	0	0	0	0
Percentage of serious occupational injuries ^{Note5}	0.00	0.00	0.00	0.00
Total disability injury lost days	238	331	166	348
Severe disability injury severity rate (S.R.) ^{Note6}	9.73	15.57	6.93	15.03

Note 1: Total work hours = Number of employees in the category at year end × total number of working days × work hours per day

Note2: Number of recordable occupational injuries: Same as the definitions of [disabling injuries](#), the definition of a non-fatal injury includes cases where the victim is unable to continue their normal work and loses work time for one day or more.

Note 3: Recordable occupational injury rate/ lost time injury frequency rate = number of recordable occupational injuries/ total working hours × 1,000,000

Note 4: Number of serious occupational injuries: Injuries resulting in death or causing workers to be unable or have difficulty in returning to their pre-injury health status within six months are considered occupational injuries.

Note 5: Rate of serious occupational injury = number of serious occupational injuries (excluding fatalities)/hours worked × 1,000,000

Note 6: Severe Disability Injury Severity Rate (S.R.) = total disability injury lost days/ total working hours × 1,000,000

Occupational injury statistics of non-WNC employees in the recent four years

Subject	Item	2020	2021	2022	2023
Contractor personnel	Total working hours ^{Note1}	110,461	36,744	391,159	1,017,560
	Number of recordable occupational injuries ^{Note2}	0	0	0	0
	Recordable occupational injuries ^{Note3}	0	0	0	0
	Number of serious occupational injuries ^{Note4}	0	0	0	0
	Percentage of serious occupational injuries ^{Note5}	0	0	0	0
On-site contractors	Total working hours ^{Note1}	568,040	969,735	781,344	940,096
	Number of recordable occupational injuries ^{Note2}	0	0	0	0
	Recordable occupational injuries ^{Note3}	0	0	0	0
	Number of serious occupational injuries ^{Note4}	0	0	0	0
	Percentage of serious occupational injuries ^{Note5}	0	0	0	0
Dispatch employees	Total working hours ^{Note1}	522,000	272,135	1,114,200	242,744
	Number of recordable occupational injuries ^{Note2}	1	2	0	0
	Recordable occupational injuries ^{Note3}	1.92	7.35	0.00	0.00
	Number of serious occupational injuries ^{Note4}	0	0	0	0
	Percentage of serious occupational injuries ^{Note5}	0	0	0	0

Incident Investigation

In Taiwan, to fully understand the process by which near misses, abnormalities, injuries, and major accidents occur and to prevent their reoccurrence, the company performs accident investigation and analysis in accordance with an Accident Investigation Management Procedure and has formulated measures to prevent the re-occurrence of incidents. Inspection is conducted across all sites. At the same time, the 5 Why technique, FMEA (Failure Mode and Effect Analysis) and domino analysis methods are used to conduct a more in-depth review and discussion of the real causes of accidents and improve processes and safety standards and standardize specifications, as well as strengthen fool-proofing mechanisms.

To enhance accident investigation efficiency, explore root causes, and prevent recurrence, an accident investigation approval system has been implemented. The system for Taiwan sites was established in 2022, and the e-flow system on incident (including injuries, abnormalities, and false alarms) investigation became operational in 2023. The system is expected to be expanded to WNC's sites in China and Vietnam in 2024.

Accident investigation



Occupational Disease Prevention

WNC has established regulations to prevent human-induced hazards, excessive workloads and workplace misconduct, and maternal protection. Through hazard identification, risk assessment, and job observation, measures have been taken to identify high-risk groups, prevent occupational diseases among these groups through workplace improvements, appropriate work allocation, and consultations with the company

physicians. This includes establishing operational standards for hearing protection and respiratory protection, regularly conducting courses and seminars, and conducting workplace environment visits and process improvements by facility nurses, company physicians, industrial safety personnel, and managers of related units.

In 2023, 34 employees were arranged to wear respiratory protection and have completed physical assessment by the plant doctor.

WNC employees occupational disease statistics in 2023

Item	Taiwan		China		Vietnam	
	Male	Female	Male	Female	Male	Female
Recorded cases of occupational diseases	0	0	0	0	0	0
Deaths caused by occupational diseases	0	0	0	0	0	0
Occupational disease rate (ODR) Note1	0	0	0	0	0	0
Occupational disease mortality rate Note2	0	0	0	0	0	0

Note 1: Occupational Disease Rate (ODR.) = Number of Occupational Disease Cases / Total Working Hours × 1,000,000

Note 2: Occupational Disease Mortality Rate: Number of Deaths Caused by Occupational Injuries / Total Working Hours × 1,000,000



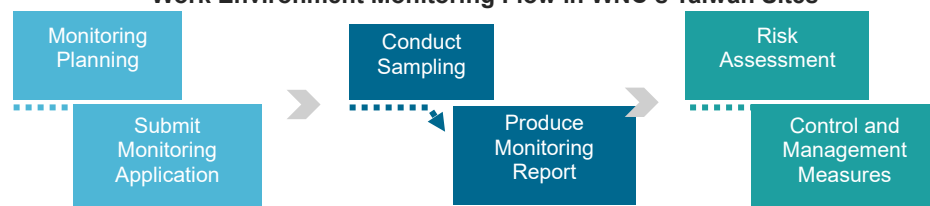
Measures for Occupational Disease Prevention and Management at WNC

Item	Investigation Flow	Management Measures	
Prevention of human-induced hazards	Screen risk groups->Develop and distribute questionnaire->Compile and analyze questionnaire results->Observe operations->Consult company physician	Investigate and identify improvement targets	Conduct investigation via the Nordic Musculoskeletal Questionnaire (NMQ).
		Analyze operations and assess risks	The industrial safety unit determines if there are human-induced hazards associated with specific tasks via investigations (interviews) and observations. The facility nurses arrange interviews between employees and on-site health service physicians, who determine if they are work-related or other factors, and provide guidance and support based on the identified symptoms.
		Develop and execute improvement plans	An assessment team comprising industrial safety units, company nurses, supervisors from relevant departments, and industrial engineering teams formulate feasible improvement plans.
		Evaluate implementation results and make improvements	Track implementation of improvement plans to see whether they have achieved expected outcomes.
Prevention of excessive workload	Screen risk groups>Develop and distribute questionnaire> Assess workload>Consult company physician	Identify and evaluate high risk employees.	Conduct surveys on employees with abnormal workloads regarding their work patterns, risk factors in the work environment and personal risk factors (e.g., gender, age, smoking or not, total cholesterol, family health history, lifestyle, personal history of cardiovascular disease, etc.) based on the Abnormal Workload Hazard Assessment Form to identify high-risk personnel. Individuals classified as having a high level of risk are selected by on-site health service physicians for health interviews, which include health guidance, health promotion activities, and other recommendations.
		Evaluate implementation results and make improvements	Track implementation of the improvement plans.
Workplace harassment	Identify hazards and assess risks by filling out the workplace harassment prevention identification and risk assessment form, and implement improvement controls and evaluate implementation results.	<pre> graph LR A((Workplace Harassment Management)) --> B[Identify hazards Assess risks] A --> C[Report infringements] B --> D[Resolve high-risk hazards] C --> E[Task force investigates] D --> F[Improve work environment] E --> F F --> G[Evaluate results] </pre>	
Maternity protection	Visit the working environment of employees during pregnancy or after childbirth, and provide consultations from on-site physicians, and provide health education before, during and after pregnancy.	Conduct hazard identification and risk assessment management procedures for employees who are pregnant/have recently given birth/are breastfeeding to assess workplace health and safety hazards. Proactively inform colleagues of any identified health and safety hazards, minimize or remove such hazards, and adjust colleagues' work if necessary.	

Work Environment Monitoring

In accordance with the Implementation Measures for Labor Working Environment Monitoring, Taiwan sites implement working environment monitoring every six months, and in response to new regulations, promote a respiratory protection plan and fit test of respiratory protective equipment. This ensures the appropriateness of colleagues' working environments and protective equipment. If a non-conforming item is found, WNC executes corrective measures accordingly. In addition, carbon dioxide monitoring systems are also installed in offices to ensure that the working environment maintains good air quality. To prioritize employees' health, we have implemented environmental monitoring in the Taipei office, ensuring that chemical concentrations in the environment remain below the permissible exposure limits.

Work Environment Monitoring Flow in WNC's Taiwan Sites

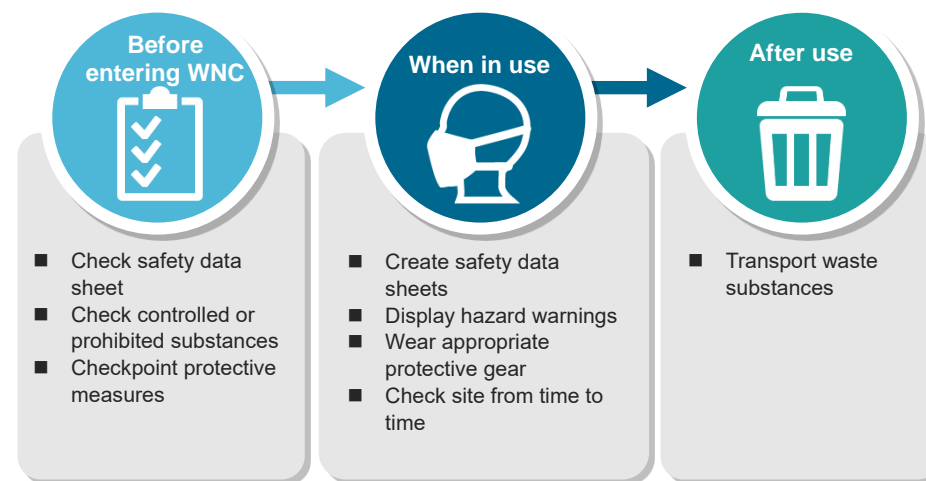


Worker safety at WNC sites in China complies with the Law of the People's Republic of China on Prevention and Control of Occupational Diseases and the Law of the People's Republic of China on Air Pollution Prevention and Control. Environmental and hazardous-substance monitoring is carried out in the workplace once a year. In Vietnam, labor safety related maintenance is conducted in accordance with regulations including the Labor Health and Safety Law. Workplace hazardous substances monitoring is conducted once and environment monitoring is conducted four times a year.

Chemical Management

To avoid misuse of listed or banned chemical substances an online review system for chemicals was introduced in Taiwan sites. The system enables rapid review of risks associated with new chemicals. Chemicals will be classified according to their hazard levels for approval, and the system will be integrated with other systems to strengthen source control. Additionally, real-time notification emails will be sent to relevant personnel to enhance the efficiency of the review process. The new system was launched in WNC's sites in Taiwan in April 2023. To date, 40 chemical applications have been reviewed and approved on this system. In 2024, the second phase of system optimization will be carried out, including enhancing user interfaces, supporting bulk data uploads to improve operational efficiency, and adding deadline reminders to ensure timely information and regulatory compliance. Additional chemical composition information will be incorporated to facilitate quick checks for regulatory relevance or customer concerns, thus avoiding the use of high-risk chemicals while implementing source management. The system will be introduced in other sites in the second quarter of 2024.

WNC's Chemical Substances Management Process



Emergency Response

To improve employees' ability to respond to emergencies, emergency response teams have been established and a plant-wide evacuation drill is held every year. In 2023, to assist relevant personnel in familiarizing themselves with their roles and responsibilities within the emergency response team, increasing operational proficiency, and enhancing crisis management and emergency response capabilities when emergencies occur, the HQ and the S1 plant have added war game simulations to their drill planning. The development and consequences of disasters are evaluated via drills. The drill planning at the S3 plant assesses the on-site self-defense firefighting team's response capabilities during real chemical disasters and fires, simulating the development of compound disasters and conducting disaster relief exercises. A total of 7 plant-wide evacuation drills were held during day and night shifts of Taiwan sites.

In addition to holding firefighters' firefighting skills and disaster prevention safety drills monthly in Kunshan sites, in 2023, Wistron NeWeb (Kunshan), WNC Kunshan and WebCom (Kunshan) held a total of 16 plant-wide fire evacuation drills for day shifts and night shifts. WebCom (Nanjing) held one fire-fighting evacuation drill for the entire plant. The Vietnam sites held four plant-wide evacuation drills.

Disaster Reduction Plan in WNC's Taiwan Sites in 2023

Enhance Safety Culture

- Safety declaration by supervisors
- Workplace safety promotion activities
- Hazard reduction and self-prevention proposals
- Organized workplace safety and traffic safety activities. Lectures, VR experiences, interactive games, online games, and multimedia campaigns
- Electricity Safety

Optimize Safety Management

- Ventilation safety standards
- Online equipment safety specs acceptance
- Integrate purchasing processes, implement change management and safety acceptance procedures
- Source management for equipment purchasing
- High-temperature high-risk remote monitoring
- Lithium battery damage prevention and control
- Machinery Failure Mode and Effects Analysis
- Hook-up and disassembly inspection

Strengthen Operations Safety

- Fixture/equipment safety improvement
- Equipment safety inspections
- High-temperature high-risk remote monitoring
- ASRS and customer-supplied equipment safety inspections
- Burn in room safety mechanism interlock detection
- New line area illumination detection
- Equipment acceptance safety inspection mechanism, including factory acceptance and on-site acceptance

Implement Digitalization Projects

- Online incident reporting form
- Online new chemicals review system
- WNC contractor online evaluation system optimization
- Equipment safety acceptance system optimization
- Digitization of global ESH/ESG indicators
- Global evacuation roll call system optimization

2023 Disaster Reduction Plan for HQ and S1



Virtual defensive driving simulation



Chemical use safety awareness activity



Lecture on how to escape from a fire



Safety awareness promotion activity

Occupational Safety and Health Training

Pursuant to occupational safety and health measures, WNC holds educational and training courses to enhance employees' awareness and skills related to occupational safety and health and boost their ability to predict hazards. WNC Taiwan sites provide a three-hour general safety and health training course to new employees upon their entry. Additionally, regular training sessions are conducted for current employees each year to emphasize safety awareness and reduce the risk of accidents. In 2023, a total of 6,474 participants attended the courses, accumulating a total of 10,346 training hours.

2023 Occupational Safety and Health Training

	Course Name	Course Objective	Course Content	Trainer
Basic Courses	Basic Safety Training for All Employees	To enhance necessary safety knowledge and skills for employees and reduce the occurrence of incidents.	Production line basic safety training and laboratory safety and health regulations	Industrial safety unit
	Safe Driving Training	Improve the safe driving abilities of employees to reduce the occurrence of traffic accidents.	Case sharing and accident handling analysis	Hsinchu City Traffic Police Brigade Captain
Advanced Courses	Accident Investigation Training	Improve the investigator's ability to discover the truth, and formulate effective accident prevention plans to prevent reoccurrences of accidents.	Share case studies and explain accident investigations, information collection, and improvements and focus on investigation techniques (such as fishbone diagrams and 5 Why analysis), to explore root causes and prevent recurrence. Group exercises are conducted.	Former leader of the Northern Labor Inspection Office Internal QA expert
	Discussion on abnormalities, injuries and accidents across all sites	Through accident research, we propose preventive and improvement countermeasures to reduce abnormal events and accidents in our plants around the world.	Case sharing to discuss prevention and improvement strategies	Industrial safety units of all sites
	Machinery Failure Mode and Effects Analysis (MFMEA)	When designing and procuring equipment, conduct risk assessment at the source for accident prevention.	Identify risks through process analysis and evaluate preventive measures to prevent occupational accidents from occurring.	External technical consultant
Professional Courses	Respiratory Protection	Enable colleagues to understand the use and management of respiratory protective equipment.	When and how to use respiratory protective equipment; conduct annual fit testing to ensure that the respiratory protective equipment is suitable for the user.	Industrial safety unit
	Hearing Protection	Show how to properly wear protective equipment to reduce the impact of noise on hearing.	The importance of hearing protection in relation to internal noise operations and regular health check-ups; how to properly wear hearing protection devices.	Industrial safety unit and nurses
	Mechanical Equipment Safety Circuit	Understand international safety standards, improve equipment safety and reliability through risk assessment and safety circuits and component design, while reducing hidden costs in the future.	International safety regulations, risk assessment, and safety circuit practice.	External technical consultant
	Electricity Safety	During equipment introduction, wiring and operation stages, electrical load is managed to avoid power outages that affect production and to ensure electrical safety.	Infrared thermal imager operation training	External technical consultant
	Supervisory Personnel Training	To strengthen the safety management of subcontractors by supervisory personnel and ensure that subcontractors comply with on-site safety regulations to prevent accidents.	Explain the internal regulations for subcontractors and the key points of supervision by supervisors.	External trainer

4.5.2 Equitable Workplace

WNC continues to implement health care measures and health promotion activities to create a friendly and healthy workplace.

Professional Medical Services

WNC sites employ nurses with past clinical experience in internal medicine, surgery, obstetrics and gynecology, pediatrics, and intensive care medicine. The facility nurses compile analyses of employees' health issues, perform personal health hierarchical management, and plan annual health care and promotion activities accordingly to assist staff in enhancing their health awareness.

Data of Full-time Medical Staff in WNC's Sites in 2023

Medical personnel	Taiwan	China	Vietnam
Physician	2	0	0
Nurse	8	1	2
Total	10	1	2

WNC Taiwan has purchased a health management system to facilitate the recording and management of employees' health histories. Health grading management is divided into five grades from A to E according to the results of the inspection items. The higher the grade, the higher the health risk. Different management measures are provided at different levels, including regular tracking, security guard education, plant doctor consultation or outpatient and emergency re-examination. In 2023, 756 plant medical consultations were conducted, and the tracking rate of E-levels with the highest health risk reached 100%.

Health Grading Management

Grade	A No abnormalities	B Minor abnormalities	C Medical attention needed	D Noticeable abnormalities	E Significant abnormalities
Health Care Measures	No, only data archiving	Follow medical advice	(1) Health education (2) Consultation (3) Health promotion activities	(1) Health guidance (2) Doctor's consultation (3) Follow-up examination	Make a doctor's appointment
	Self-health management	Follow-up examination every 6 -12 months	Follow-up examination after 3 months	Follow-up examination within 3 months	Seek medical attention within 2 weeks

Employee Medical Examinations

WNC Taiwan cooperates with Hsinchu Mackay Memorial Hospital, National Taiwan University Hospital Hsinchu Branch, Hsinchu Science Park Clinic, Tainan/Madou Sin-Lau Hospital, Tainan Municipal Hospital, and Southern Taiwan Science Park Clinic to conduct general/special medical examinations, general/special on-the-job health examinations and offers occupational medicine specialists' on-site health service. Annual health check-up attendance rate reaches as high as 99%. In 2023, WNC worked with Taipei Boren Hospital and Hongen Hospital to boost the convenience of medical check-ups for employees in the Taipei office.

All new employees in WNC's sites in China are required to undergo general health examinations. In addition, according to the Occupational Disease Prevention Law of the People's Republic of China, employees with potential occupational disease hazards will also be provided with new, in-service and pre-employment occupational health examinations for special projects. All employees in the Vietnam operating location are required to undergo general health examinations on a regular basis every year. In addition, according to the Labor Law and Occupational Health and Safety Law, and announcement 14/2013/TT-BYT by the Medical Department of Vietnam, employees with potential occupational disease hazards are also provided with semi-annual occupational health examinations for special projects.

Health Promotion Activities

WNC sites in Taiwan implement different types of health promotion projects every year. After the COVID-19 pandemic waned in 2023, WNC adopted a professional corporate health promotion software. Exercise and knowledge videos were recorded for WNC employees. Complemented by body composition analysis, pre-and post-fitness testing, and weekly self weight monitoring, this fully digitalized online event helped employees overcome restrictions such as location, time differences, venue, and work attributes to participate. The body composition analysis and pre-and post-fitness testing was conducted in conjunction with the Department of Recreational Sports Management at Yu Da University of Science and Technology, the students of which gained much practical experience through industry-academic cooperation. The three-month activity saw 421 employees participate, among which 165 employees completed both pre-test and post-test weight assessments. Collectively they shed 350.2 kilograms, averaging a weight loss of 2.1 kilograms per person.

Preventive Care

Free quadrivalent influenza vaccination is provided every year for all employees (including on-site contractors). In 2023, a total of 2,329 doses of influenza vaccines were given, with a vaccination rate of 31%. Related expenditure totaled NT\$1.55 million for influenza prevention work.

Emergency Care System

WNC has established a 24-hour facility nurse-on-duty hotline, periodically reviews emergency care personnel deployment and training, implements evacuation drills and training for sites, and audits and restocks the medical supplies of each unit. WNC headquarters has signed an emergency ambulance contract with the Hsinchu Science Park Clinic, so that emergency services can be provided immediately when necessary. Meanwhile, AED devices have been installed around our sites in Hsinchu and Vietnam, and related trainings provided.

Mental Health Resources

On top of caring for employees' physical condition, WNC provides employees with required mental health education, care, and report mechanisms for injuries or sicknesses resulting from official duties or personal issues, including injury and illness follow-ups, recommendations for a reasonable number of rest days, evaluations for resumption of work or suitable work, and assistance for the resumption of work. WNC's Taiwan sites launched a digital employee assistance program, through which the company commissioned a counselling service provider to provide a variety of consultation and counselling services via a user-friendly app. Counselling services are conveniently offered through text, audio and video chats. In the first stage of consultation colleagues' concerns are listened to for free and without time limits. In the second stage, professional consultants offer consultation services in five areas: psychology, career path, health education, legal, and insurance and finance. Each employee can enjoy two free interviews per year. Starting in 2024, the free interview quota was increased to three hours per year.

As of the end of 2023, 23 people have used the first-stage free consultation hotline, and 105 people have used the second-stage individual interview service. In the second stage, there were 23 cases related to mental health issues, 42 cases were about legal issues, 5 cases concerned careers, 1 on insurance and finance, 1 on health education, and 33 cases related to other topics.



Food Safety Management

Management

- Formulation of kitchen safety and health management measures to specify management responsibilities for comprehensive control of food ingredients, food processing, tableware safety, food service vendor management, and environmental cleanliness and equipment maintenance.
- Rigorous selection of certified meal service vendors and daily inspection to ensure that vendors follow all government regulations and food safety laws.
- All meal service personnel are required to take periodic health examinations, and those with specified infectious diseases are not allowed to provide meal services or work in kitchens.
- Formulate the selection criteria for group catering manufacturers, list food safety-related certifications (HACCP, ISO 22000) as necessary conditions, and strictly control food safety for employees.
- Epidemic prevention: Will refer to the relevant protection guidelines published by the Centers for Disease Control and Prevention (CDC) as a reference for adjusting our epidemic prevention measures.

Monitoring

- The general affairs unit and the industrial safety unit conduct a safety and hygiene examination of the company kitchen and announces the results each month to ensure compliance of food safety and hygiene regulations.
- Compilation of an ingredients vendor list. On-site food service vendors are prohibited from using food from unknown sources. Food must be verified to conform to safety and health rules.
- WNC performs inspection of the food ingredients in the plant according to the list of unqualified food items published by the MOHW and pulls suspicious products from shelves in response to Taiwan's country-wide food safety incidents in recent years. Food items may be re-shelved only after they pass relevant safety inspections.
- Bi-monthly water quality tests of water dispensers and results announcements.

4.5.3 Contractor Management

WNC has drawn up a Contractor ESH Management Procedure to ensure the safety of both contractors and employees, maintain facility safety, and observe related ESH regulations. This document clearly demarcates the powers and responsibilities of company units and contractors and describes ESH issues requiring attention. Contractors are required to sign a Commitment to Work Safety for Contractors in WNC Plants before applying to conduct in-plant operations, and are required to participate in the notification of in-plant hazards and educational training for safety and health organized by the Industrial Safety Dept. After in-plant operations are approved, employees of contractors must participate in a tool-kit meeting to understand the hazards that personnel should pay attention to in the plant along with relevant safety procedures, and conduct in-plant operations after confirming operation details with the responsible managers under supervision and assessment of the ESH management units.

WNC conducts contractor review annually to evaluate contractors' safety and health management capabilities. Guidance or replacement of contractors is executed according to review results. An online contractor evaluation system was introduced to enhance the efficiency of annual contractor assessments, and further optimizations were made to the system in 2023 to strengthen assessment standards. Based on the evaluation results, key contractors were provided guidance and improvement assessments to enhance their safety and health management capabilities and safety culture literacy. Starting from 2020, construction evaluations have been added for new contractors, and the contractor evaluation items, scoring standards and calculation formulas have been more clearly and specifically defined to ensure the standardization of evaluations and reduce manual calculations errors. In addition, to strengthen the management of hazardous operations of contractors, a checklist has been drawn up for higher-risk operations including hot work, roofing, elevated, and restricted operations, to ensure that contractors follow the safety standards before, during, and after operations. In 2023, a total of 8 new suppliers in the factory construction category were evaluated.

WNC Contractor Evaluation

Subject	Category	Item	
Existing contractors	Annual evaluation (Once a year)	Training records Operational protective measures Automatic checks	In-plant violations Certification requirements
New contractors	Evaluation of new construction contractors (before construction project)	Disclosure of major occupational injuries Certification requirements Work inspection mechanism	Management system for onsite construction Sub-contractor review mechanism

Besides the designated contact person, contractors can also discuss with WNC contact persons regarding matters such as work safety and health management, on-site operations coordination to ensure operational safety via coordination meetings, toolbox meetings, hazard information education and training, vendor review, and on-site inspections.

For contractors (including security, group meals and cleaning staff) who perform daily operations on WNC sites, in order to improve implementation of labor rights, non-discrimination, integrity, anti-corruption, illegal reporting and occupational safety and health, etc. since 2016, it is stipulated in the general contractor contract that all contractors should comply with the relevant provisions of the WNC Supplier Code of Conduct, and complete the Supplier Integrity Commitment and Supplier CSR Questionnaire before the effective date of the contract. Commitment and Supplier CSR Questionnaire before the effective date of the contract.



5

Caring for Society

Care for Children
Care for the Land
Care for Smallholder Farmers
Care for Culture and the Arts



Annual Performance

WNC organizes social welfare projects and activities to care for children, smallholder farmers and culture and the arts. Employees, customers, and suppliers are invited to take part in these activities.

Topic	Content	Assistance Recipient	Methods	Social Benefit	Social Influence
Care for Children	<ul style="list-style-type: none"> Specialized and subject-specific education in rural areas Sponsorship Program for Rural Schoolchildren Assisting University Service Clubs 	<ul style="list-style-type: none"> Disadvantaged schoolchildren in remote areas Schools or education institutions Non-profit social welfare organizations University service clubs 	Employee participation Financial investment	Actively encourage employees to provide long-term support, companionship, and care for children in remote areas. <ul style="list-style-type: none"> A total of NT\$2,500,000 was donated to a three-year (2020-2022) Differentiated English Teaching Program, assisting 266 children enhance their English language skills. An English camp held in June 2023 saw participation by 14 WNC employees. The new phase of the Differentiated English Teaching Program was launched in the end of 2023 with a donation of NT\$808,000. A total of 560 employees sponsored 99 rural schoolchildren in 2023, for a total amount of NT\$1,680,000. 	Develop rural education and build self-confidence of rural children <ul style="list-style-type: none"> In 2023, a total of NT\$740,000 was donated to develop rural education In 2023, a total of NT\$881,300 was provided to six university service clubs as funds to serve remote villages and disadvantaged groups. Volunteers participated in painting murals on the walls of Tunan Elementary School in 2023.
Care for the Land	<ul style="list-style-type: none"> Green marketplace initiative Environmental education Beach cleanup Tree planting 	<ul style="list-style-type: none"> Students Environmental education organizations Local environmental protection organizations 	Employee participation Financial investment Industry-academia cooperation	Implement carbon reduction initiatives with a sustainable mindset <ul style="list-style-type: none"> In 2023, WNC launched a Bring Your Own Food Containers activity, attracting 104,569 participations. On April 22, 2023, 100 WNC employees participated in a tree planting event in Xiluo, planting 2,480 native tree saplings in a 1.4 hectare area. 	Reduce ecological impact and promote local biodiversity <ul style="list-style-type: none"> In 2023, WNC sponsored a total of NT\$200,000 for the Environmental Education Base Camp, in which 35 students participated.
Care for Smallholder Farmers	<ul style="list-style-type: none"> Green marketplace initiative Enterprise group buying 	<ul style="list-style-type: none"> Social enterprises Young and smallholder farmers in rural areas in Hsinchu and Miaoli 	Employee participation Financial investment	Introduce organic produce for greater dining experience <ul style="list-style-type: none"> Spent NT\$11.37 million to promote green dining and organic foods in 2023; honored with the Pioneer Enterprise in Green Dining Award from the Green Dining Guide (GDG). Worked with social enterprises to establish a dedicated group buying section and invite smallholder farmers to showcase and sell their products on-site. Encouraged participation from employees, with total amount of sales reaching NT\$225,000. Adopted a plot of land for cultivation in Miaoli's Tongluo area, covering approximately one-fen, with an investment of NT\$10,350. This helped integrate eco-friendly farming concepts into the local community and expand leopard cat habitats. 	Expand sales channels to increase the income of young and smallholder farmers, and to encourage land-friendly farming. <ul style="list-style-type: none"> Group buying groups were established for employees to purchase organic vegetables. The group membership in HQ reached 206 people by the end of 2023, a growth of 24% compared to the previous year. In 2023, a total of 172 employees purchased 600 kg of Formosan Clouded Leopard Rice, with a total purchase amount of NT\$162,000. A total of 25 volunteers participated in agricultural work and ecological surveys for Formosan Clouded Leopard rice.
Care for Culture and the Arts	<ul style="list-style-type: none"> Supporting arts organizations Assisting social welfare groups 	<ul style="list-style-type: none"> WNC employees Non-profit organization Social welfare groups 	Employee participation Financial investment	Caring for society, inviting employees to join charitable donations <ul style="list-style-type: none"> Charity day events were organized in 2023 at WNC's sites in Taiwan, which generated a total revenue of NT\$452,000. 	Supporting the arts to drive female empowerment and encourage employee engagement <ul style="list-style-type: none"> Sponsorship of arts groups totaled NT\$100,000 and the support is set to increase by the year. Continue to encourage employees to participate in cultural activities.

Amount spent in social participation in 2023 (Unit: NTD)

Topic	Funds allocated	Percentage
Care for Children	4,293,306	25.2%
Care for the Land	1,082,948	6.4%
Care for Smallholder Farmers	11,543,936	67.8%
Care for Culture and the Arts	100,000	0.6%

Material Topics and Goal Management

Five Themes	Material Topic	Performance Indicators	2023 Results		Future Goals			Corresponding SDGs
			Target	Results	Short-term 2024	Mid-term 2025	Long-term 2030	
Empowerment	Social Participation	Employee volunteer programs Number	250 participations	213 participations	250 participations	250 participations	500 participations	4.7 Ensure all participants acquire the knowledge and skills needed to promote sustainable development
		Employee volunteer programs Hours	1000 hours	916 hours	1000 hours	1000 hours	2000 hours	
		Employees volunteering to support rural schoolchildren ^{Note}	400 participations	614 participations	400 participations	400 participations	500 participations	4.1 Ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes
		Number of rural schoolchildren supported ^{Note}	200 participations	216 participations	200 participations	300 participations	300 participations	

Note: Includes those who participated in the rural schoolchildren sponsorship program, after-school English tutoring sessions, and WNC Classroom.

5.1 Care for Children

Our mission

- Care for children's growth and address educational issues, promoting specialized education to build their self-confidence.
- Cultivate college students' values and sense of University Social Responsibility (USR), providing resources through projects to support students in proposing and implementing initiatives.

Our roles

- Providing sponsorships to develop specialized and subject-specific education in Tunan Elementary School and Siang Bi Elementary School.
- Encourage university clubs to submit activity proposals that care for disadvantaged children in rural areas, serving as a strong support for dual-purpose assistance in both social issues and public welfare.
- Create educational materials by using the core business of wireless communications to broaden the horizons of children in rural areas via WNC Classroom.

Our actions

- Sponsorship Program for Rural Schoolchildren (working together with Family Support Center)
- Differentiated English Teaching Program (with Boyo Foundation)
- WNC Classroom, arousing children's curiosity about wireless communications
- Assisting university service clubs in caring for children and youth in disadvantaged communities in rural areas, promoting science education and other social services initiatives.



Tunan Elementary School Dance Class



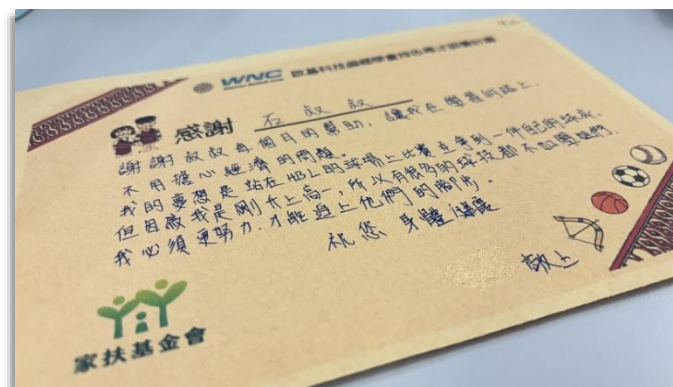
Students from Tunan Elementary School performing an indigenous dance



Students from Siang Bi Elementary School participating in an archery competition



Students from Siang Bi Elementary School participating in an archery competition



Thank-you letters from students who received help from WNC sponsorships programs

Rural Education for Elementary Schoolchildren

WNC cares for underprivileged children and recognizes the importance of developing education tailored to rural communities. WNC has provided sponsorships to Tunan Elementary School in Jianshi Township, Hsinchu County since 2013, assisting the school in organizing special education courses on judo, choir and archery. Recognizing the challenges in cultural preservation, WNC established a curriculum to promote Atayal culture in 2023, aiming to educate children about and foster acceptance of the indigenous way of life and cultural traits, and in turn facilitate the sustainable development of Atayal culture. WNC and employees donated a total of NT\$540,000 to Tunan Elementary School to cover expenses relating to facilities, equipment, coach/teachers, and contest participation.

Since June 2017, WNC's social care program has provided support to Siang Bi Elementary School in Miaoli County to help their students practice archery, help regenerate traditional Atayal hunting practices and archery culture to be passed on to future generations. In 2023, WNC employees donated NT\$200,000 to help Siang Bi Elementary School purchase archery equipment and participate in regional archery competitions. The school's archery team performed exceptionally well in the competitions. In addition to the school children, the graduates of the archery team also continued to perform well and achieved outstanding results in the President's Cup, Youth Cup, and National High School Games.

Sponsorship Program for Rural Schoolchildren

In June 2019, WNC began working with the Miaoli Chunan Family Support Center on a sponsorship plan for schoolchildren in rural areas. WNC successfully duplicated this

success in a joint program with the Hsinchu Family Support Center in 2020, extending support for heritage education in rural primary schools. The scope of support also increased.

WNC employees sponsored 99 rural schoolchildren in 2023, for a total amount of NT\$1,680,000. An additional 20 employees joined the cause compared to the previous year. These employees demonstrated their generosity by continuing their support for the sponsorship program, ensuring uninterrupted attention to the children in need.



Reported by News Radio
WNC donates scholarships through Miaoli Chunan Family Support Center

2023 Sponsorship Program for Rural Schoolchildren in Taiwan

Co-organizer	No. of schoolchildren sponsored (persons)	Employees participated (persons)	Sponsorship amount (NT\$)
Miaoli Chunan Family Support Center	46	220	660,000
Hsinchu Family Support Center	53	340	1,020,000
Total	99	560	1,680,000

Differentiated English Teaching Program

WNC and the Boyo Foundation began working together to launch a three-year Differentiated English Teaching Program to provide free after-school English classes for Tunan Elementary School students in Jianshi Township, Hsinchu County in 2020. The aim of this program is to supplement the English learning resources in remote indigenous areas, and assist elementary school children to seamlessly move on to the middle school curriculum. This program features "individualized learning" where different teaching materials are used based on the varying levels of the children. It aims to bridge the learning gap and assist them in reaching the proficiency level required within the education system. This program therefore uses specially-designed English teaching materials and utilizes small-class teaching and individual guidance.

14 supervisors and their family members volunteered to organize the results demonstration event at Hsinchu Zoo. It was also the first outdoor demonstration of our achievements in the three-year program and a rare opportunity for the children to experience life outside the mountains. On June 3, 2023, WNC successfully brought 32 children from Jianshi to downtown Hsinchu. Fourteen supervisors and their family members volunteered to organize the results demonstration event at Hsinchu Zoo. It was also the first outdoor demonstration of our achievements in the three-year program and a rare opportunity for the children to experience life outside the mountains.

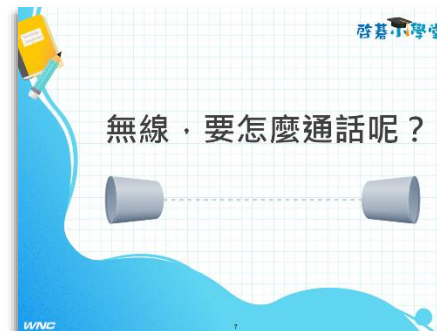
Launched in September 2020 and ended in June 2022, the program has received support from many senior executives in WNC with donation totaling NT\$2,500,000. In the second half of 2023, the second phase of the Differentiated English Teaching Program was launched. The NT\$808,000 raised has been fully utilized for Tunan Elementary School, covering expenses such as hiring of lecturers, course materials, English camps, and outings.



Photos of students in English classes organized by WNC

Volunteer activities: WNC Classroom and mural painting

Leveraging its industry knowledge, WNC designed a series of basic communications and science teaching materials in 2020. These are provided to elementary schools in remote areas as supplementary materials for science and technology classes to bridge the rural-urban divide. WNC also invited Tsing Hua University student interns to participate in the WNC Classroom course planning and writing. The game-based course contents are designed for grade one through grade six to make exploring technological trends and applications more fun. In 2023, 11 WNC colleagues and retired employees brought the WNC Classroom teaching materials to Tunan Elementary School. The aim is to spark curiosity among students of all grades about the principles and applications of communications technology through fun and engaging methods, thereby igniting their interest in scientific learning projects. In addition, to promote digital development in rural areas, WNC donated 10 computers and monitors to the children of Tunan Elementary School in November 2023, hoping this will enable them to continue learning even at home.



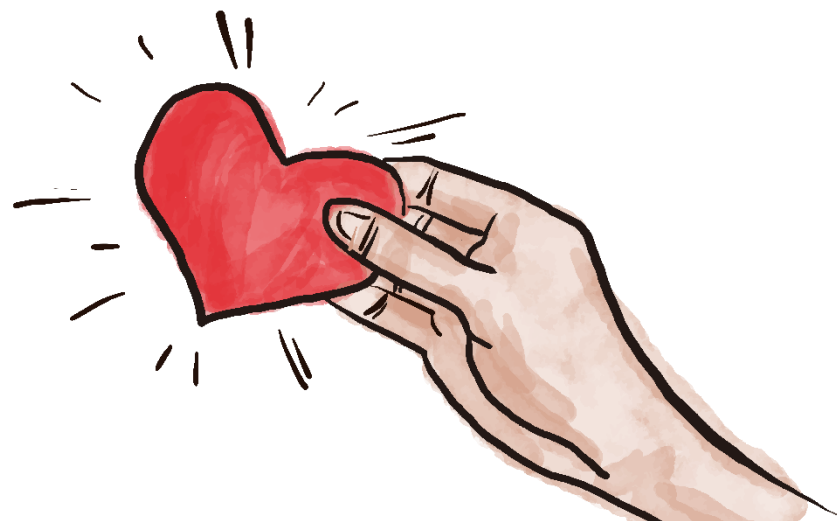
Photos of students in WNC Classroom

In July 2014, over 40 WNC employees and their families, along with students from the Science Service Club and the Tutoring Volunteer Club of National Tsing Hua University, visited the Tianpu Branch of Tunan Elementary School. Together they painted the worn and discolored exterior walls. WNC once again mobilized employees and their families to visit the Tianpu Branch of Tunan Elementary School to repaint the school walls in 2023. 49 commemorative gifts were produced based on the painted works of the students, which were then presented to the school and volunteers as a token of the long-standing friendly relationship between both parties.



Assisting University Service Clubs

To encourage college students to serve as volunteers WNC started to provide long-term subsidies for student clubs back in 2009. Through its cooperation with the NTHU Indigenous Culture Club, the NTHU Science Promotion Club, the NTHU WHYOU Club, the NCKU Social Service Team, the NCKU Philanthropy Club, and the NCKU Students Service Club WNC helps college students promote after-school assistance and science education for disadvantaged children from remote areas, disadvantaged elderly, children, and people with disabilities. WNC requires club members to submit proposals at the beginning of the semester and submit results reports at the end of the semester. This boosts club members' planning, execution, and presentation skills and helps lay a solid foundation for performance in their future careers. In August, WNC mobilized 16 employees to participate in the summer service camp organized by the NTHU WHYOU Club, where they interacted and had fun with 66 elementary school students, three of whom were from Tunan Elementary School. In 2023, WNC and colleagues jointly funded NT\$880,000 for the service-oriented clubs of the six universities mentioned above as funds for serving rural and disadvantaged groups. In August, WNC mobilized 16 employees to participate in the summer service camp organized by the NTHU WHYOU Club, where they interacted and had fun with 67 elementary school students, three of whom were from Tunan Elementary School.



5.2 Care for the Land

Our mission

- Establish an employee volunteering culture and increase participation.
- Create a sustainable environment by reducing pollution and promoting biodiversity.

Our roles

- Organize employees and their family members to participate in sustainable actions such as beach cleanups in response to the government's call and international trends.
- Integrate external forces such as industry, government, academia, research, and social enterprises and promote environmental education.

Our actions

- Planted 2,480 native Taiwanese trees on a 1.4-hectare plot of land along the Zhuoshui River and promoted environmentally friendly volunteer activities.
- Implementation environmental education, offering children knowledge and ability to treat the environment gently.

WNC Forest Park

Taiwan is a highly populated small island, making land especially precious. Providing resources where needed is what WNC considers before launching each biodiversity project. WNC collaborated with the Water Resources Agency of the Ministry of Economic Affairs, selecting a 1.4-hectare riverbank area adjacent to the Xiluo Butterfly Park on the left bank of the Zhuoshui River as the site for tree planting. The aim is to assist the Xiluo Township Office in improving the long-standing dust pollution caused by the Zhuoshui River. At WNC's invitation, the NTU Experimental Forest, which has long been committed to forest management, also joined in creating the WNC Forest Park. Taking professional advice from NTU, we selected tree species such as camphor, Chinese banyan, maple, Taiwan beech, Taiwan incense cedar, and Taiwan red pine due to their drought resistance, wind protection, and high carbon sequestration capabilities, ensuring both reforestation and conservation benefits. Through collaboration between industry, government,

academia, and research institutions, WNC's Forest Park actually provides value for a wider range of stakeholders, both internal and external.



Positive
relations
with local
communities

On Earth Day, upwards of 100 senior managers of WNC and their family members planted more than 2,480 Taiwan native tree saplings along the riverbank in Xilou. Following the event, all participants enjoyed local delicacies in Xiluo Old Street and surrounding areas, strengthening connections between the land and local communities.

Carbon
reduction
effects

Based on the research methods detailed in AR-AMS0003 Application in Afforestation and Reforestation Projects in Wetlands, the evaluation report produced through the guidance of the Industrial Technology Research Institute (ITRI) indicates that WNC's Forest Park yielded a carbon reduction benefit of 72.8 metric tons of carbon dioxide equivalent in 2023.

Dust
prevention

In addition, [according to the report presented to the Executive Yuan in 2023 on the effectiveness of dust prevention measures for the Zhuoshui River](#), the occurrence of dust decreased by over 90%. There was also a 77% reduction in the overall exposed ground area and an increase of 991 hectares in vegetation (equivalent to 38 Da An Forest Parks), indicating the effectiveness of the dust prevention of WNC Forest Park.

In April 2024, WNC Forest Park 2.0 chose to settle in the Xitou Nature Education Area in Nantou, Taiwan. In collaboration with the NTU Experimental Forest, approximately 1,500 Taiwania cryptomerioides saplings were replanted in a 1-hectare artificial forest that had been entirely cut down due to damage from animals and pests. In addition to tracking the survival rate of the saplings, we will continue to monitor the local flora and fauna to maintain ecological balance and establish an ecological database to promote biocredits.



Annual beach cleanup event

WNC employees form volunteer clubs of their own accord. In addition to participating in volunteer activities, they also take part in environmental improvement actions, including the "Salute to the Sea" beach cleanup event held in October 2023. Nearly a thousand people, including government officials and private sector representatives, collected about 3.2 tonnes of marine debris and 0.7 tonnes of recyclable materials. WNC volunteers cleared 165.5 kilograms of marine debris.



WNC and the Hsinchu Science Park Administration at the beach cleaning event

Environmental education: See Taiwan from Above

To allow our children to better understand the environment WNC continued to work with the Chi Po-lin Foundation in 2023 and organized a photography camp. A total of 35 fifth- to eighth-graders participated in this 5-day Environmental Education Base Camp, including three children of WNC employees. The course contents included photography skills, film production and storytelling courses, exploring old streets, ecological observation, team building, and results presentations.

During the camp, professional instructors and mentors from different fields guided children to explore Tamsui Old Street and the Waziwei Nature Reserve in-depth starting from environmental phenomena depicted in Chi Po-lin's photography works in order to learn about the local culture and ecology and express their observations of the local environment and culture through video recording and photographic works. Through games and discussions, they identify problems, analyze causes, and articulate their viewpoints.

For two years in a row, WNC sponsored a total of NT\$386,000 for the Environmental Education Base Camp organized by the Chi Po-lin Foundation. Leveraging past success, WNC and the Chi Po-lin Foundation will launch a new session in Hsinchu in 2024.



5.3 Care for Smallholder Farmers

Our mission

- Enhancing food safety and supply
- Recommending effective distribution channels to smallholder farmers so they can attain direct profits

Our roles

- Using safe ingredients and organic vegetables in staff canteen
- Working with social enterprises in launching an online marketplace for group purchases, allowing employees to directly purchase and thereby increase income for smallholder farmers

Our actions

- Launching green restaurants and continue the use of organic vegetables in staff canteen
- Group purchases of organic vegetables: buy today and pick up the next day
- Online group purchases of smallholder farmers' produce

Good Food Movement: Company-wide food safety and direct purchasing



Since the end of 2013, WNC has been implementing the Good Food Revolution, providing its employees with safe organic ingredients to create a green dining culture from farm to table. This initiative not only enhances employee health but also supports smallholder farmers practicing sustainable land cultivation. In 2022, these efforts allowed WNC to become the first employer in the technology industry to join the Green Dining Pledge.

WNC also collaborates with cafeteria vendors, fruit bars and convenience stores to create Green Marketplaces. The employee cafeteria introduces organic vegetables and fruits grown using eco-friendly land planting methods, increases local sourcing to reduce carbon emissions, and extends waste reduction measures. In 2023, a campaign was launched at Taiwan sites, encouraging employees to bring their own cups and utensils, with a total of 104,569 participations.



2023 Carbon Reduction Effectiveness of Green Dining in WNC's Sites in Taiwan

Item	Results			
Purchasing organic vegetables for group meals (carbon reduction)	Purchasing 218,717 kg of organic vegetables is approximately equal to carbon reduction ^{Note 1} of 218.7 tonnes CO ₂ e. The additional cost incurred due to purchasing organic vegetables, compared to conventional vegetables, is estimated to be approximately a 48% increase.			
Promoting green dining (participants)	Starting in 2023, the staff canteen at three locations in Taiwan introduced three green dining events, attracting green restaurants and a total of 1,168 participants.			
Encouraging the use of eco-friendly cups and utensils (participants & carbon emissions reduction)	Item	Calculation period	Participants	Estimated carbon emissions reduction ^{Note 2} (kg CO ₂ e)
	Bring your own cups	2023	99,257	3,176
	Bring your own utensils	2023	5,312	1,551

Note 1: According to the estimates by the Agriculture and Food Agency, cultivating 1 kg of organic vegetables can reduce at least 1 kg of CO₂e compared to conventional vegetable cultivation methods.

Note 2: According to a press release from the Chiayi City Environmental Protection Bureau, reducing the use of one paper container can save 0.292 kg CO₂e, and reducing the use of one drinking cup can save 0.032 kg CO₂e.

In addition to introducing organic vegetables in staff canteens, we also worked with social enterprises in 2023 by promoting an online group buying section, featuring seasonal specialty agricultural products. We provided employees with discounted quality produce, expanded sales channels for smallholder farmers, and combined regular and festive sales events within the company. The total sales amount reached NT\$53,681.

It's worth mentioning that not only is it a company policy, but employees also strongly support organic smallholder farmers. Currently, in all WNC locations in Taiwan, they have established Organic Vegetable Ordering Groups through the LINE app. Employees can directly order organic vegetables and fruits from nearby organic smallholder farmers online every day and make payment upon pickup at the company.

Environmental education: Creating eco-friendly farming practices that benefit both the environment and ecology

Local farmers in the mountainous regions of Miaoli produce agricultural products using non-toxic, pesticide-free, and eco-friendly methods that are friendly to the Formosan leopard cat. They aim to integrate the concept of leopard cat conservation into the community, revitalizing it while supporting environmentally friendly farming practices and the livelihoods of farmers. Moreover, their efforts in leopard cat conservation contribute to enhancing the biodiversity of the Miaoli mountainous area. Therefore, WNC worked with the social enterprise "Eight Hundred Gold" on leopard cat-friendly rice farming. The cooperative farming area covered approximately 900 m², and 172 employees subscribed to 600 kilograms of leopard cat-friendly rice, totaling NT\$162,000 in subscriptions. Additionally, 25 WNC volunteers participated in on-site agricultural work and ecological surveys to better understand land and smallholder farming issues. The satisfaction rating of employee participation reached 4.98 out of 5. WNC will consider incorporating ecological monitoring into one of the key criteria when it comes to supporting local smallholder farmers in the future.



5.4 Care for Culture and the Arts

Our mission

- Increasing employees' understanding of social welfare issues and cultural and arts activities
- Boosting employees' willingness to participate in charitable and arts activities

Our roles

- Driving employees to donate to long-term public welfare projects
- Supporting charitable organizations through diverse fundraising channels, including monthly charity sales at each location and donations of Spring Festival gifts
- Encouraging employees to participate in cultural activities

Our roles

- Established a Social Care Donation Platform to match social enterprises and charitable organizations based on the needs of public welfare projects, and encouraged employees to respond to public welfare through fundraising, donations, or small-scale consumption.
- Support arts organizations and encourage employees to participate in cultural activities

Support arts organizations and encourage employees to participate in cultural activities

Inspired by the recent societal focus on arts and culture and women's empowerment, WNC initiated a sponsorship collaboration in 2023 with the Tabernacle Women's Choir, an all-female choir. In the 2023 Taiwan-Japan Exchange concert, WNC invited musicians from Japan and Taiwan, and provided charity tickets for cancer patients and underprivileged families to enjoy the chorus. A total of 1,212 audience members attended the session in Taipei, including 12 voluntary participants from WNC.

WNC has invited the Tabernacle Women's Choir to visit Tunan Elementary School in 2024. They will work with music teachers and focus on choral singing and music notation as the primary learning content.



WNC's Social Care Assistance Platform provides a convenient channel for employees to obtain social care information, to make donations, and to offer assistance on-line. Through this platform, employees can obtain information on fund-raising and the results of social care activities at any time.

Charity Fundraising

WNC is proactive in conducting charity fundraising and has organized internal donation campaigns and encouraged employee donations in response to major disasters or the special needs of colleagues and the community. Care, financial assistance, legal consultation, and/or funeral assistance are also provided for injured/seriously ill employees or for family members of employees who pass away.

WNC also encourages employees to help those in need and to donate to charity. For example, instead of choosing to receive company gift certificates or gifts to mark Chinese New Year, Dragon Boat Festival, and Mid-Autumn Festival, employees may choose to donate an amount equal to the value of the company gift certificates or gifts to charity. The money donated is given to NTHU and NCKU university service clubs, as well Tunan Elementary School and Siang Bi Elementary School. In 2023, WNC and its employee donations totaled NT\$1.621 million, of which NT\$931,300 was raised by employees, which was a 22% increase compared to the previous year. Employee donations have reached over NT\$9 million since 2009.

Charity Sales Events

The fifth day of each month is designated WNC Charity Day, and employees are encouraged to show their support by purchasing items from charity organizations. Each month, WNC's Employee Relations Department invites a charitable organization to set up a stand and sell products at Taiwan sites. In 2023, WNC's Taipei office joined the cause. In the same year 27 charity organizations (including social welfare organizations, social development organizations, and social enterprises) were invited to hold online sales for WNC employees. Revenue from the online sales totaled NT\$452,000.





6

Appendix



Erratum

Assurance Statement

GRI Content Index

SASB Standards Index

TCFD Recommendations Comparison Chart

Telecommunications Network Industry Taiwan Stock

Exchange Sustainable Disclosure Index

ESG Performance Indicators

6.1 Erratum

WNC 2022 Sustainability Report Erratum

Page	Section	Before adjustment	After adjustment
P72	3.3.2	In 2022, 4,852.26 tonnes of waste from operations were produced.	In 2022, 4,852.55 tonnes of waste from operations were produced.
P67	3.2.3	Total power consumption in 2022 was 116,616,943 kWh.	Total power consumption in 2022 was 116,753,348 kWh.
P67	3.2.3	The use of green energy in the total electricity consumption was 6.65% in 2022.	The use of green energy in the total electricity consumption was 6.64% in 2022.

6.2 Assurance Statement



INDEPENDENT ASSURANCE OPINION STATEMENT

Wistron NeWeb Corporation 2023 Sustainability Report

The British Standards Institution is independent to Wistron NeWeb Corporation (hereafter referred to as WNC in this statement) and has no financial interest in the operation of WNC 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 WNC only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by WNC. 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 WNC only.

Scope

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

1. The assurance scope is consistent with the description of Wistron NeWeb Corporation 2023 Sustainability Report.
2. The evaluation of the nature and extent of the WNC's adherence to AA1000 Accountability Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.
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 Wistron NeWeb Corporation 2023 Sustainability Report provides a fair view of the WNC sustainability programmes and performances during 2023. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the WNC and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate WNC's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurers 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 WNC's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards and SASB Standard(s) were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top level review of issues raised by external parties that could be relevant to WNC's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 28 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- 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), GRI Standards and SASB Standard(s) is set out below:

Inclusivity

This report has reflected a fact that WNC 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 WNC's inclusivity issues.

Materiality

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

Responsiveness

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

Impact

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

GRI Sustainability Reporting Standards (GRI Standards)

WNC 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, 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 WNC's sustainability topics.

SASB Standards

WNC provided us with their self-declaration of in accordance with SASB Standard(s) (Electronic Manufacturing Services & Original Design Manufacturing Sustainability Accounting Standard, version 2023-12). Based on our review, we confirm that the sustainability disclosure topics & accounting metrics of SASB Standard(s) (Electronic Manufacturing Services & Original Design Manufacturing Sustainability Accounting Standard, version 2023-12) are reported, partially reported, or omitted. In our professional opinion the self-declaration covers disclosure topics, associated accounting metrics and activity metrics for applicable SASB industry standard(s).

Assurance level

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

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

Responsibility

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

Competency and Independence

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

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan



Statement No: SRA-TW-786284
2024-04-29

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6.3 GRI Comparison Chart

Statement of use	WNC has reported in accordance with the GRI Standards. (for the period from Jan. 1, 2023 to Dec. 31, 2023.)
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector	Not applicable

GRI 2: General Disclosures 2021

Code	Disclosure	Chapter in the Report	Page No.	Description
Organization Reporting Practices				
2-1	Organizational details	About WNC	13-16	
2-2	Entities included in the organization's sustainability reporting	About this Report	2	
2-3	Reporting period, frequency and contact point	About this Report	2	
2-4	Restatements of information	6.1 Erratum	152	
2-5	External assurance	6.2 Assurance Statement	153	
Activities and Workers				
2-6	Activities, value chain and other business relationships	About WNC, 2.3 Supplier Management	13-16, 50- 56	
2-7	Employees	4.2.1 Human Resources Structure	98-99	
2-8	Workers who are not employees	4.2.1 Human Resources Structure	98-99	
Governance				
2-9	Governance structure and composition	1.2.1 Composition of Board of Directors 1.2.2 Diversification of Board of Directors	37-38	
2-10	Nomination and selection of the highest governance body	1.2.1 Composition of Board of Directors	37	
2-11	Chair of the highest governance body	1.2 Corporate Governance	35-37	
2-12	Role of the highest governance body in overseeing impact management	Sustainability Governance and Results	5-12	
2-13	Role of the highest governance body in overseeing impact management	Sustainability Governance and Results	5-12	
2-14	Role of the highest governance body in sustainability reporting	About this Report	2	

2-15	Conflicts of interest	1.2.6 Recusal	39	
2-16	Communication of critical concerns	Stakeholder Engagement	17-21	
2-17	Collective knowledge of the highest governance body	1.2.3 Board Training Courses	38	
2-18	Evaluation of the performance of the highest governance body	1.2.4 Board Performance Evaluation	38	
2-19	Remuneration policies	1.2.5 Remuneration policies	38-39	
2-20	Process to determine remuneration	1.2.5 Remuneration policies	38-39	
2-21	Annual total compensation ratio	1.2.5 Remuneration policies	38-39	
Strategy, Policies and Practices				
2-22	Statement on sustainable development strategy	A Message from the Chairman	3	
2-23	Policy commitments	Sustainability Policy, 4.1.1 Human Rights Policies	5, 92	
2-24	Embedding policy commitments	Sustainability Policy, 4.1.1 Human Rights Policies	5, 92	
2-25	Processes to remediate negative impacts	Stakeholder Engagement, 4.1 Respect for Human Rights	17-21, 92-97	
2-26	Mechanisms for seeking advice and raising concerns	1.3.2 Grievance Mechanisms, 4.1 Respect for Human Rights	40-41, 92-97	
2-27	Compliance with laws and regulations	1.1.3 Regulatory Compliance	34	
2-28	Membership associations	Industry Association Memberships	16	
Stakeholder Engagement				
2-29	Approach to stakeholder engagement	Stakeholder Engagement	17-21	
2-30	Collective bargaining agreements	4.1 .4 Communication Mechanisms	96-97	No unions have been established in Taiwan. Relevant matters are communicated to employees through labor-management meetings and other communication channels. Unions have been established at Kunshan sites, representatives of WNC signing a collective contract with the government. Coverage: 100%. Unions (100% coverage) have been established at Vietnam sites, employees signing documents signifying voluntary joining of the union.

GRI 3: Material Topics 2021

Code	Disclosure	Chapter in the Report	Page No.	Description
3-1	Process to determine material topics	Stakeholder Engagement	17-21	
3-2	List of material topics	Stakeholder Engagement	17-21	
3-3	Management of material topics	Stakeholder Engagement	17-21	

Specific Topics Disclosures

*refers to material topics of the year

Economic				
Code	Disclosure	Chapter in the Report	Page No.	Description
Economic Performance 2016* (Material topic for WNC in 2023:) Business Performance)				
3-3	Management of material topics	1.1.1 Tax Governance, Stakeholder Engagement	33, 17-21	
201-1	Direct economic value generated and distributed	1.1 Business Performance	32-34	
201-2	Financial implications and other risks and opportunities due to climate change	3.2.1. Climate-Related Financial Disclosures (TCFD)	64-66	
201-3	Defined benefit plan obligations and other retirement plans	4.4.2 Employee Insurance	118	
201-4	Financial assistance received from government	1.1 .2 Financial Support	33	
Market Presence 2016				
3-3	Management of material topics	Stakeholder Engagement	17-21	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	4.4.1 Remuneration policies	114-117	
202-2	Proportion of senior management hired from the local community	4.2.1 Human Resources Structure	98-99	
Indirect Economic Impacts 2016				
3-3	Management of material topics	05 Caring for Society	137-150	
203-1	Infrastructure investments and services supported	05 Caring for Society	137-150	
Procurement Practices 2016				
3-3	Management of material topics	Stakeholder Engagement, 2.3 Supplier Management	17-29, 50	
204-1	Proportion of spending on local suppliers	2.3.7 Green Supply Chain	55	
Anti-corruption 2016				
3-3	Management of material topics	Stakeholder Engagement, 1.3 Ethical Management	17-29, 40-41	

205-1	Operations assessed for risks related to corruption	1.3 Ethical Management	40-41	
205-2	Communication and training about anti-corruption policies and procedures	1.3 Ethical Management	40-41	
205-3	Confirmed incidents of corruption and actions taken	1.3 Ethical Management	40-41	
Anti-competitive Behavior 2016				
3-3	Management of material topics	Stakeholder Engagement, 1.3.4 Respecting Market Mechanisms	17-29, 41	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	1.3.4 Fair Competition	41	

Environmental				
Code	Disclosure	Chapter in the Report	Page No.	Description
Materials 2016				
3-3	Management of material topics	Stakeholder Engagement, 3.4 Green Products	17-29, 84-88	
301-2	Recycled input materials used	3.4.3 Environmentally Friendly Materials	87	
301-3	Reclaimed products and their packaging materials	3.4.3 Environmentally Friendly Materials	87	
Energy 2016* (Material Topic for WNC in 2023: Environmental Management, Green Products)				
3-3	Management of material topics	Stakeholder Engagement, 3.2.2 Energy Management	17-29, 67-71	
302-1	Energy consumption within the organization	3.2.2 Energy Management Policy	67-71	
302-3	Energy intensity	3.2.2 Energy Management Policy	67-71	
302-4	Reduction of energy consumption	3.2.2 Energy Management Policy	67-71	
302-5	Reduction in energy requirements of products and services	3.4 Green Products	84-88	
Water and Effluent 2018* (WNC Material Topic WNC in 2023: Environmental Management)				
3-3	Management of material topics	Stakeholder Engagement, 3.3.2 Water Resource Management	17-29, 74-77	
303-1	Interactions with water as a shared resource	3.3.2 Water Resource Management	74-77	
303-2	Management of water discharge related impacts	3.3.2 Water Resource Management	74-77	
303-3	Water withdrawal	3.3.2 Water Resource Management	74	
303-4	Water discharge	3.3.2 Water Resource Management	74	
303-5	Water consumption	3.3.2 Water Resource Management	74	

Emissions 2016* (Material topic for WNC in 2023: Climate Strategy)

3-3	Management of material topics	Stakeholder Engagement; 3.2.3 Greenhouse Gas Management	17-29, 72-73	
305-1	Direct (Scope 1) GHG emissions	3.2.3. Greenhouse Gas Management	72	
305-2	Energy indirect (Scope 2) GHG emissions	3.2.3. Greenhouse Gas Management	72	
305-3	Other indirect (Scope 3) GHG emissions	3.2.3. Greenhouse Gas Management	73	
305-4	GHG emissions intensity	3.2.3. Greenhouse Gas Management	72	
305-5	Reduction of GHG emissions	3.2.3. Greenhouse Gas Management	72	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant emissions	3.3.1 Air Pollution Control	74	

Waste 2020* (Material topic for WNC in 2023: Environmental Management)

3-3	Management of material topics	Stakeholder Engagement, 3.3.3 Water Resource Management	17-29, 74-77	
306-1	Waste generation and significant waste-related impacts	3.3.3 Waste Management	78-80	
306-2	Management of significant waste-related impacts	3.3.3 Waste Management	78-80	
306-3	Waste generated	3.3.3 Waste Management	78-80	
306-4	Waste diverted from disposal	3.3.3 Waste Management	78-80	
306-5	Waste directed to disposal	3.3.3 Waste Management	78-80	

Supplier Assessment 2016* (Material topic for WNC in 2023: Supply Chain Management)

3-3	Management of material topics	Stakeholder Engagement, 2.3 Supplier Management	17-29, 50-56	
308-1	New suppliers screened using environmental criteria	2.3.1 Supplier Selection and Evaluation	50	
308-2	Negative environmental impacts in the supply chain and actions taken	2.3 Supplier Management	50-56	

Social

Code	Disclosure	Chapter in the Report	Page No.	Description
Employment 2016* (Material topic for WNC in 2023: Human Resource Management)				
3-3	Management of material topics	Stakeholder Engagement, 04 Harmonious Workplace	17-29, 89-136	
401-1	New employee hires and employee turnover	4.2.3 Employee Turnover	101-102	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.4 Compensation and Benefits	114-125	

401-3	Parental leave	4.4.3 Employee Support Program	122	
Labor/Management Relations 2016* (Material topic for WNC in 2023: Employee Relations and Communications)				
3-3	Management of material topics	Stakeholder Engagement, 4.1.4 Communication Mechanisms	17-29, 96-97	
402-1	Minimum notice periods regarding operational changes	4.1 .4 Communication Mechanisms	96-97	WNC Employment Regulations in accordance with local laws stipulate the time periods for providing notices
Occupational Health and Safety 2018* (Material topic for WNC in 2023: Occupational Safety and Health)				
3-3	Management of material topics	Stakeholder Engagement, 4.5 Occupational Safety and Health	17-29, 126 -136	
403-1	Occupational Safety and Health Management System	4.5.1 Occupational Safety and Health Management	126	
403-2	Hazard identification, risk assessment, and incident investigation	4.5.1 Occupational Safety and Health Management	126-128	
403-3	Occupational health services	4.5.2 Equitable Workplace	134-135	
403-4	Worker participation, consultation, and communication on occupational health and safety	4.5.1 Occupational Safety and Health Management	126	
403-5	Worker training on occupational health and safety	4.5.1 Occupational Safety and Health Management	133	
403-6	Promotion of worker health	4.5.2 Equitable Workplace	134-135	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.5 Occupational Safety and Health	126-136	
403-8	Workers covered by an occupational health and safety management system	4.5.1 Occupational Safety and Health Management	126	
403-9	Work-related injuries	4.5.1 Occupational Safety and Health Management	127-129	
403-10	Work-related ill health	4.5.1 Occupational Safety and Health Management	128-129	
Training and Education 2016 (Material topic for WNC in 2023: Human Resource Management)				
3-3	Management of material topics	4.3 Talent Training and Cultivation	107-113	
404-1	Average hours of training per year per employee	4.3.4 Training Participation	111	
404-2	Programs for upgrading employee skills and transition assistance programs	4.3.5 Performance Management	112-113	
404-3	Percentage of employees receiving regular performance and career development review	4.3.5 Performance Management	112-113	
Diversity and Equal Opportunity 2016* (Material topic for WNC in 2023: Human Resource Management)				
3-3	Management of material topics	Stakeholder Engagement, 4.2 Talent Recruitment	17-29, 98-106	

405-1	Diversity of governance bodies and employees	1.2.2 Diversification of Board of Directors; 4.2.2 Talent from Diverse Backgrounds	38, 100	
405-2	Ratio of basic salary and remuneration of women to men	4.4.1 Remuneration policies	114-115	
Non-discrimination 2016				
3-3	Management of material topics	4.1 Respect for Human Rights	92-97	
406-1	Incidents of discrimination and corrective actions taken	4.1.2 Human Rights Management	92-94	
Child Labor 2016				
3-3	Management of material topics	4.1.2 Human Rights Management	92-94	
408-1	Operations and suppliers at significant risk for incidents of child labor	4.1.2 Human Rights Management, 2.3.3 RBA Audit Processes for WNC Suppliers	92-94, 52-53	
Forced or Compulsory Labor 2016				
3-3	Management of material topics	4.1.2 Human Rights Management	92-94	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	4.1.2 Human Rights Management 2.3.3 RBA Audit Processes for WNC Suppliers	92-94, 52-53	
Supplier Social Assessment 2016* (Material topic for WNC in 2023: Supply Chain Management)				
3-3	Management of material topics	Stakeholder Engagement, 2.3 Supplier Management	17-28, 50-56	
414-1	New suppliers that were screened using social criteria	2.3.1 Supplier Selection and Evaluation	50	
414-2	Negative social impacts in the supply chain and actions taken	2.3.3 RBA Audit Processes for WNC Suppliers	52-53	
Public Policy 2016				
3-3	Management of material topics	--	--	
415-1	Political contributions	--	16	No political contributions
Customer Health and Safety 2016				
3-3	Management of material topics	Product and service categories	15	
416-1	Assessment of the health and safety impacts of product and service categories	Product and service categories	15	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product and service categories	15	No incidents of non-compliance
Marketing and Labeling 2016				
3-3	Management of material topics	Product and service categories	15	

417-1	Requirements for product and service information and labeling	Product and service categories	15	
417-2	Incidents of non-compliance concerning product and service information and labeling	Product and service categories	15	No incidents of non-compliance
417-3	Incidents of non-compliance concerning marketing communications	Product and service categories	15	No incidents of non-compliance
Customer Privacy 2016* (Material topic for WNC in 2023: Customer Relationship Management)				
3-3	Management of material topics	2.2 Customer Relations	49	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.4.3 Information Security Management System	58	

Other				
Code	Disclosure	Chapter in the Report	Page No.	Description
Material topic for WNC in 2023: Innovation and R&D*				
3-3	Management of material topics	2.1 Innovation Momentum	47-48	
--	Innovation and R&D	2.1 Innovation Momentum	47-48	
Material topic for WNC in 2023: Information Security*				
3-3	Management of material topics	2.4 Information Security	57-58	
--	Information security	2.4 Information Security	57-58	
Material topic for WNC in 2023: Social Participation*				
3-3	Management of material topics	5.0 Caring for Society	137-150	
--	Caring for Society	5.0 Caring for Society	137-150	

6.4 SASB Standards Index: Electronic Manufacturing Services & Original Design Manufacturing

Table 1. Sustainability Disclosure Topics & Accounting Metrics

Code	Topic	Accounting Metric	Unit	Response									
TC-ES-140a.1	Water Management	(1) Total water withdrawn and percentage of per each region with High or Extremely High Baseline Water Stress (2) Total water consumed and percentage per each region with High or Extremely High Baseline Water Stress	Cubic meters (m³) Percentage (%)	(1) Total water withdrawn in 2023: 683,568 m³ , percentage per each region with High or Extremely High Baseline Water Stress: 28.43% (2) Total water consumed in 2023: 326,736 m³ , percentage per each region with High or Extremely High Baseline Water Stress: 29.74% Please refer to section 3.3.2 Water resource management									
TC-ES-150a.1	Waste Management	Amount of hazardous waste from manufacturing, percentage recycled.	Tonnes (t) Percentage (%)	(1) Amount of hazardous waste from manufacturing in 2023: 392 tonnes (2) Percentage recycled in 2023: 79.13% Please refer to section 3.3.3 Waste Management									
TC-ES-310a.1	Labor Conditions	Number of work stoppages and total days idle	Number Days idle	No work stoppages or strikes in 2023									
TC-ES-320a.1	Labor Conditions	Total recordable incident rate (TRIR) and near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	Possibility of having CVD	<table><tr><th>Item^{Note}</th><th>WNC employees</th><th>Contract employees</th></tr><tr><td>Total recordable incident rate (TRIR)</td><td>0.22</td><td>0</td></tr><tr><td>Near miss frequency rate (NMFR)</td><td>0.32</td><td>0</td></tr></table> <p>Note: Recordable occupational injury rate = number of recordable occupational injuries/working hours × 200,000; Near misses accident rate = number of false alarm accidents/total working hours × 200,000</p>	Item ^{Note}	WNC employees	Contract employees	Total recordable incident rate (TRIR)	0.22	0	Near miss frequency rate (NMFR)	0.32	0
Item ^{Note}	WNC employees	Contract employees											
Total recordable incident rate (TRIR)	0.22	0											
Near miss frequency rate (NMFR)	0.32	0											

Code	Topic	Accounting Metric	Unit	Response		
TC-ES-320a.2	Labor Conditions	Percentage of entity's facilities and Tier-1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities Percentage of facilities audited in the RBA Validated Audit Process (VAP) or equivalent (%)	Percentage (%)	Item	WNC	Tier-1 suppliers
				Percentage of facilities audited in the RBA Validated Audit Process (VAP) or equivalent (%)	33.3%	8.6%
				Percentage of high-risk facilities audited in the RBA Validated Audit	0.0% (No high-risk facilities)	23.2%
TC-ES-320a.3	Labor Conditions	Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent and associated corrective action rate for (a) priority non-conformances and (b) other nonconformances, broken down for (i) the entity's facilities and (ii) the entity's Tier-1 supplier facilities	Percentage (%)	Item	WNC	Tier-1 suppliers
				Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent	0.0% (No priority non-conformances)	10.4%
				Other non-conformances	100.0%	79.2%
				Associated corrective action completion rate with the RBA Validated Audit Process (VAP) or equivalent	0.0% (No priority non-conformances)	100.0%
TC-ES-410a.1	Product Lifecycle Management	Weight of end-of-life products and e-waste recovered, percentage recycled	Tonnes (t) Percentage (%)	WNC's business model is a B2B model, which is not applicable to this accounting metric collection		
TC-ES-440a.1	Materials Sourcing	Weight of end-of-life products and e-waste recovered, percentage recycled	--	Please refer to section 2.3.5 Key Materials Management		

Table 2. Activity Metrics

Code	Topic	Unit	Response
TC-ES-000.A	Number of production sites	Number	Six production sites, including S1 and S2 in Taiwan, WNC (Kunshan), Wistron NeWeb (Kunshan) and WebCom (Kunshan) in China, Neweb Vietnam in Vietnam.
TC-ES-000.B	Total production site area:	ft ²	Total floor area of above six manufacturing sites is 3,251,562 square feet.
TC-ES-000.C	Number of employees	Number	As of the end of December 2023, the total number of employees worldwide was 11,686.

6.5 TCFD Recommended Disclosures

Table 1 Recommended Disclosures

Aspect	Recommended Disclosures	Chapter	Page
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	3.2.1. Climate-Related Financial Disclosures (TCFD)	64-66
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	3.2.1. Climate-Related Financial Disclosures (TCFD)	64-66
Strategy	a) Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term.	3.2.1. Climate-Related Financial Disclosures (TCFD)	64-66
	b) Describe the impact of climate-related risks and opportunities on the company's businesses, strategy, and financial planning.	3.2.1. Climate-Related Financial Disclosures (TCFD)	64-66
	c) Describe the resilience of the company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	3.2.1. Climate-Related Financial Disclosures (TCFD)	64-66
Risk Management	a) Describe the company's processes for identifying and assessing climate-related risks.	3.2.1. Climate-Related Financial Disclosures (TCFD)	64-66
	b) Describe the company's processes for managing climate-related risks.	3.2.1. Climate-Related Financial Disclosures (TCFD)	64-66
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management.	1.4 Risk Control	42-43
Metrics and Targets	a) Disclose the metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process.	3.2.1. Climate-Related Financial Disclosures (TCFD)	64-66
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	3.2.3. Greenhouse Gas Management	72-73
	c) Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets.	3.2.1. Climate-Related Financial Disclosures (TCFD)	64-66

6.6 Taiwan Stock Exchange Sustainable Disclosure Index - Telecommunications Network Industry

Code	Accounting Metric	Category	Annual disclosure status	Unit	Notes
1	Total energy consumption, percentage of purchased power and renewable energy utilization rate	Quantitative	1. Total energy consumption (power, diesel, gasoline and natural gas): 456,692 GJ 2. Percentage of purchased power (imported power/total power consumption) : 95.75% 3. Renewable energy utilization rate (percentage of purchased power and self-consumption of solar energy/total energy usage) 16.02%	Gigajoule (GJ), Percentage (%)	
2	Total water withdrawn and total water consumed	Quantitative	1. Total water withdrawn: 683,568 m ³ 2. Total water consumed: 326,736 m ³	Cubic meters (m ³)	
3	Amount of hazardous waste from manufacturing, percentage recycled	Quantitative	1. Amount of hazardous waste 392 tonnes 2. Percentage recycled: 79.13%	Tonnes (t) Percentage (%)	
4	Types, number and rates of occupational injuries	Quantitative	1. Types of occupational injuries: Physical hazards 2. Number of occupational injuries: 25 3. Rates of occupational injuries 0.22%	Percentage (%), Number	
5	Product Lifecycle Management: Weight of end-of-life products and e-waste recovered, percentage recycled ^{Note}	Quantitative	WNC's business model is a B2B model, which is not applicable to this accounting metric collection	Tonnes (t) Percentage (%)	
6	Description of the management of risks associated with the use of critical materials	Qualitative description	Please refer to section 2.3 .5 Key Materials Management	Not applicable	
7	Total monetary losses incurred due to legal proceedings related to anti-competitive behavior regulations	Quantitative	0	NT\$	
8	Major product output by product category	Quantitative	Production volume of wireless communications products: 291,370,000	Differs by product category	

Note: Including sales of scrap materials or other recycling/disposal methods, relevant explanations should be provided.

6.7 ESG Performance Indicators

Economic/Governance						
Item	Accounting Metric	Unit	2020	2021	2022	2023
Operational Performance	Operating Revenue (a)	NT\$ million	62,648.73	67,229.60	95,257.45	110,787.92
	Operating expenses (b)	NT\$ million	5,478.37	6,373.19	8,357.08	8,923.27
	Employee welfare fees (c)	NT\$ million	7,967.38	8,971.17	11,622.49	12,681.17
	Human capital return on investment	(a-(b-c)) / c	8.1756	7.7835	8.4769	9.0327
	Net profits (losses)	NT\$ million	1,472.46	880.73	3,237.63	4,671.18
	Earnings per share (EPS)	NT\$	3.76	3.15	7.93	8.98
	Dividend per share	NT\$	2.5	2.1	5	6.0
Tax Information	Pre-tax net profit	NT\$ million	1,725.75	1,411.66	3,760.12	4,801.27
	Income tax expenses	NT\$ million	258.83	179.51	638.40	998.44
	Net income after tax	NT\$ million	1,466.92	1,232.15	3,121.72	3,802.83
	Effective tax rate	%	15.00	12.72	16.98	20.80
Board of Directors Composition	Ratio of independent directors to board seats	%	44.44	44.44	44.44	44.44
	Ratio of female directors	%	11.11	11.1%	11.11	33.33
Innovation Momentum	Total granted patents	No. of plans	1,937	2,077	2,202	2,344
	R&D expenses	NT\$ million	2,563.77	2,801.74	3,583.89	4,006.75
	R&D personnel	Number	1,281	1,355	1,505	1,605
	R&D personnel/Employees	%	10.7	12.6	13.0	13.7
	R&D personnel/Employees	%	4.09	4.17	3.76	3.62
Public engagement expenditure	Chamber of Commerce organization or tax-exempt organization	NT\$	7,725,022	8,049,897	6,543,203	8,508,827

Environment						
Item	Accounting Metric	Unit	2020	2021	2022	2023
Energy	Energy usage	Gigajoule	373,055	384,996	427,858	456,692
	Electricity	Gigajoule	370,036	373,511	420,312	451,155
	Diesel	Gigajoule	1,316	9,704	5,613	3,138
	Natural gas	Gigajoule	880	1,103	1,220	1,350
	Gasoline	Gigajoule	823	678	713	1,049
	Power usage intensity	Gigajoule/NT\$ million	5.91	5.56	4.41	4.07
	Power usage intensity	MWh/NT\$ million	1.64	1.54	1.23	1.13
Renewable Energy	Solar power generation	Gigajoule	7,651	7,685	9,273	25,202
	Solar power generation/Total electricity consumption	%	2.07	2.06	2.21	5.59
	Self-consumption of renewable energy	Gigajoule	1,329	1,413	3,428	19,152
	Purchased renewable energy	Gigajoule	0	0	24,480	54,000
	Renewable energy/Total energy usage	%	0.36	0.38	6.64	16.02
Water resources	Water withdrawal	Million liters	480.008	484.728	530.711	683.568
	Water discharge	Million liters	189.400	202.621	300.858	356,832
	Water consumption	Million liters	290.608	282.107	229.853	326,736
	Water usage intensity (excluding recycled water)	Cubic meters/NT\$ million	7.22	6.75	5.27	5.28
Greenhouse gases	Scope 1 + Scope 2 GHG emissions (market-based)	Tonnes CO ₂ e	57,115.54	58,372.15	63,711.74	56,939.59
	Scope 1 emissions	Tonnes CO ₂ e	1,433.82	2,668.02	2,361.30	1,831.52
	Scope 2 emissions (market-based)	Tonnes CO ₂ e	55,681.72	55,704.14	61,350.44	55,108.07
	Scope 2 GHG emissions (location-based)	Tonnes CO ₂ e	55,681.72	55,704.14	65,301.24	65,257.07
	Scope 3 GHG emissions	Tonnes CO ₂ e	83.41	2,678.73	195,385.10	3,708,933.68
	Scope 1 + Scope 2 GHG emissions (market-based)	Tonnes CO ₂ e/million NTD	0.91	0.87	0.67	0.51
Waste	Waste yield	Tonnes (t)	4,575.42	4,583.20	6,072.01	6,614.81
	Waste recycling rate	%	85.34	80.85	83.62	87.30
	Waste output intensity	Tonnes/million NTD	0.07	0.07	0.06	0.06

Social						
Item	Accounting Metric	Unit	2020	2021	2022	2023
Employee Type	Employees Worldwide	Number of persons	11,961	10,755	11,656	11,686
	Full time	Number	11,953	10,736	11,602	11,659
	Part time	Number	8	19	54	27
	Employees Worldwide	Number of persons	11,961	10,755	11,656	11,686
	Permanent employees	Number	10,123	10,493	11,241	11,097
	Contract employees	Number	1,838	262	415	589
Employee Diversity	Female ratio	%	42.8	42.1	48.2	50.9
	Female STEM ratio	%	17.3	17.4	18.3	26.8
	Female manager ratio	%	23.0	24.8	22.6	27.6
Employee Turnover	New hire rate for permanent employees	%	184.5	199.3	59.5	52.1
	IDL	%	16.0	20.2	24.5	13.8
	DL	%	294.6	313.3	87.2	83.0
	Turnover rate for permanent employees	%	190.2	197.4	99.8	53.3
	IDL	%	16.2	20.5	15.9	15.1
	DL	%	303.8	310.0	166.2	84.1
Employee Training	Training hours per employee	Hours/per person	22.2	29.7	22.8	21.9
	Training investment amount	NT\$ million	9.0	10.4	12.9	16.8
	Training investment amount per person	NT\$/person	757	1,098	1,121	1,448
	Training investment amount/revenue	%	0.01	0.02	0.01	0.02
Occupational Injury	Number of recordable occupational injuries					
	Employees	Number	29	39	18	25
	Non-employee Workers - Contractors	Number	0	0	0	0
	Non-employee Workers - Contractors (on-site)	Number	0	0	0	0
	Non-employee Workers - Dispatch employees	Number	1	2	0	0
	Ratio of recordable occupational injuries					
	Employees	Number / Work hours × 1,000,000	1.19	1.83	0.75	1.08
	Non-employee Workers - Contractors	Number / Work hours × 1,000,000	0.00	0.00	0.00	0.00
	Non-employee Workers - Contractors (on-site)	Number / Work hours × 1,000,000	0.00	0.00	0.00	0.00
	Non-employee Workers - Dispatch employees	Number / Work hours × 1,000,000	1.92	7.35	0.00	0.00



www.wnc.com.tw

Wistron NeWeb Corporation

20 Park Avenue II, Hsinchu Science Park

Hsinchu 300, Taiwan

Tel: +886 3 666 7799 Fax: +886 3 666 7711

