

5 Corporate Governance



Management Approach

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Management Approach

Topic	Strategies	2023 Targets	2023 Results	Status	2024 Targets	2030 Targets
Corporate Governance	Improve performance in global sustainability assessment	<ol style="list-style-type: none"> Remain on top ranking in the Corporate Governance Evaluation - top 5% in listed companies Maintain or improve the ESG ratings and performance Link Executive Compensation to ESG Indicators Increase the attendance rate of individual directors at each session to 75% 	<ol style="list-style-type: none"> Obtained the top 5% in listed companies for the corporate governance evaluation Link Executive Compensation to ESG Indicators Remain the ESG ratings and performance In 2023, the cumulative attendance rate of one independent director was 73% due to health reasons, and the remaining 8 seats had reached the standard 	●	<ol style="list-style-type: none"> Remain on top ranking in the Corporate Governance Evaluation - top 5% in listed companies Maintain or improve the ESG ratings and performance The proportion of female directors on the Board of Directors reaches 20% Link Executive Compensation to ESG Indicators Increase the attendance rate of individual directors at each session to 80% 	<ol style="list-style-type: none"> Remain on top ranking in the Corporate Governance Evaluation - top 5% in listed companies Maintain or improve the ESG ratings and performance The proportion of female directors on the Board of Directors reaches 20% Link Executive Compensation to ESG Indicators Increase the attendance rate of individual directors to 80% each year
Ethical Management	Implement employee education and training, and strengthen the Code of Conduct and the corporate culture of ethical management	100% of signing rate for the "Code of Conduct" Statement	100%	●	100% of signing rate for the "Code of Conduct" Statement	100% of signing rate for the "Code of Conduct" Statement
Risk Management/ Internal Control	Regularly identify the risk appetite for all levels of the Company	<ol style="list-style-type: none"> Comprehensive enterprise risk management systems have been established, and the risk reports are submitted to the Board of Directors every year. No material (amount exceeding NT\$100 million) risk events occurred in the enterprise risk management. 	<ol style="list-style-type: none"> Establish KRI (Key Risk Indicator) dashboard. Complete the comprehensive risk sensitivity analysis and stress test. Manage and mitigate the probability of significant risks occurring to the company. (The significant risks are defined by property loss exceeding NT\$100 million) 	●	<ol style="list-style-type: none"> Create a platform for the risk database and risk assessment form Strengthen the business contingency plan of the company in response to geopolitical risk threaten. Complete the comprehensive risk sensitivity analysis and stress test. Continuing manage and mitigate the probability of significant risks occurring to the company. (The significant risks are defined by property loss exceeding NT\$100 million) 	Continuing manage and mitigate the probability of significant risks occurring to the company. (The significant risks are defined by property loss exceeding NT\$100 million)
		Regularly perform self-assessment of internal control and reach a reliability coefficient $\geq 95\%$	ICS (Internal Controls Self-assessment): 99.94% (1H); 99.95% (2H) ICE (Internal Controls Evaluation) : 99.98%	●	Regularly perform self-assessment of internal control and reach a reliability coefficient $\geq 95\%$	Regularly perform self-assessment of internal control and reach a reliability coefficient $\geq 95\%$
Legal Compliance/ Privacy	Legal compliance mechanism is established to review changes in local and international regulations related to operations to ensure compliance with laws and regulations	Employees No material violations of laws (fines exceeding NT\$1,000,000).	0 cases	●	0 cases	0 cases
		Shareholder / Securities Related <ol style="list-style-type: none"> Compliance and no penalty Changes in the policies or laws of the competent authorities are always concerned and the Company's relevant management measures are adjusted to respond. Compliance Training for Internal Managers 	<ol style="list-style-type: none"> Compliance and no penalty Changes in the policies or laws of the competent authorities are always concerned and the Company's relevant management measures are adjusted to respond Complete the Training for Internal Managers 	●	<ol style="list-style-type: none"> Compliance and no penalty Changes in the policies or laws of the competent authorities are always concerned and the Company's relevant management measures are adjusted to respond 	<ol style="list-style-type: none"> Compliance and no penalty Changes in the policies or laws of the competent authorities are always concerned and the Company's relevant management measures are adjusted to respond
		Environmental Health and Safety <ol style="list-style-type: none"> To move with the times and to comply without material penalty (fines exceeding NT\$1 million) The identification of environmental health and safety regulations is regularly implemented, and the Company's relevant measures are adjusted in a timely manner to respond. cases 	Environmental Health and Safety <ol style="list-style-type: none"> There is no material penalty (fines exceeding NT\$1 million). Compliance and goals achieved 	●	Environmental Health and Safety <ol style="list-style-type: none"> No occupational safety and health related violations of laws with a penalty exceeding NT\$1 million Safety and health regulations identification regularly and adjust the company's relevant measures timely 	Environmental Health and Safety <ol style="list-style-type: none"> No occupational safety and health related violations of laws with a penalty exceeding NT\$1 million Safety and health regulations identification regularly and adjust the company's relevant measures timely
		Customers / Suppliers / Litigation / Patent / Trademark The digitalization of contract and intellectual property asset management has reached 85%. Trends in the international laws and regulations and the customer needs are always concerned to be responded or adjusted accordingly.	89.70%	●	Customers / Suppliers / Litigation / Patent / Trademark The digitalization of contract and intellectual property asset management has reached 95%. Trends in the international laws and regulations and the customer needs are always concerned to be responded or adjusted accordingly.	Customers / Suppliers / Litigation / Patent / Trademark In addition to the digitalization of contract and intellectual property asset management and the trends in the international laws and regulations and the customer needs always concerned to be responded or adjusted accordingly, the above-mentioned database is supplemented with big data analysis to serve as a strategic reference for future layout.

Management Approach

Topic	Strategies	2023 Targets	2023 Results	Status	2024 Targets	2030 Targets
Information Security	Establish an updated information security system and mechanism to ensure information security for the company and customers	The site has passed the audit of customers' information security regulations 100%	100% 7 sites has passed the audit of customers' information security regulations 16 times	●	100%	100%
		ISO 27001 certification Coverage rate of manufacturing sites 100%	15 office achieved ISO 27001 certification, with 100% coverage of manufacturing sites		The headquarters office and all manufacturing plants have 100% obtained ISO27001:2022 transition certification and are continuously updated and valid.	The headquarters office and all manufacturing plants have 100% obtained ISO27001 certification and are continuously updated and valid.
Supplier Risk Management		Risk identification 1. Tier 1 suppliers' compliance rate 100% 2. Critical non-tier 1 suppliers' compliance rate > 100%	1.100% 2.100%	●	1. 100% 2. 100%	1. 100% 2. 100%
		Ratio of sustainability audit on high-risk suppliers=100%	100%	●	100%	100%
		Improvement and guidance of audit deficiency NCR completion rate: 100%	100%	●	100%	100%
Supplier Sustainability Management	Optimize regional supply chain ^(Note 1)	Machinery and materials in the Chinese Site> 98 %	97.85%	●	> 98%	> 98%
		Machinery and materials in the Vietnam site> 25 %	37.96%	●	> 50%	> 85%
	Signature of major statements	100% Signing rate of the code of conduct for tier 1 suppliers	100%	●	100%	100%
100% Signing rate of the "Declaration of Non-use of Conflict Minerals"		100%	●	100%	100%	
Supplier Capacity Building		Greenhouse gas reduction and water source inventory	376 suppliers	●	Coverage > 67%	Coverage > 67%
		Suppliers with high energy consuming material obtaining GHG external verification (ISO 14064-1)	65.38%	●	≧ 70%	≧ 85 %
		Suppliers with high energy consuming material obtaining energy management system external verification (ISO 50001)	55.77%	●	≧ 60%	≧ 70%

● Over 95% ● 90%-95% ● Under 90%

Note 1: Optimize regional supply chain, the proportion of local procurement is based on the major manufacturing sites of Wistron's key operational locations, which include five major sites in China and one major site in Vietnam, using suppliers from the local regions.

5.1 About Wistron

5.1.1 Company Profile

Global Leader in the ICT Industry

Wistron Corporation is a global leading technology service provider supplying innovative ICT (information and communications technology) products, service solutions, and systems to top branded companies worldwide. In recent years, Wistron has leveraged our strong R&D and technical innovation capabilities and diverse product development to drive growth. Apart from PCs, server and networking systems, enterprise storage solutions, professional display products, communication devices, after-sales services, and electronics scrap recycling, Wistron combines hardware devices and cloud data systems through software services with the development of cloud computing to provide technical service platforms and solutions to our customers. In addition, Wistron has been dedicated to building value chains in the ICT industry and innovation platforms in the new era of education and enterprise services, IoT, and medical services. Wistron is dedicated to realizing the vision of “Sustainability through Innovation.”

Global Operations

Wistron has more than 65,000 employees across 12 manufacturing sites, 10 R&D centers, and 14 after-sales service centers worldwide. The main manufacturing facility covers an area of approximately 2,269,000 m². Located strategically across Asia, Europe, and North America, our worldwide facilities are arranged to provide comprehensive product development and customer services to global customers. Stable growth and sustainable operations are achieved through collaborative effort between Taiwan headquarters and overseas sites. For more information on Wistron’s global operations, please visit [Wistron’s official website](#).



2001
Year of establishment



NT\$ 867 B
Operating revenue of 2023



65,000+
Employees across the globe



25
Global manufacturing, technology, and service centers



5.1.2 Products and Services

As the growth trajectory driven by diversified information and communication product development continues to expand, Wistron has not only been proactive in delivering environmentally friendly, high-value-added products but has also committed itself to transitioning into a comprehensive Technology Service Provider (TSP). This transition involves offering innovative design, manufacturing, services, and systems tailored specifically to information and communication products. Embracing the trend of cloud development, Wistron seamlessly integrates hardware devices such as computers and smart devices with cloud data systems through software services. This approach enables us to provide technical service platforms and solutions precisely customized to meet the needs of both customers and consumers.

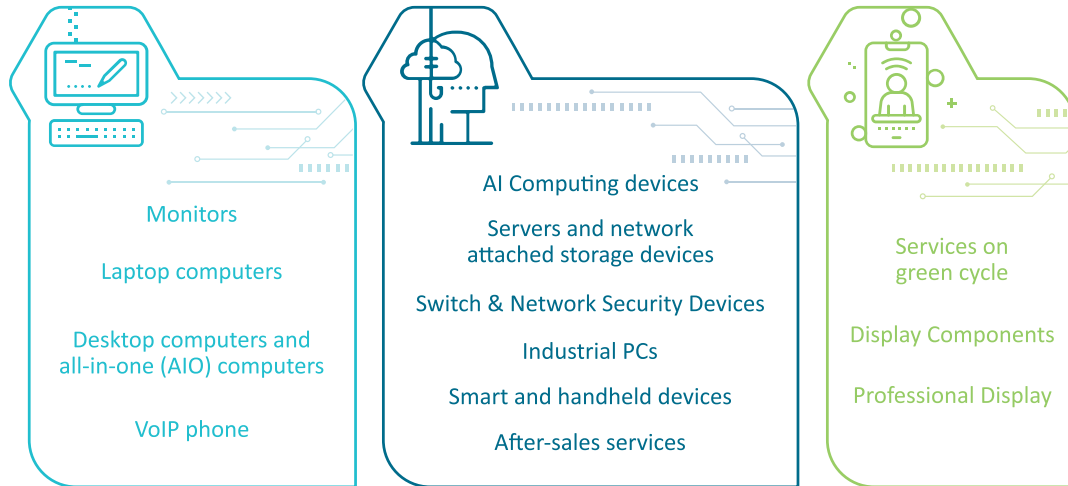
Main Products and Technology Services

Wistron's revenue is primarily derived from the manufacturing of computer, communications, and consumer electronic products. In addition to actively pursuing orders from international giants, we recognize that controlling costs and maintaining a stable gross profit margin are key factors in remaining competitive amid increasingly intense price wars. In 2023, Wistron saw particularly notable growth in AI computing equipment, while the performance of other product lines remained stable or experienced slight declines.

Wistron Introduction Video



Video URL

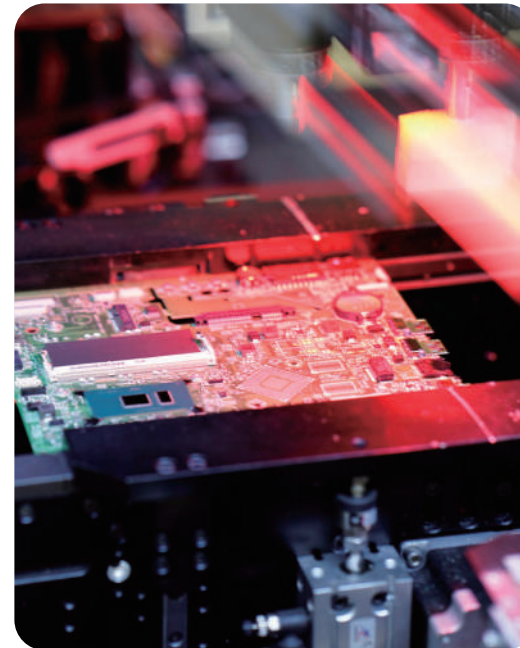


Product Sales

Unit: Thousand Amount: NT\$1M

Year	2022				2023			
	Domestic Sales		Export Sales		Domestic Sales		Export Sales	
	Sales Volume	Sales Value	Sales Volume	Sales Value	Sales Volume	Sales Value	Sales Volume	Sales Value
3C* products	1,546	20,507	84,022	904,941	1,689	33,770,074	59,508	779,755,857
Other products	809	1,138	27,483	58,033	677	1,510,860	11,432	52,020,217
Total	2,355	21,645	111,505	962,974	2,366	35,280,934	70,941	831,776,073

*Computers, Communications and Consumer electronics



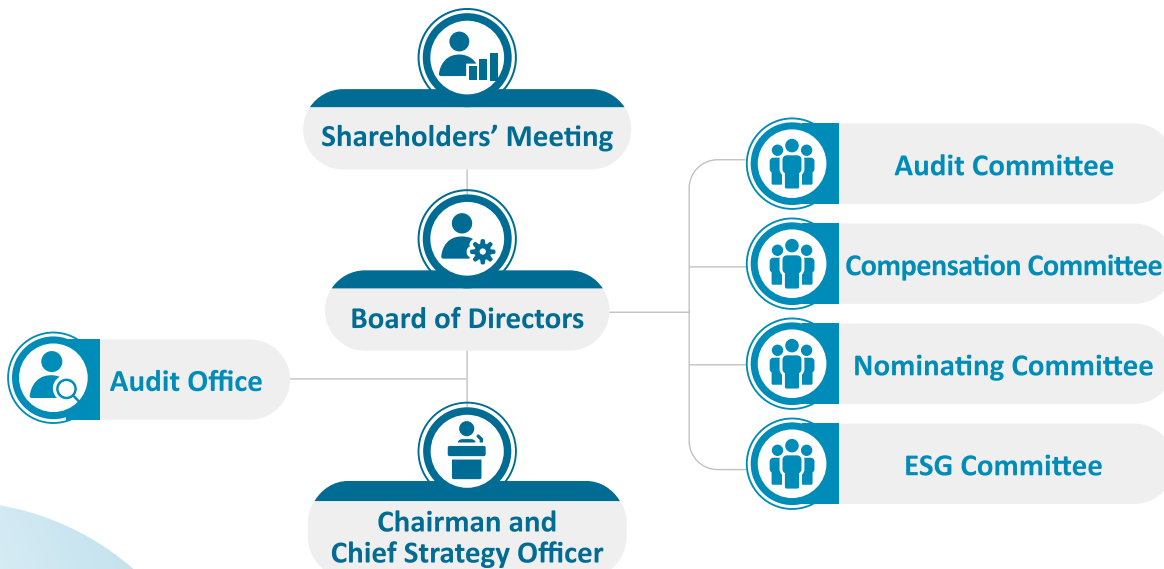
5.2 Corporate Governance

in Corporate Governance Evaluation
Top 5%

Taiwan Corporate Governance
100 Index constituent stock

Wistron believes that good corporate governance is fundamental to the sustainable development of the company. Thus, for a long time, we have been committed to establishing an effective corporate governance framework that safeguards shareholder rights, enhances the functions of the Board of Directors, respects the interests of stakeholders, and increases transparency. We progressively implement various systems and measures to continually enhance the quality and effectiveness of corporate governance, aiming to maximize shareholder value and ensure the long-term sustainability of the company.

5.2.1 Functions of Board of Directors



The Board of Directors serves as the highest governing body of Wistron, tasked with overseeing the management team to ensure compliance with laws and regulations while enhancing transparency. Leveraging their expertise, board members provide guidance to the management team in significant decision-making processes to prevent any policies that may jeopardize the company's value. They also prioritize establishing a culture of integrity and ethical conduct, fulfilling corporate responsibilities to achieve sustainable operations and safeguard shareholder interests. The management team regularly reports to the Board on the company's operational status, development strategies, and sustainability-related issues such as SBTi goals, net-zero planning, ethical management execution, information security practices, material topics, and stakeholder communication. This ensures smooth and effective communication channels between the Board and management. In 2023, the Board convened eight times, meeting the once per quarter requirement, with an average attendance rate of 94% among board members, exceeding the company's stipulated requirement of an 80% attendance rate per year for Board members.

Board of Directors and Functional Committees

To enhance the oversight function of the Board and strengthen management capabilities, Wistron has established functional committees under the Board of Directors, including the Audit Committee, Compensation Committee, Nominating Committee, and ESG Committee. The operational status of these committees is detailed in the table below. For further information, please refer to Wistron's [Annual Report](#).



Committee	Responsibilities	Members	Attendance rate	Key resolutions
Audit Committee	Oversee the Company's financial reports for accurate representation, appointment (dismissal) of CPAs and assessment of their independence and performance, the effective implementation of the Company's internal controls, the Company's compliance with related laws and regulations, and management of existing and potential risks for the Company.	Mr. Jack Chen, Independent Director Mr. S. J. Paul Chien, Independent Director Mr. Christopher Chang, Independent Director Mr. Sam Lee, Independent Director Ms. PeiPei Yu, Independent Director	93%	<ul style="list-style-type: none"> Annual and quarterly financial reports Important investments of the Company Loaning of material funds and endorsements/guarantees Report the risk management operation status.
Compensation Committee	<ul style="list-style-type: none"> Establish and regularly review the remuneration policies, systems, standards and structures, and performance of directors and managers Regularly evaluate and establish the remuneration of directors and managers 	Mr. S. J. Paul Chien, Independent Director Mr. Sam Lee, Independent Director Ms. PeiPei Yu, Independent Director	92%	<ul style="list-style-type: none"> Proposal for the directors' remuneration Manager performance bonus distribution and adjustment suggestions Suggestions for managers receiving employee remuneration
Nominating Committee	<ul style="list-style-type: none"> Select and review suitable candidates for directors, managers, and members of the committees under the Board of Directors Formulate and review the establishment and operations of the functional committees of the Board of Directors 	Mr. Christopher Chang, Independent Director Mr. Simon Lin, Chairman Mr. S. J. Paul Chien, Independent Director Ms. PeiPei Yu, Independent Director	100%	<ul style="list-style-type: none"> Suggestions for managers promotion
ESG Committee	<ul style="list-style-type: none"> Stipulate Wistron's corporate social responsibilities and sustainable development directions and goals Formulate related management approaches and specific action plans Monitor and review progress and outcomes Promote and implement corporate ethical management and risk management 	Robert Hwang, Vice Chairman, and Chairman & President of Wistron Digital Technology Holding Company Mr. Sam Lee, Independent Director Mr. Jeff Lin, President & CEO Mr. David Shen, Executive Vice President & Chief Infrastructure Officer Mr. Frank F.C. Lin, Chief of Staff Mr. Donald Hwang, President of Advanced Technology Lab Mr. Kenny Wang, Chief Digital Officer and Chief Information Security Officer	93%	<ul style="list-style-type: none"> Review and set of the implementation of sustainability goals Establishment of Wistron's "Environmental & Energy and Ecological Conservation Policy" & "Occupational Health and Safety Policy" Amendments to the Company's "Code of Conduct" & "ESG Committee Charter" Report material topics & stakeholder engagement Report SBTi and net-zero goals & carry out ethical Management and information security Report subsidiaries' GHG inventory and verification schedule plan

Composition and Diversity of the Board of Directors

According to the [Articles of Incorporation](#), the Board of Directors comprises seven to nine members, each serving a term of three years. Directors are nominated and elected by the Shareholders' Meeting based on a nominee list, with consecutive re-elections permitted. Wistron adheres to a diversity policy for the composition of the board of directors, as outlined in Article 20 of the [Corporate Governance Best Practice Principles](#). This policy emphasizes considerations such as gender, nationality, culture, professional background, and industry experience. For specific management objectives and progress regarding board member diversity, please visit our [website](#).

The current Board of Directors of comprises nine members, each bringing rich industry experience and reputation. On average, directors have served for 9.33 years. Among them, two are executive directors, representing 22% of the Board, while five are independent directors, constituting approximately 56% of the Board. The independence of these directors complies with the relevant regulations outlined in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." Additionally, one female director holds approximately 11% of the seats. For information on the procedures related to the election of Board members, please visit the company's [website](#). Detailed academic and professional backgrounds, concurrent positions in other companies, attendance records, and background information of Board members are disclosed in the company's annual report and website.

The Chairman of the company is elected by the Board of Directors and serves as the Chairman internally while representing the company externally. In line with the will of the Board of Directors and to enhance decision-making efficiency, the Chairman also holds the position of Chief Strategy Officer (CSO). In this capacity, the Chairman is responsible for the strategic planning, formulation, promotion, and long-term development of the company. In cases involving conflicts of interest, the Chairman adheres to principles of conflict avoidance.

Avoiding Directors’ Conflict of Interest

Regarding agenda items that may present conflicts of interest to Directors or the legal entities they represent, adherence to Article 15 of the "Rules and Procedures of Board of Directors Meetings" is required. In such cases, Directors are obligated to disclose the pertinent details of the conflict of interest during the meeting. If participation in the discussion or voting could potentially harm the interests of the company, Directors must abstain from such activities and recuse themselves. Furthermore, they are prohibited from delegating their voting rights to other Directors. If a Director's spouse, relatives within the second degree of kinship, or a company under the Director's control has a vested interest in the meeting agendas, the Director is considered to have a personal interest in the matter. For details on the execution of recusals related to conflicts of interest in 2023, please refer to the company's [annual report](#).

Professional Development and Performance Evaluation of the Board of Directors

To enhance directors' knowledge and capabilities in legal, economic, environmental, social, and risk management issues, Wistron organizes annual continuing education courses for its directors. In 2023, the course topics included "Winning the Future: Global Key Trends and Practical Case Studies in ESG" (which discussed the board of directors' responsibilities regarding ESG issues based on international sustainable trends and risk management) and "Key Factors for Enhancing Board Effectiveness" (which explored the responsibilities and arrangements of the board of directors and functional committees based on international cases and domestic regulations and trends). In 2023, the average number of continuing education hours per director was 9.8 hours. Besides, we also arranged online training regarding the laws and regulations on preventing insider trading for all directors and managers.

To ensure effective corporate governance and enhance the performance of the board of directors, Wistron conducts annual performance evaluations for both the board and its functional committees in accordance with the "Rules for Board of Directors and Function Committee Performance Assessments." These evaluations encompass various aspects such as legal compliance, corporate governance, risk management, and sustainable development goals. The aim is to ensure that both the board and its committees fulfill their duties across all ESG dimensions. The results of these evaluations serve as a basis for compensation decisions and for continuous improvement of the board's operations and functions. In 2023, performance evaluations were conducted for the Board of Directors, Audit Committee, Compensation Committee, Nominating Committee, and ESG Committee. Following the completion of scoring and statistical analysis, the performance evaluation scores for these entities were as follows: 99.78 for the Board of Directors, 99.60 for the Audit Committee, 99.33 for the Compensation Committee, 100 for the Nominating Committee, and 98.86 for the ESG Committee. All evaluation results exceeded the established standards. These results were duly reported to the respective entities. Additionally, Wistron commissions external professional organizations or experts to conduct a comprehensive performance evaluation of the board of directors at least once every three years. In 2022, the Corporate Governance Association was tasked with conducting an external performance evaluation of the Board of Directors. The evaluation results positively affirmed the board's structural composition, deliberative atmosphere, training arrangements, and advancements in ESG practices.

For detailed information regarding Wistron's director continuing education and board performance evaluation report, please refer to the [Annual Report](#) and the company's [website](#).

Remuneration Policy for the Board of Directors & Senior Executives

In accordance with the provisions of Articles 11 and 16 of the Articles of Incorporation, Wistron's directors' compensation includes salary, retirement pensions, (annual) bonuses, and employee remuneration (cash/stock), among other elements. Bonuses, remuneration (cash/stock), and stock options are variable components and constitute the main components of compensation for senior executives. Additionally, senior executives are entitled to insurance and retirement plans as required by law. The compensation of senior executives/managers should be based on individual performance, reviewed and evaluated by the Compensation Committee, and recommended for approval by the Board of Directors.

Linking Incentive Systems and Sustainable Performance

Wistron recognizes the importance of long-term sustainable performance for incentivizing high-level executives, key professionals, and all employees. Since 2022, we have linked the goals of our Six Sustainability Strategies and key performance indicators for material topics to the short-term and long-term incentive compensation of our President & CEO, Executive Officers, and Business Unit Managers. This ensures that sustainability is integrated into our company's performance evaluation. For the President & CEO and executive officers, sustainable development-related performance indicators include developing green products and utilizing recycled or renewable materials, expanding into the waste battery recycling industry, increasing the proportion of renewable energy use and improving energy efficiency at operational sites to reduce carbon emissions in alignment with science-based targets and achieving the 1.5°C reduction goal, focusing on enhancing suppliers' carbon reduction capabilities, and reducing occupational accidents and enhancing employee dedication on the social front. These sustainable development performance indicators are assigned to the responsible managers of the six sustainable strategies (Executive Officers) and their corresponding business unit managers for implementation and formulation. This approach ensures that sustainability goals are ingrained in our company's operations and performance evaluation processes.

Key Performance Indicators			President & CEO	Business Unit Managers (Including main BG head)	Executive Officers (Including 6 Pillar Owners)
Governance	Sustainable Supply Chain	Enhancing suppliers' carbon reduction capabilities on GHG inventory	3%	10%	6%
	Green Products/ Product Development and Innovation	Revenue contribution from product innovation, Increase the proportion of product recycling or use of renewable materials	4%	5~40%	10%
	Circular Economy	Increase the use of recycled plastics and the volume of waste battery recycling	1%	10%	10%
Environment	Climate Strategy and Energy	Increase in the use of renewable energy and energy efficiency Efficiency in electricity	4% *		
	Water Resource Management	Water usage intensity	–	15%	15%
	Waste	Waste generation intensity			
Social	Social Talent Attraction and Retention	Enhance employee engagement	1%	5%	10%
	Occupational Health and Safety	Reduce occupational accidents, increase employee satisfaction	2%	–	10%
	Customer Relations	customer satisfaction	–	10-15%	–

* Including Water usage intensity

5.2.2 Ethical Management

To uphold ethical business practices, Wistron has established various standards including the "[Codes of Ethical Conduct](#)", "[Ethical Corporate Management Best Practice Principles](#)", and "[Corporate Governance Best Practice Principles](#)". These standards ensure that all employees are required to understand and adhere to ethical norms, respect and strictly adhere to confidentiality agreements with clients, and refrain from accepting gifts or special favors indiscriminately. Furthermore, we foster connections with customers, suppliers, business partners, and other stakeholders with whom we engage in business activities. Together, we promote and support Wistron's core value of integrity, ensuring a culture of trust and ethical behavior throughout our operations.

To ensure consistent values and culture across all levels of Wistron, we have established the "[Code of Conduct](#)" approved by the board of directors as the highest standard of behavior for all personnel, including subsidiaries and joint ventures where Wistron has significant influence. This code serves as a guiding principle for all employees when conducting business activities. The Sustainability Office holds the primary authority and responsibility for implementing this code, along with establishing necessary procedures to ensure compliance. Additionally, the Global Human Resources and Administration department reports on the implementation status of annual ethical management to the board of directors at the end of each year.

Ethical Management and Anti-Corruption Management

Wistron places significant emphasis on anti-corruption measures by establishing internal control systems, including accounting procedures, in compliance with relevant laws and regulations. We conduct annual assessments and self-checks to evaluate the effectiveness of these systems, which are further reviewed by our audit department. Furthermore, before engaging in commercial relationships with external parties such as agents, suppliers, customers, or other business partners, we conduct thorough evaluations. These assessments focus on the legality of their business practices, adherence to integrity-related policies, and any records indicating unethical behavior.

When engaging in business activities, we adhere to internal operating standards by explaining Wistron's ethical management policy and related regulations to the other party. We also incorporate compliance with Wistron's anti-corruption policy into the terms of our business contracts. This includes outlining clear and reasonable payment terms and specifying procedures for handling matters related to dishonest behavior or violations of contract clauses prohibiting commissions, rebates, or other benefits. We unequivocally reject the provision, promise, request, or acceptance of any improper benefits, whether directly or indirectly. Upon discovering any misconduct, we promptly cease dealings with and blacklist the involved party.

Code of Conduct (incl. Anti-corruption) Training and Awareness

Wistron's dedication to ensuring that colleagues fully comprehend relevant norms is evident through its comprehensive education, training, and advocacy efforts. These initiatives include requiring all colleagues at overseas sites to undergo training on the code of conduct (incl. anti-corruption training), mandating all new colleagues to sign an acknowledgment form for the "[Code of Conduct](#)" with a signing rate of 100% in 2023, requiring all new indirect employees in Taiwan offices to complete online ethics training courses, organizing annual training courses for current colleagues to reinforce the culture of integrity, identifying Treasury Management & Corporate Communications, Global Supply Chain Management, and Administration Services as potential risk departments, ensuring that supervisors of relevant departments participate in training courses conducted by external professional institutes to enhance regulatory compliance awareness in addition to internal audits or regular work rotations, and arranging training courses related to insider trading for board members with a signing rate of 100% for the acknowledgement form regarding the "Code of Conduct" to fulfill corporate governance responsibilities for ethical management. These efforts underscore Wistron's commitment to fostering a culture of integrity and compliance throughout the organization, ultimately contributing to ethical business practices and effective corporate governance.

• Code of Conduct Signing and Training (%)

Item	2020	2021	2022	2023
Code of Conduct coverage	100	100	100	100
Code of Conduct signing	99.7	99.9	100	100
Coverage of orientation training for new employees	100	100	100	100
Coverage of periodic training for all employees	100	100	100	100
Training completion rate	99.7	99.9	100	100

Anti-Competitive Practices

Ethical conduct represents the foundational social responsibility of any enterprise. Wistron has established the "[Ethical Corporate Management Best Practice Principles](#)" to ensure that all employees conduct business activities in compliance with relevant fair competition laws and regulations. This code prohibits practices such as price-fixing, bid manipulation, output and quota restrictions, as well as market allocation through the assignment of customers, suppliers, operational territories, or business categories. Wistron rigorously adheres to applicable laws and regulations across all aspects of its business operations. Notably, from 2020 to 2023, the company has not faced disciplinary action from regulatory authorities for violations of competitive behavior or monopoly measures.

Whistleblower Protection

For any inquiries regarding the code of conduct, both internal and external stakeholders can reach out to the Sustainability Office. Subsidiaries and joint ventures where Wistron holds significant influence have established their own consultation channels to engage with stakeholders. Wistron encourages all internal colleagues and external stakeholders to report any instances of improper conduct that violate business ethics through designated reporting channels. The Company accepts anonymous reports and is committed to protecting whistleblowers from retaliation for reporting such matters. Wistron provides an email address for reports and complaints (ethic@wistron.com). Reports of code of conduct violations are primarily handled by the Global Human Resources and Administration departments, with the handling status reported to the board of directors annually. In 2023, no major violations of business ethics resulting in fines exceeding NT\$1 million were identified. For suppliers, there is a dedicated reporting and complaint email address (GSCM_Office@wistron.com). Reporting cases of code of conduct violations are primarily handled by the Global Supply Chain Management department. In 2023, there were no reported cases of unethical behavior, and consequently, no instances of contract termination as a result.

Political Contributions

The Company upholds the principle of political neutrality and refrains from actively engaging in political parties or activities, as well as abstaining from any lobbying efforts. Throughout the period from 2020 to 2023, the Company did not engage in any political contributions. However, our employees are entitled to express their political preferences freely. We also encourage our employees to fulfill their civic duties, such as voting for candidates or referendum issues they believe in.

	Number of Reported / Filed Cases of Code of Conduct	2020	2021	2022	2023	
					Number of Cases Reported	Number of Cases Filed
Business Ethics and Operations	Corruption and bribery	0	0	0	1(Note 1)	0
	Conflicts of interest	0	0	0	0	0
	Fair competition	0	0	0	1(Note 2)	0
	Insider trading	0	0	0	0	0
	Trade secrets	0	0	0	2(Note 3)	1
	Privacy/personal data protection	0	0	0	0	0
	Others (Political Contributions, charitable contributions, and social participation)	0	0	0	0	0
Total number of cases related to business ethics and operations		0	0	0	4	1
Protection of Human Rights	Discrimination	0	0	0	1(Note 4)	0
	Harassment	0	0	3	4(Note 5)	1
	Occupational Safety and Health	0	0	0	1(Note 6)	1
	Total number of cases related to protection of human rights		0	0	3	6
Environmental Protection	Total number of cases related to environmental protection	0	0	0	0	0
Total		0	0	3	10	3

Note 1: Corruption and bribery: There were reports of waste disposal personnel at the Hsinchu site soliciting bribes, but after investigation, no concrete evidence was found
 Note 2: Fair competition: There were reports that the sale of equipment from the India site violated fair competition principles, but it was determined to comply with the Company's relevant operational procedures
 Note 3: Trade secrets: i. Reports of unauthorized software usage at the Kunshan site were investigated and found to be within the Company's legal usage scope. ii. A Hsinchu site employee was reported for circulating photos of the production line on social media. Subsequent investigation confirmed the allegation, and the employee received a disciplinary warning
 Note 4: Discrimination: Allegations of discrimination during the recruitment process at the India site were investigated. It was discovered that the whistleblower had failed a technical test and breached recruitment procedures, contradicting the reported claims
 Note 5: i. An employee at the Malaysia site reported being yelled at during a meeting by colleagues, which was verified upon investigation. Senior management intervened, providing counseling and resolving the matter and obtained the understanding of the reporter. ii. An incident where someone impersonated a Taiwan office employee to make a report was investigated. The whistleblower denied involvement, and no intention to report the incident was found. iii. Reports of harassment by employees at the Mexico site were investigated and found that the person being reported was not an employee at our Mexico site. iv. A bullying report at the Hsinchu site was investigated, but no concrete evidence was found
 Note 6: Occupational Safety and Health: Reports of unsafe driving by the shuttle bus driver at the Hsinchu site were confirmed. The contractor was instructed to promptly address the issue and provide driver safety training as per the contract

Internal Control and Internal Audit

Wistron's internal control system is designed by management in accordance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" and tailored to the Company's overall business operations. It is then approved by the Board of Directors. The internal control system encompasses constituent elements and key control points aimed at ensuring the achievement of the following objectives:

1. Operational effectiveness and efficiency
2. Reliable, timely, and transparent reporting that complies with relevant regulations
3. Compliance with applicable laws and regulations

The internal control system conducts self-assessments through an e-platform operation. The President & CEO encourages all internal units and subsidiaries of the organization to conduct annual self-assessments, ensuring they are conducted at least once a year, on their internal controls. The audit unit then reviews the self-assessment reports of each unit and subsidiary, along with any identified deficiencies and improvements made in response to past internal control issues and anomalies detected by the audit unit. This comprehensive review serves as the primary basis for the Chairman and President & CEO to evaluate the effectiveness of the overall internal control system and issue the internal control system statement.

The internal audit unit conducts reviews based on the "Internal Auditing Enforcement Rules" to assess the adequacy of the internal control system and the implementation of general operational practices. It conducts both continuous and project-based audits, covering all internal operations and subsidiaries of the company. Following the results of risk assessments, the internal audit unit develops an annual audit plan, which is approved by the Board of Directors and executed accordingly. Monthly audit reports undergo review by the Audit Committee, with identified deficiencies being tracked until resolution is achieved. Quarterly, the head of the internal audit unit attends meetings of the Audit Committee and Board of Directors to report audit findings. With the effective implementation of the internal control system, Wistron did not identify any significant internal control deficiencies in 2023.

Supplier Anti-Corruption Policy

Wistron communicates our Anti-Corruption Policy to all suppliers through the Wistron Global Learning Platform and provides a reporting hotline for them. We reiterate our commitment to Ethical Corporate Management Policy and principles during annual supplier conferences and in the company profile distributed to suppliers. Additionally, we also conduct annual reviews of supplier compliance. Through these promotional efforts and management mechanisms, there were no reported cases of corruption or unethical behavior among suppliers in 2023.

5.2.3 Legal Compliance

Wistron has established internal operation regulations according to related regulations for publicly traded companies since 2001. After Wistron became a publicly-traded company, Wistron adjusted the internal operation regulations according to amendments of laws by the relevant authorities. Wistron also require all subsidiaries of the Group to comply with changes in regulations. Wistron seeks to fulfill its core value, uphold high levels of professional ethics, and ensure that employees rigorously abide by Wistron's ethical standards in daily work and businesses to protect Wistron's reputation, and earn the respect and trust of our customers, suppliers, and society.

Wistron has established the "Code of Conduct" to provide guidance to employees and supervisors of all levels. Wistron's management has paid close attention to any domestic or foreign policy or regulation that may affect Wistron's finance and business operations. Wistron has also established related risk management procedures and continuous employee education and training to improve employees' legal expertise.

Wistron has complied with the laws and regulations between 2020 and 2023. During this period, Wistron has not incurred any penalties, whether monetary fines exceeding NT\$1M or other non-monetary sanctions, for violations of regulations, including but not limited to those related to marketing communications.

5.3 Risk Management

Wistron adheres to a philosophy of sustainable operations. Through the establishment, implementation, and maintenance of proactive risk management mechanisms, the company continuously monitors internal and external issues and environmental changes. It conducts operational impact analyses and develops effective and flexible responses to address challenges. Regular self-assessment and ongoing improvements enhance the company's resilience, fulfilling its commitment to uninterrupted operations and safeguarding the best interests of customers and stakeholders. Additionally, Wistron effectively manages operational risks and fosters a risk-aware culture through continuous optimization of education and training, performance management, risk assessment, early warning notifications, and public disclosures. Please refer to the Company's [Risk Management Policy and Procedure](#) for further details.

Risk Management

To advance corporate sustainability, Wistron adheres to established organizational and internal control systems for managing operational risks across all levels. We are committed to evaluating the potential impact of these risks on the company's operations through board-level participation and systematic management practices aligned with ISO 31000 principles. This approach ensures robust corporate governance, attainment of sustainable business goals, and protection of stakeholder rights. In 2022, Wistron formulated systematic "Risk Management Policy and Procedures" in accordance with guidelines such as the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" issued by the Financial Supervisory Commission and the "Best Practice Principles on Risk Management for TWSE/ TPEX Listed Companies" provided by the Stock Exchange. Leveraging a three-line defense risk management framework, we proactively and effectively assess risks across four key dimensions: corporate governance, environmental protection (including climate and natural resources), social inclusion, and innovation value. This comprehensive approach enables us to address potential threats to the company's sustainable development effectively.

The Board of Directors serves as the highest responsible unit for risk management within the Company, with all board members possessing capabilities in enterprise risk management. The Board authorizes the Audit Committee to assist in reviewing and supervising the operation and implementation of the risk management mechanism. The Audit Committee provides regular reports on the execution and outcomes of risk management to the Board of Directors, typically on a semi-annual basis.

Under the Audit Committee, there is a Risk Management Team led by the CFO, comprising senior executives from each business unit. The team convenes monthly meetings to assess changes in risks, providing semi-annual reports on risk management execution to both the Audit Committee and the Board of Directors. Additionally, an annual risk management report is compiled and presented to the Audit Committee and the Board of Directors. The convener also appoints personnel to the Risk Management Office, assisting in executing practical risk management tasks and operational mechanisms, and aiding in coordinating and supporting units in implementing risk management activities.

The Company conducts frontline risk management through existing departments or operational units within the organization. Personnel designated as accountable by members of the risk management team serve as risk management executives. Collaborating with relevant personnel from each operational unit, the Company conducts comprehensive enterprise and operational-level risk identification, analysis, and assessment at least annually. This process involves analyzing various operational risks and emerging risk scenarios to devise risk response strategies. These executives are responsible for implementing daily risk management procedures.

Furthermore, the Internal Audit Department, reporting to the Board of Directors, independently audits compliance with the company's risk management policies and the effectiveness of risk management activities. It offers improvement recommendations and regularly reports audit results to the Board of Directors to ensure we meet our risk strategy goals and exercise effective control over various risks.

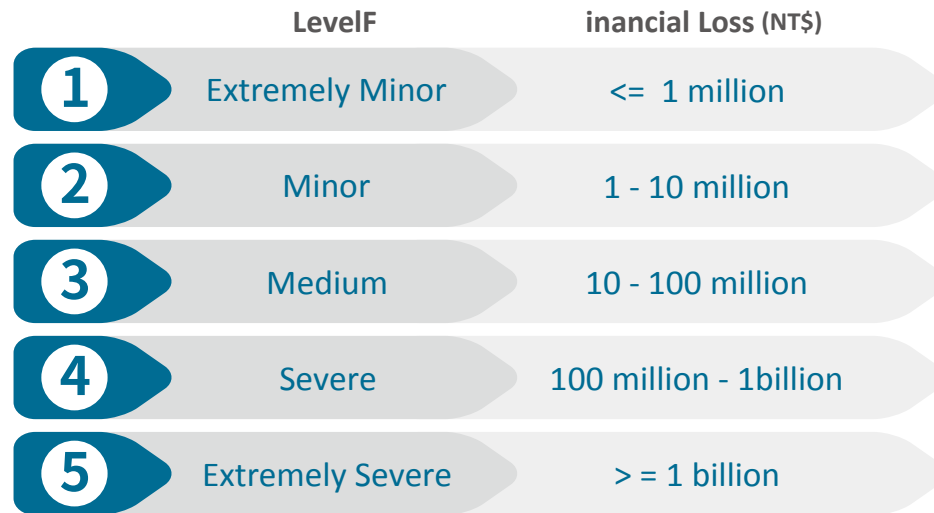


Three Lines of Defense in Risk Management and Risk Appetite

To effectively implement risk management and internal control, Wistron adheres to a three lines of defense system in risk management and enhances its mechanism effectiveness through the PDCA management cycle. The first line of defense is business operations, with business units and production units playing key roles. This line focuses on operational control, risk identification, and the implementation of risk management measures. The second line of defense involves corporate risk management and regulatory compliance, overseen by the risk management team. It collaborates with finance, accounting, legal, and other units to monitor and ensure compliance with relevant regulations for transactions and operations. Additionally, the risk management team is committed to creating a conducive risk management environment, establishing risk management goals, and supervising to promote effective business execution. The third line of defense is internal control and auditing, overseen by the independent audit department and audit committee. This line examines and supervises company operations and provides systematic methods to strengthen the implementation of risk management and internal control systems.

Risk appetite refers to the extent to which an organization is willing to bear possible losses or impacts. The risk management team formulates the annual risk appetite for the company based on our business strategies and objectives, taking into consideration factors such as business growth, risk, and returns.

This risk appetite is then reported to the Audit Committee and Board of Directors for approval, and implemented in various units to control the risks associated with their operations. Wistron has defined five different levels of risk appetite based on the potential financial losses that could be incurred by the company. Additionally, the company established preventive/reduction measures, execution mechanisms, and responsible organizations to ensure effective control and appropriate response to relevant key risks.



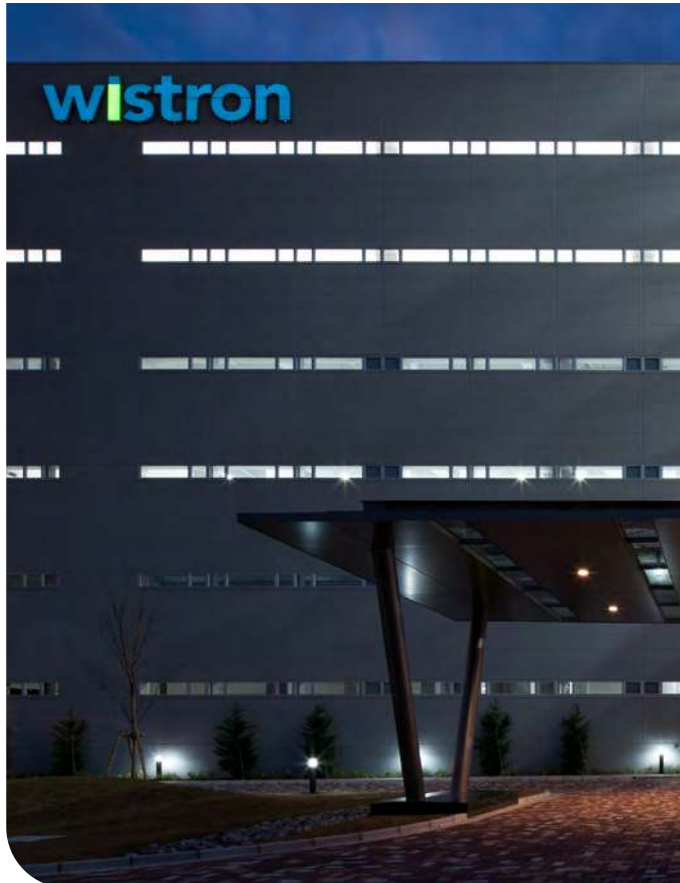
Risk Management Procedures



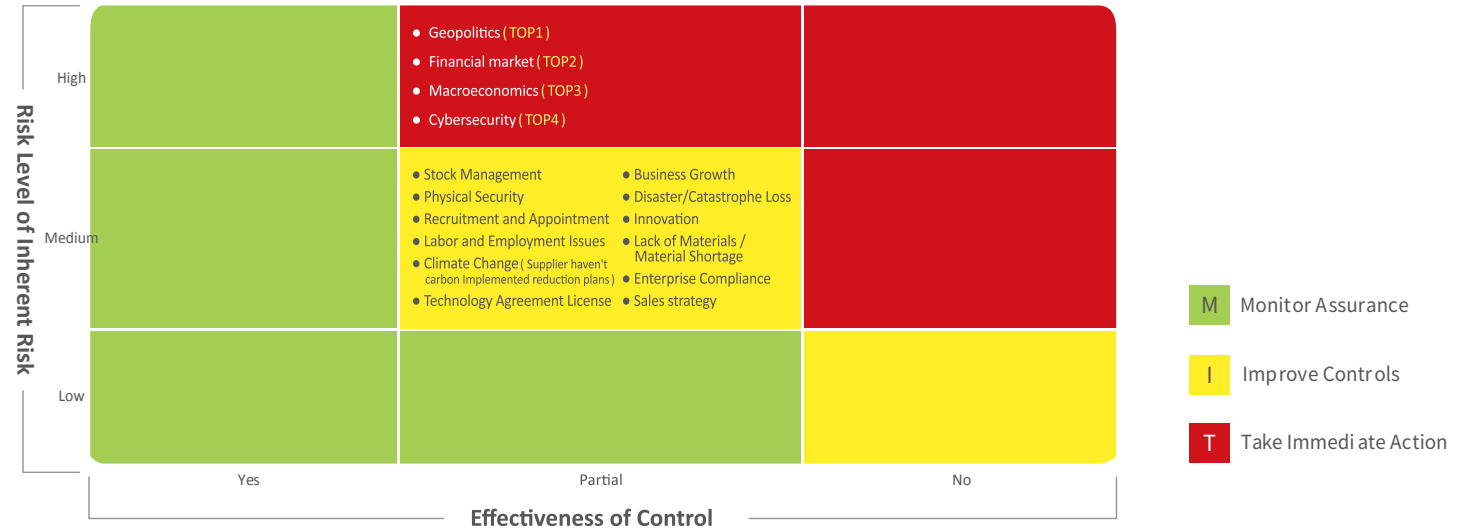
The Company's risk management procedures include risk identification, analysis, evaluation, response and monitoring, as well as reporting and disclosure. Each year, the risk management team engages various working groups responsible for different risk dimensions: corporate governance, environmental protection (including climate and natural resources), social inclusivity, and innovative value. Together, they assess and discuss potential and emerging risks, considering factors such as frequency, impact, and control level. Regular reports on these assessments are presented to the Audit Committee and the Board of Directors.

- The Company's risk management team includes members from various units such as client relations, product design and development, global manufacturing, corporate governance and sustainability management, supply chain management, finance, global human resources and administration, technology, public relations, M.I.S, legal, Wistron Digital Technology Holding Company, and Wistron Medical Tech Holding Company.. They collect data on risk events, sources, and consequences across four key dimensions: corporate governance, environmental protection (including climate and natural resources), social inclusivity, and innovative value. This information is used to establish the Wistron risk database, which is then discussed and revised by the risk management team.
- In 2023, the Risk Management Team identified a total of 16 major medium to high-risk items with 4 of them assessed as severe residual risk levels (T- Take Immediate Action, in need of immediate improvement) and 12 as moderate risk levels (I- Improve Controls, in need of control improvement or response measures) based on likelihood and magnitude considerations from the risk assessment form.
- Units responsible for risks have formulated corresponding risk response action plans and implemented risk mitigation plans for the residual risk levels assessed as T- Take Immediate Action and I- Improve Controls. Risk management executives collaborate with operational units to create key risk indicators (KRI) and report them to the risk management team monthly, maintaining relevant records.
- Senior executives regularly hold risk calibration meetings with the risk management team to review the results of risk management implementation. After completing the risk assessment and calibration process, the top four risks for the Company in 2023 were identified as geopolitical risk, financial market risk, macroeconomic risk, and cybersecurity risk. The responsible units propose corresponding risk response action plans, which are reviewed and confirmed by unit supervisors before being included in the periodic definitions and reviews by the Audit Committee and the Board of Directors.
- The risk management team reports its risk management execution results to the Audit Committee and the Board of Directors semi-annually.

To ensure corporate growth and efficient resource allocation, the company conducted risk prioritization and identified the most significant risks that may impact Wistron in 2023. These risks include: Geopolitical risk, financial market risk- interest rate risk, macroeconomics risk- market demand risk, and cybersecurity risk.



• Annual Risk Map



Types of risk	Mitigation measures
Geopolitical risk	<ol style="list-style-type: none"> 1. Regularly review geopolitical issues relevant to the company's operations or those of its business partners' locations 2. Develop a comprehensive command structure and operational headquarters relocation plan, covering order fulfillment, material procurement, manufacturing, IT systems, cash flow, logistics, and personnel transition & reach consensus with key clients regarding relocation
Financial market risk – Interest rate risk	<ol style="list-style-type: none"> 1. Opt for borrowing in a currency with a lower interest rate 2. Decrease inventory levels to minimize interest expenses
Macroeconomics risk – Market Demand	<ol style="list-style-type: none"> 1. Maintain regular communication with customers for insight to projected sales 2. Assess the reasonableness of capital expenditures 3. Manage manufacturing costs effectively
Cybersecurity risk	<ol style="list-style-type: none"> 1. Enhance employee awareness of information security through regular social engineering drills and comprehensive cybersecurity education and training 2. Utilize a variety of tools and technologies to achieve real-time and effective identification, prevention, detection, response, and recovery capabilities 3. Conduct annual regular exercises for critical application system disaster recovery to ensure its effectiveness 4. Transfer a portion of cybersecurity risk through an insurance policy

Risk Sensitivity Analysis and Stress Testing

To enhance risk awareness within our company, regular risk sensitivity analysis and stress testing are conducted on key risks that could potentially impact our operations. Risk sensitivity analysis helps quantify the financial impact of different risks. In addition, stress testing enables us to simulate extreme risk scenarios and understand our resilience under such conditions. Through these analyses and tests, we can better assess, manage, and respond to risks, ensuring the stable operating of our company and achieving sustainable development.

Currency risk:

The company's exchange rate risk mainly arises from cash, accounts receivable, borrowings, accounts payable, and other items denominated in foreign currencies, resulting in foreign exchange gains or losses upon conversion. The primary foreign currency positions are in USD and CNY. Based on the position calculation as of December 31, 2023, a 5% appreciation or depreciation of the TWD against the USD and CNY would result in a potential impact of approximately NT\$1.1 billion on the company's 2023 post-tax profit, reaching the level of extremely severe impact as determined by the company.

Interest rate risk:

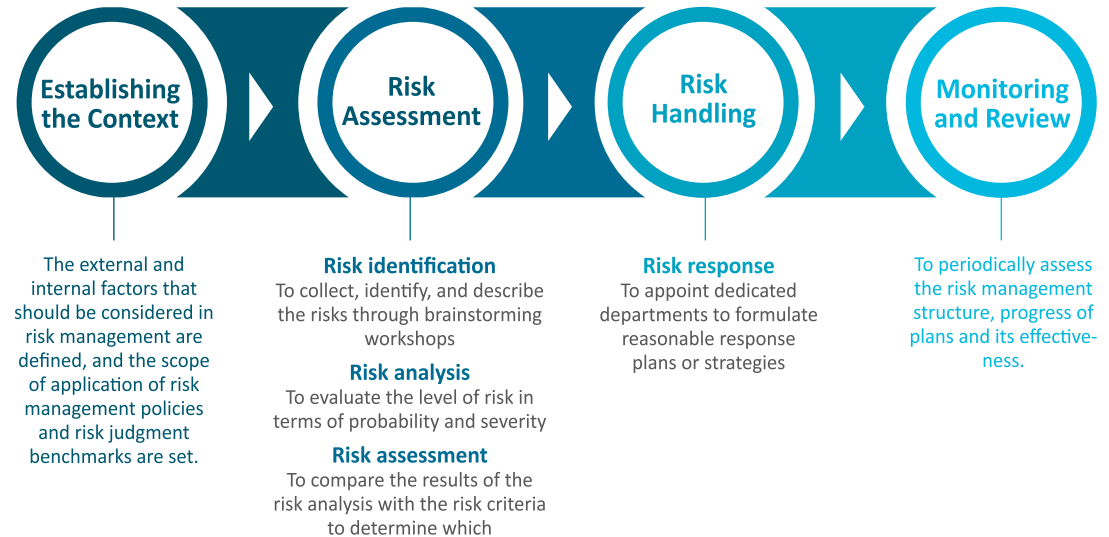
Evaluation of the company's total outstanding liabilities and the duration. Based on the calculation of total liabilities as of December 31, 2023, a 500 basis point increase or decrease in interest rates would result in a potential impact of approximately NT\$1 billion on the company's 2023 post-tax profit, reaching the level of extremely severe impact as determined by the company.

Geopolitical risk:

In the event of escalating geopolitical conflicts that may impact company's production facilities in Taiwan and China, we can estimate the potential impact on operational disruptions by simulating the number of days of factory shutdown. Based on our analysis, if the factory shutdown exceeds 25 days, it would lead to operational disruption losses exceeding NT\$1 billion, reaching a level of extremely severe impact as determined by the company.




Emerging Risk Management

Since 2020, Wistron has annually consulted emerging risk reports published by external organizations, such as the World Economic Forum's Global Risks Report. The identification of emerging risks follows four main processes: confirming the industry's environmental context, risk assessment (including risk identification, analysis, and assessment), risk response, and monitoring and review. These processes involve gathering opinions from management, identifying emerging risks, and devising risk mitigation measures. The results are then reported to the Audit Committee and the Board of Directors for proactive planning and response. Based on the emerging risk identification results from the Risk Management Subcommittee at the end of 2023 and the beginning of 2024, the primary emerging risk areas include generative AI risks, policy risks, economic recession risks, and risks related to new technologies.



Shaping A Risk Management Culture

Wistron attaches great importance to cultivating and shaping the risk awareness of all employees. In addition to organizing risk-related training for board members, we also established performance evaluation indicators and assessment standards for employees at different levels to truly integrate risk culture into daily operating activities.

 <p>Senior Managers</p>	<ul style="list-style-type: none"> Beyond general operational and financial categories, Wistron also pays special attention to the management results of specific risk items such as "human capital." To ensure the stability and engagement of human capital, Wistron includes management indicators such as "employee engagement/satisfaction," "turnover rate," and "work injury rate" in the annual work goals of senior executives. Beyond regular evaluation of relevant management results, the achievement rate of relevant performance indicators will also be used as the basis for rewards and bonuses.
 <p>Middle and Junior Managers</p>	<ul style="list-style-type: none"> Beyond general work target and performance, Wistron also pays special attention to the management outcomes of specific risk items such as "human capital" and "information security." In terms of "human capital," in the face of current trends, whether employees agree with the company's philosophy and are willing to devote themselves to their work has a critical impact on whether a company can capitalize on and generate value from their human capital. Management indicators for mid-level and junior managers are trickled down from senior executives and based on their department responsibilities. They may include "employee engagement/satisfaction," "turnover rate," "work injury rate," etc. Wistron then regularly evaluates relevant performances.
 <p>General Employees</p>	<ul style="list-style-type: none"> In terms of "information security," Wistron is actively instilling a culture of information security among all employees to mitigate the operational impacts of security risks. To achieve this, proactive measures such as educational training sessions and simulated social engineering drills are implemented. These initiatives aim to elevate employees' awareness and alertness regarding information security. Furthermore, instances of information security breaches by departmental employees are incorporated as performance management indicators for department supervisors. Additionally, any related infractions are directly reflected into employees' performance appraisal evaluations.

Risk Management Training

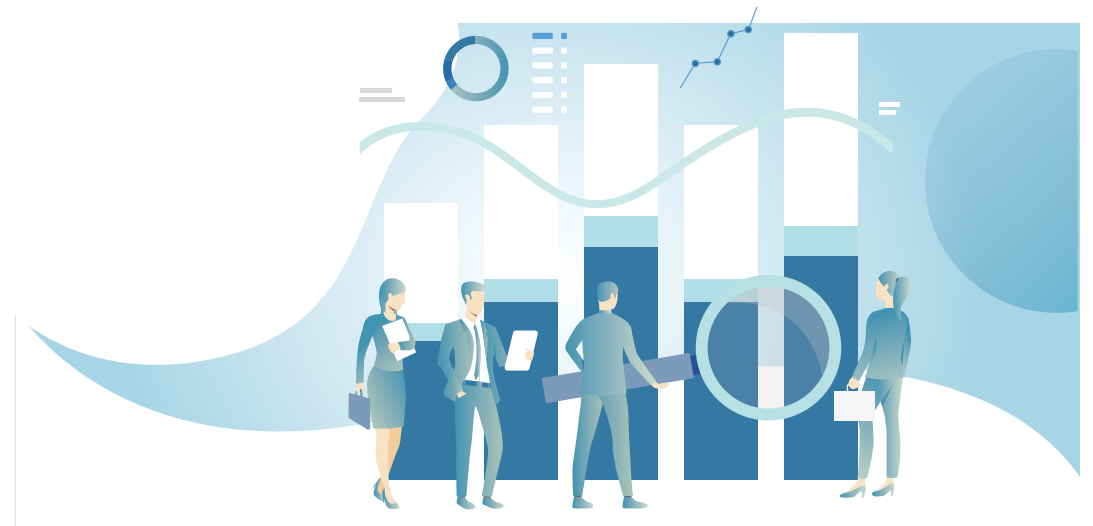
We have incorporated risk management into training, specifically targeting human capital risks faced by high-level and mid-level managers. A total of 22,805 Wistron employees from around the world have completed the training, logging in a total of 31,325 hours of training. Regarding intellectual property rights and legal litigation risks with a higher degree of risk, all employees are required to participate in intellectual property rights and legal litigation courses, such as "AI-generated content and trademark/copyright," "Patent classroom," "Introduction of TIPS intellectual property management system for responsible personnel," and "Intellectual property litigation cases," etc. A total of 60,359 people worldwide have completed basic training, with a total of 40,113 hours of training. In response to occupational

safety and health risks common in the workplace, especially in manufacturing, Wistron organized for employees and supervisors of related departments to participate in education and training courses on related topics in accordance with relevant regulations and operating standards. A total of 200,106 employees received training and logged a total of 168,406 hours of training.

To instill a culture of information security among all employees, the Company provides e-learning courses and conducts social engineering drills every six months. These initiatives aim to enhance employees' awareness and vigilance regarding information security. Employees found in violation of information security policies are disciplined according to the "Implementation Guidelines for Employee Rewards and Penalties," and these infractions are recorded as part of the performance appraisal process. This approach serves to mitigate information security risks and their impact on the Company's operations. In 2023, a total of 40,296 employees completed information security training courses, totaling 22,783 hours. These courses included "Information Security Classroom," "Social Engineering Drills," "Information Management Standards," and other programs tailored for new employees.

Risk Reporting Mechanism

In addition to actively cultivating and promoting risk awareness, Wistron also clearly defines the organizational structure; standardizes corresponding roles, rights and responsibilities; and integrates all employees into our risk management mechanism. Employees can use the "President's mailbox," "Employee opinion box," "Employee complaint hotline," "Counselor on-site interview" and other channels to report potential risk items and help manage the impact of various internal and external risks. In addition, Wistron has also revised internal management regulations such as "Implementation Guidelines for Employee Rewards and Penalties" to encourage employees to make suggestions for risk mitigation, work environment safety and health, and environmental improvement, and those who have achieved significant results may receive verbal commendations, certificates of appreciation, commendations, or project bonuses.



5.3.1 Information Security

Wistron's information security management mission is to "build a resilient, secure and trustworthy enterprise." As such, we are committed to promoting digital transformation and to introduce comprehensive information security management mechanisms in order to ensure the accuracy and availability of information processing and the security of related IT systems, equipment, and networks. We also regularly hold internal drills and trainings on information security to increase our employees' information security awareness and vigilance.

ISO 20000

Information Technology Service Management System

In February 2018, Wistron achieved ISO/IEC 20000-1:2011 certification for information service management system. This certification demonstrates the company's commitment to delivering top-tier IT services and adhering to globally recognized IT management standards, ensuring that our operations align with the standards set by the Information Technology Infrastructure Library (ITIL). In January 2021, Wistron successfully completed the transition to the updated ISO 20000-1:2018 standard, further enhancing our information service management system and related processes to continuously strengthen data governance. The current certification is valid until February 22, 2027.

ISO/IEC 20000 changes the approach to implementing internal or outsourced IT services, yielding several benefits:

- Adherence to international best practices in IT management.
- IT services align with the fulfillment of company objectives.
- Integration of personnel, processes, and technologies to support company objectives.
- Utilization of control measures for evaluation and maintenance of consistent service quality.
- Compatibility between ISO/IEC 20000 and the Information Technology Infrastructure Library (ITIL) facilitates continuous improvement efforts.

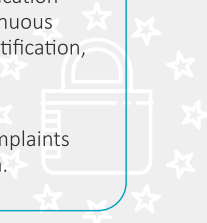


ISO 27001

Information Security Management System

In August 2017, Wistron achieved ISO/IEC 27001:2013 certification for information security management system. We adhere to the "Plan-Do-Check-Act" (PDCA) cycle outlined in this standard, conducting at least one internal self-audit and one external audit by an impartial third party annually. These measures ensure our adherence to ISO 27001 management mechanisms. Additionally, Wistron undergoes recertification every three years to maintain the validity of the ISO 27001 certification. The current certificate is valid until 31, Oct, 2025.

- Wistron's headquarters (located in the Neihu and Xizhi office areas), the Hsinchu plant, and all overseas manufacturing plants have obtained ISO/IEC 27001:2013 verification for critical infrastructure and essential information systems necessary for continuous operations. In 2022, all manufacturing plants achieved ISO/IEC 27001:2013 certification, covering 100% of the facilities. (Note: A few plants that shared computer room infrastructure did not obtain separate certification.)
- In 2023, there were no significant cybersecurity incidents reported, and no complaints were received regarding breaches of customer privacy or loss of customer data.



Note: Sites sharing a data center do not have independent certification.

Information Security Policy and Organization

Wistron seeks to comply with the ISO 27001 Information Security Management System and focuses on the process and system, legal compliance, employee training, and use of technologies to strengthen the security and protection of data, information systems, equipment, and network communication. These measures effectively reduce the risks of theft, inappropriate use, leak, alteration, or damage of IT assets as a result of human error, sabotage, or natural disasters. They also assist our efforts to uphold our commitment to shareholders and customers and ensure continuous operations.

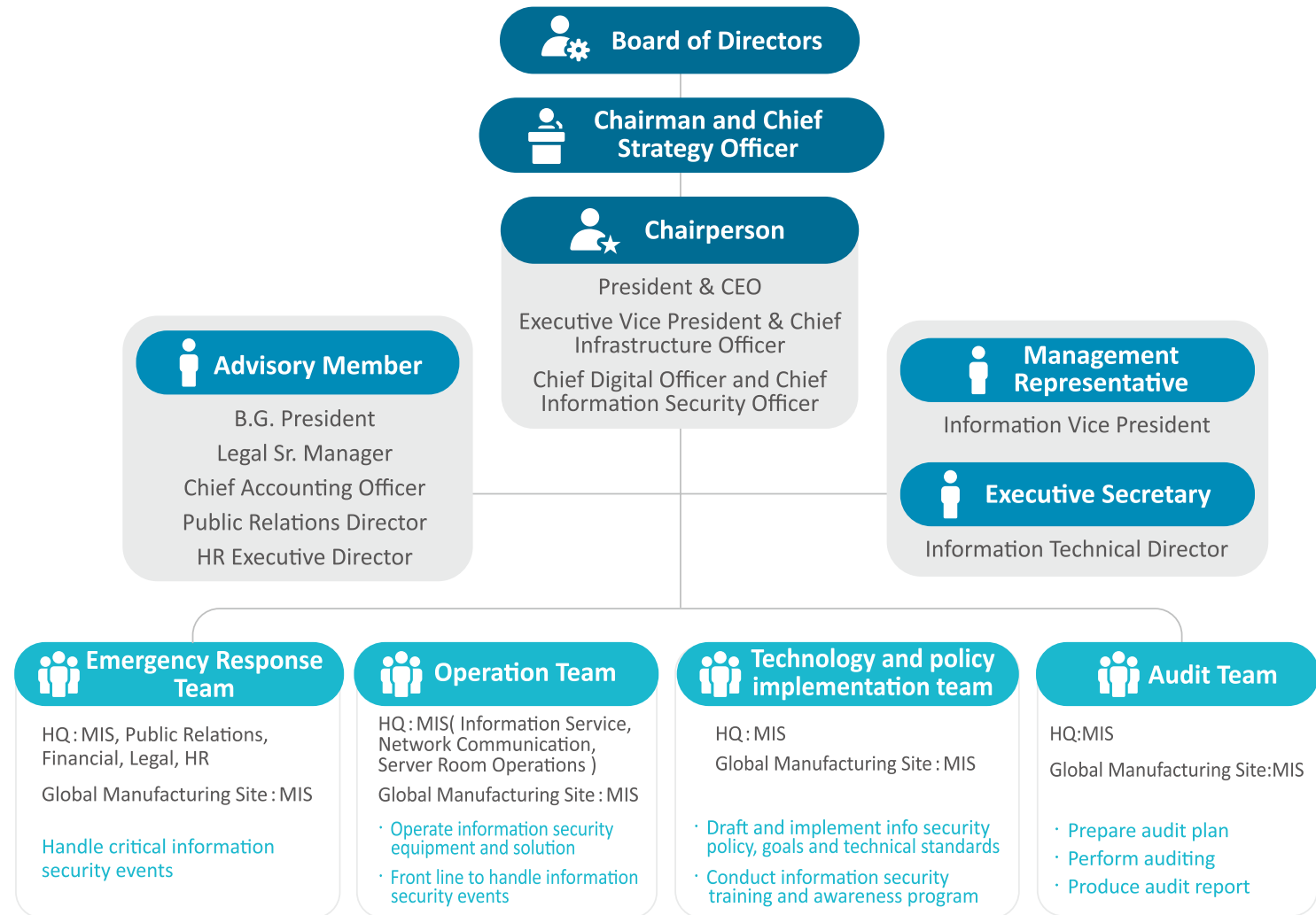
Wistron established the Information Security Committee to oversee the Company’s information security management system, technical standards, operations and maintenance. The President & CEO, Executive Vice President & Chief Infrastructure Officer, Chief Digital Officer and Chief Information Security Officer act as Co-chairpersons and they are responsible for fulfilling the Company’s commitment to information security. The Vice President of IT acts as the management representative. The Information Security Governance Office was established, and a supervisor is appointed as the executive secretary to coordinate information security affairs. The Company established the "Information Security Policy" to protect the IT asset security of employees, customers, suppliers, and operations, ensuring corporate sustainable management.

Information Security Policy

To protect Wistron’s information, products and services, avoid unauthorized access, modification, use and disclosure, as well as losses caused by natural disasters, and provide complete and available information in a timely manner, Wistron is committed to information security management to ensure the confidentiality, integrity, and availability of important information property and comply with the requirements of relevant laws and regulations, thereby gaining customer trust, meeting commitments to shareholders, and ensuring uninterrupted business operations.

Information Security Committee Structure

The Information Security Committee convenes quarterly. Ad hoc meetings may be convened when necessary, and members of the teams are required to attend. Their meeting agenda includes information security incident reports, the report of each team on the implementation of the team’s affairs, issues that require the cooperation of different units, other related suggestions, or extemporary motions. A total of four meetings were held in 2023 and management representatives reported the information security implementation status to the Board in December.

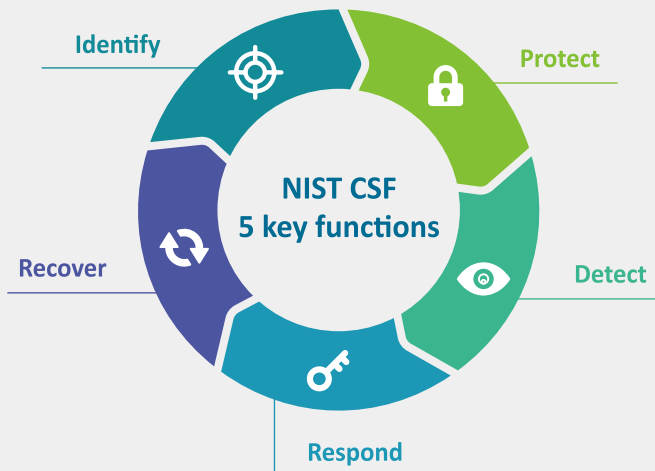


Information Security Management Strategies

For information security management, Wistron has gradually established a comprehensive network and defense in depth computer cybersecurity measures across personnel, process, and technology in response to changing environments, internally and externally. A dedicated cybersecurity organization was established to coordinate the formulation and the implementation of cybersecurity policies and related risk management. The internal cybersecurity measures have been continuously strengthened, and we have also joined cybersecurity information sharing organizations to obtain information on cybersecurity early warning and cybersecurity threats and weaknesses in addition to IT cybersecurity, operational technology cybersecurity, and cloud cybersecurity. Such organizations include High-Tech Cybersecurity Alliance, Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC). Meanwhile, we leverage external information security vendors and expert resources to ensure we are consistently updated on the latest cybersecurity information, technologies and trends. Our cybersecurity defense and management keep pace with changing times to improve our rapid response capabilities accordingly and ensure we can effectively block new types of cybersecurity threats. This can thus ensure resilient information services and reduced influence or impact on operations.

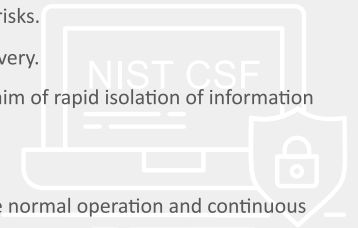
Wistron utilizes the Cybersecurity Framework (CSF) stipulated by the National Institute of Standards and Technology (NIST). We evaluate the overall information security maturity and plan development blueprints for information security. We decide the priority of each matter and allocate resources accordingly while making rolling adjustment to continuously strengthen and improve our systems. The framework provides the 5 key functions of identification, protection, detection, adaptation, and recovery. The functions include management measures for every stage of an attack against the Company, that is, pre-incident (identification and protection), during the incident (detection and adaptation), and post-incident (recovery).

In the future, information security is based on the Zero Trust Architecture (ZTA), which requires that every user, device, and application must undergo identity authentication and obtain authorization before accessing network systems or assets. The scope of cybersecurity protection will be further extended to cloud cybersecurity (including public cloud and private cloud) and operational technology (OT) cybersecurity. We will also introduce related cybersecurity standards and assessment models, such as Cybersecurity Capability Maturity Model (C2M2), CSA Consensus Assessments Initiative Questionnaire (CSA CAIQ), and ISO/IEC 62443. As such, we assure that our overall cloud cybersecurity and operational technology cybersecurity defense capabilities will be further strengthened in the future.



Information Security Operation Measures

- Identify stakeholder groups associated with the information security management system and regularly verify the needs of stakeholder groups for the information security management system (incl. customer demands for information security).
- Carry out social engineering drills and information security training for our employees to fully increase the employees' information security awareness.
- Establish comprehensive and clear operating procedures to institutionalize the operations of the information security management system.
- Perform regular risk assessments to identify high risk items and invest appropriate resources to reduce or transfer risks.
- Use tools and technologies to achieve timely and effective identification, defense, detection, adaptability, and recovery.
- Establish operating procedures for response and recovery in the event of information security anomalies with the aim of rapid isolation of information security incidents, elimination of threats, and reduction of the scope and extent of impact.
- Perform regular disaster recovery exercises for key applications to ensure their effectiveness.
- Perform regular annual internal and external audits each year to review the entire management system and ensure normal operation and continuous improvement.
- Pay attention to new information security development and technologies and update defense or management practices to effectively block new forms of information security threats and reduce risks to operations.



Information Security Initiatives and Outcomes

Information Security Management and Audit Mechanisms

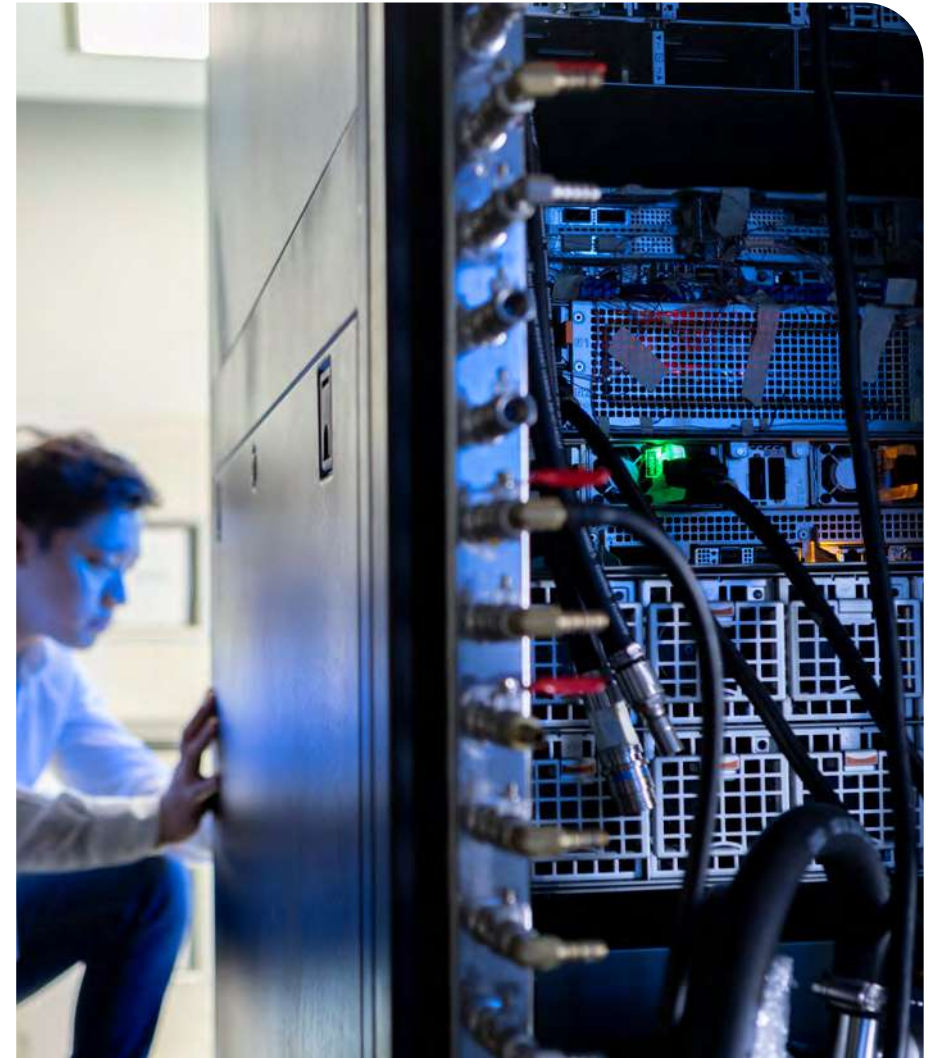
In order to protect the Company's intellectual property (including confidential information) and confidential customer information, Wistron started to conduct multiple self-evaluations and external third-party audits every year since 2017. For self-evaluations, we comply with NIST CSF and ISO/IEC 27001: 2013 standards. For external third-party audits, we comply with ISO/IEC 27001: 2013 standards and the information security regulations of our customers. These information security audits ensure enforcement of information security regulations and maintain the validity of ISO/IEC 27001 verification.

Wistron continuously strengthens internal control mechanisms, including self-assessment by operational units, as well as the three lines of defense provided by the Information Security Governance Office and the Audit Office, ensuring all plants enforce and consistently seek to improve information security measures. In 2023, Wistron took home the Taiwan Corporate Sustainability Award (TCSA) Information Security Leadership Award, demonstrating Wistron's exemplary role and leadership position in information security management across the industry.

In 2023, Wistron launched the Vendor Risk Management (VRM) Program. Under the program, we classify suppliers and assess our vendor management life cycle from the perspectives of security, risk and privacy. The life cycle covers the procurement phase (tier assessment, risk score assessment, contract), ongoing third-party risk management (risk score assessment and remediation), and the eventual offboarding. A total of 183 vendors were assessed, and vendors were classified – into three tiers – based on the importance of the services they provide, their relevance to customers and revenue, and their ability to directly access Wistron's network environment and confidential information. Tier 1 and Tier 2 vendors with higher risk levels are required to comply with Wistron's information security assessment standards based on individual information security guidelines. Our risk score assessment identified six vendors that comply with Wistron's information security standards.

Strengthen Information Security Awareness among Employees

To educate employees on information security, the Company provides e-Learning resources and holds social engineering exercises every six months on phishing email simulations, reviews of employee information security awareness, and information security education and training. In addition, the Company publishes cybersecurity e-newsletter every month to enhance our employees' awareness and vigilance of cybersecurity. The e-newsletter covers latest cybersecurity trends and recent major cybersecurity events at home and abroad. To mitigate information security risks and minimize its potential impacts, employee violations against our Information Security Policy will result in penalties according to the "Implementation Guidelines for Employee Rewards and Penalties" and be factored into their performance evaluations.



• 2020-2023 Phishing Click Rates from Social Engineering Drills at Wistron

Initiatives	Goals	2020 Results	2021 Results	2022 Results	2023 Results
Social engineering drills every six months	<15% phishing click rate from social engineering drills	H1 : 10.6% H2 : 10.5%	H1 : 10.8% H2 : 10.7%	H1 : 9.3% H2 : 10.2%	H1 : 7.4% H2 : 8.2%

Since 2021, Wistron has implemented a Cybersecurity Professional Talent Cultivation Program (Technical Competency Model, TCM). This program involves human resource inventory to differentiate roles into cybersecurity governance, cybersecurity engineering, cybersecurity analysis, and software development security. Five levels of competency standards have been established, and annual capacity assessments are conducted, facilitating talent development and advancement plans. In 2023, a total of 95 individuals (including 28 dedicated information security personnel) participated in the Cybersecurity Talent Cultivation Program, ensuring that the skills of cybersecurity professionals remain up-to-date.

- To enhance the cybersecurity awareness of general employees, both online and in-person training sessions were conducted in 2023. These sessions primarily covered topics such as information security awareness training, information security lessons, and recognizing and preventing phishing emails. Throughout the year, a total of 40,296 employees completed 22,784 hours of information security training. Additionally, there were 46 recorded instances of disciplinary action for violations of information security regulations.
- In 2023, a total of 1,632 information security personnel participated in seminars and training sessions, accumulating 6,776 hours of training. The main training categories included six core professional courses for the information security team and five software development security courses for the software development team. The training curriculum covered various topics, including the annual Wistron information security seminar, ISO 27001 information security management system lead auditor training, EC-Council CEH (Certified Ethical Hacker) certification course, Trend Micro TCSE (Trend Certified Security Expert) certification course, as well as certifications such as CISA (Certified Information Systems Auditor), CISSP (Certified Information Systems Security Professional), CISM (Certified Information Security Manager), and CCSP (Certified Cloud Security Professional). Additionally, information security-related technology seminars organized by Gartner, Microsoft, and other information security suppliers were also included in the training program.

Vulnerability Detection for Networks and Systems

Apart from monthly internal vulnerability scans, Wistron entrusts a third-party professional organization to conduct network and system penetration tests each year to protect Wistron’s corporate and personal information and prevent losses caused by leaks, theft, destruction, other human factors, or natural disasters. These tests reduce the impact of human factors or natural factors on the Company’s operations. The purpose of the tests is to understand and evaluate the status of the organization network environment and system security and verify the current information security protection safety rating and effectiveness to resolve vulnerabilities, improve operations, and strengthen system security.

In 2023, we introduced red team drills, where external information security teams simulated attacks on the Company and attempted to achieve specified goals without affecting the Company’s operations. The red team drills allow us to comprehensively review our services and networks for any vulnerabilities and human errors in deployment. Moreover, we checked the integrity of identification, protection, detection, and response mechanisms from our information security maintenance and response team.

Software Development Security

In order to control the security of the software development lifecycle (SDLC) and achieve "shift left" security to thereby reduce the operational costs associated with application security and maintenance, Wistron has adopted the DevSecOps (Development, Security, and Operations) mechanism. This approach enhances collaboration among the development, operations, and information security teams. Additionally, Wistron has adopted the DevSecOps Maturity Model (DOSMM) from the non-profit organization OWASP (Open Web Application Security Project) to assess the overall maturity of software development practices. This ensures that the software released meets predefined information security maturity standards. Furthermore, the incorporation of Software Composition Analysis (SCA) technology into the development workflow enhances the security quality of the software.

Information Security Alerts and Incident Management

According to the information security incident management regulations, when an information security incident occurs, it is imperative to promptly report, respond, and restore operations within the shortest possible timeframe. To achieve this, Wistron has implemented an Advanced Persistent Threat (APT) monitoring system and operates a Security Operations Center (SOC). Leveraging external information security experts' resources, our information security operations and response teams swiftly receive and address information security alerts and incidents, enhancing and expediting our detection and response mechanisms.

Business Continuity Management and Disaster Recovery Drills

In order to ensure the sustainable execution of operations and important matters, Wistron conducts at least one test or written drill every six months on information business operation continuity plan or cybersecurity incident emergency response plan to prevent the loss of service of important information systems during major disasters. We aim to utilize our disaster response capabilities and disaster recovery mechanisms to quickly restore our operations to normal or acceptable levels during critical moments, ensuring we maintain key applications and systems and prevent interruptions to Wistron’s operations. Furthermore, our IT center’s backup management personnel perform recovery testing for selected backup storage mediums or recovery equipment at least once a year to confirm the readability of backup data, the usability of storage medium, and the feasibility of important asset recovery. We aim to create effective backups and recovery procedures that can be completed within a specified timeframe.



The global IT center also chose 30 backup storage mediums for seven key functions’ systems and database in 2023. Recovery testing was successfully completed for our backup data. The annual global computer center disaster recovery drills revealed that the maximum tolerable data loss time during disasters (Recovery Point Objective, RPO) is 1.0 hours. After a disaster occurs, the maximum tolerable information service recovery time (Recovery Time Objective, RTO) is 22.11 hours. The results of the drills in the last four years have met the Company’s targets, and details can be found in the table below.

Initiatives	Goals	2020 Results	2021 Results	2022 Results	2023 Results
Annual disaster recovery simulations for key applications and systems to ensure continued operations and the uninterrupted provision of Company services.	≤4 hours RPO of SC2 Services ≤ 24 hours RTO of SC2 Services	RPO: 0.5 hour RTO: 21.0 hours	RPO: 0.8 hour RTO: 22.0 hours	RPO: 0.9 hour RTO: 18.83 hours	RPO: 1.0 hour RTO: 22.11 hours

*RPO: Recovery Point Objective (maximum tolerable data loss time during disasters)
*RTO: Recovery Time Objective (maximum tolerable information service recovery time after a disaster occurs)

Information Security Insurance Mitigates Information Security Risks

In 2021, Wistron purchased global information security insurance policies as a group. Apart from mitigating risks, we also hope to further receive the help and resources of external information security experts through the international insurance market, leveraging their preventative solutions to strengthen existing information security measures so that we may respond to growing information security threats and achieve corporate sustainable management.

Information Security Incidents in Past Four Years

No major information security incidents occurred between 2020 to 2023. No confidential information leaks affecting personal information of customers and employees, and no fines were issued.

Number of information security violations and fines/year	2020	2021	2022	2023
Number of information security or network security violations	0	0	0	0
Data leak incidents (no. of cases)	0	0	0	0
Number of information security violations that involve customer information	0	0	0	0
Number of customers and employees affected by the data leak	0	0	0	0
Amount of fines for information security or network security related incidents (NTD)	0	0	0	0

5.3.2 Intellectual Property Rights Management Policy

Wistron places great importance on the management of intellectual capital. We have strengthened our R&D capabilities, introduced high value-added products and technical services for innovative functions, and improved manufacturing efficiency and quality through the intellectual property rights management policy. Wistron establishes, accumulates, maintains, and manages a comprehensive IP portfolio for the future. Furthermore, Wistron uses risk management to enhance our competitiveness and increase profitability. In the future, Wistron will continue to leverage our intellectual capital management plan by integrating Wistron’s strategic considerations and operating goals to ensure the production, management, and monetization of intellectual property rights.

Wistron's principles regarding intellectual property rights management are as follows:



Patent Portfolio Management

Wistron’s patent strategy is based on developing a healthy, sustainable and high performing global patent portfolio. As of today, we have an extensive patent portfolio of over 6,000 granted patents worldwide. We protect all technologies, designs, and inventions developed by the Company through our comprehensive patent portfolio in order to maintain customer interests.

The patent team works closely with R&D units, leveraging brainstorming sessions, patent big data analysis, invention disclosure review meetings and other related mechanisms to uncover high-quality ideas and generate goal-oriented invention proposals. We have established more than two hundred review items to strengthen the review of the patent specification and implement strict management and control of patent quality. The items cover the entire patent prosecutions process to maintain the level of quality of each granted patent. We continue to improve the expertise of patent personnel and the patent knowledge of all employees internally, and evaluate patent firms externally. In order to encourage employees to invent and create, we have stipulated the Invention Reward Regulation to improve the quality and functions of our services and product, strengthen our competitiveness, and explore future development opportunities. We provide incentives for inventors and publicly recognize their efforts during our Annual Patent Award Ceremony.

For the quantity and quality control of patents, in addition to home-grown production, co-development, acquisition, investment for accumulating high value patents, we also drop unused patents. We use consistent standards to quantify patent evaluations, in order to precisely control the scope and value of patents and improve the deployment of our patent portfolio through various indicators. While maintaining a sizable patent portfolio, expanding the scope of technologies, improving patent quality, and increasing the overall value and benefits of patents, we will continue to improve the transparency and integrity of our patent portfolio. Wistron encourages patents within the Company to achieve the optimization and value maximization of our patent portfolio.



Protection of Trade Secrets and Confidential Information

Trade secrets and confidential information are important intellectual assets for Wistron. We use various control mechanisms to ensure the protection of trade secrets and confidential information. Apart from maintaining our competitive advantage, these protected assets can drive innovation and ensure our customers' rights. No substantiated complaints concerning breaches of customer privacy and losses of customer data were received by the Company in 2023.

To protect Wistron and our customer’s confidential information, we obtained the information security management system international standard ISO/IEC 27001 certification and carried out management measures accordingly. We conduct social engineering drills once every six months to improve employee awareness of phishing emails. The click rate in the 2023 drill has dropped to 7.1%. Meanwhile, we require confidential information and trade secret protection training for all new employees to ensure that employees fulfill our confidentiality commitments to our customers.

We have signed confidentiality agreements with our customers and related suppliers. Both parties are required to protect confidential information. In the past five years, we have signed an average of 400 to 700 confidentiality agreements every year. Customer information is handled by designated units to reduce the possibility of improper disclosure and leaks. We have also joined the Taiwan Association for Trade Secrets Protection to continue tracking changes to related laws and the industry.

5.4 Moving Towards A Sustainable Supply Chain

Suppliers are extremely important strategic partners to Wistron. We look forward to working with the supply chain towards a more sustainable future. Therefore, we have listed sustainable responsible procurement as one of the six sustainable development strategies. Through institutionalized management and deepening cooperative relationships with suppliers, we are committed to building a highly resilient supply chain system to respond to changes in the external environment while reducing risks posed by the supply chain.

Wistron is committed to integrating sustainability into the procurement management process by referring to the seven core subjects of the Sustainable Procurement Guide (ISO 20400) organizational governance, human rights, labor practices, and the environment, fair operating practices, consumer issues, community involvement and development, etc.; risk management, competitive advantage and cost optimization are the three major types of sustainable procurement driving forces and compliance with the RBA Code of Conduct have been approved by the board of directors to formulate sustainable procurement policies to reduce procurement risks and create opportunities to achieve the purpose of sustainable supply chain management.

5.4.1 Supply Chain Management Framework and Overview

Sustainable Supply Chain Strategy

Wistron values cooperating and growing with our suppliers on the grounds of sustainable purchasing policy and supporting customer demands. As such, we have established a Sustainable Supply Chain Strategy, which involves optimizing our supplier's core competitiveness, deepening regional and strategic cooperations, and strengthening our supply chain's sustainable resilience. We hope to strengthen our partnerships to create new opportunities together.



- **Optimize Core Competitiveness of Suppliers:** Wistron has established a global procurement unit and supplier quality management unit for supplier management. The units control and manage standards and procedures for supplier selection while focusing on partnerships and growth together. They conduct risk evaluations, performance evaluations, audit guidance, education and training, and organize supplier conferences to ensure sustainability is rooted in the daily management of our supply chain.
- **Deepen Regional & Strategic Cooperation:** In addition to continuously enhancing suppliers' core competitiveness, Wistron focuses on developing local supply chains and green, low-carbon supply chains, which include: (1) Continuously reducing external environmental impacts and costs while prioritizing local supply chains and deepening regional strategic cooperation; (2) Implementing green, low-carbon supply chain programs and guiding carbon-intensive suppliers towards carbon reduction and net-zero targets, striving to minimize resource and energy consumption.
- **Strengthen Supply Chain Sustainable Resilience:** In the face of supply chain management risks, we have established a supplier data management platform and a supplier digital learning platform through digital transformation to enhance the effectiveness of management. For our supplier data management platform, we regularly conduct supplier surveys to accelerate data collection and data analysis to identify our risks. For our supplier digital learning platform, we strengthen connections and engagement with suppliers through ad hoc training as well as immediate and consistent communication of our goals and sustainability-related information. We seek to ensure our suppliers fulfill their commitments, comply with the RBA code of conduct, and continue to improve.

Governance Structure

To deepen corporate sustainability and fulfill our corporate social responsibility, Sustainable & Responsible Procurement is led by the Board of Directors as the highest decision-making body for promoting sustainability. In 2019, the Corporate Sustainability Development Committee was established under the Board of Directors. It reports the results of sustainability efforts and future work plans to the board at least twice a year. The board supervises the rollout and outcomes of various sustainability projects. Material issues require prior approval from the board before execution.

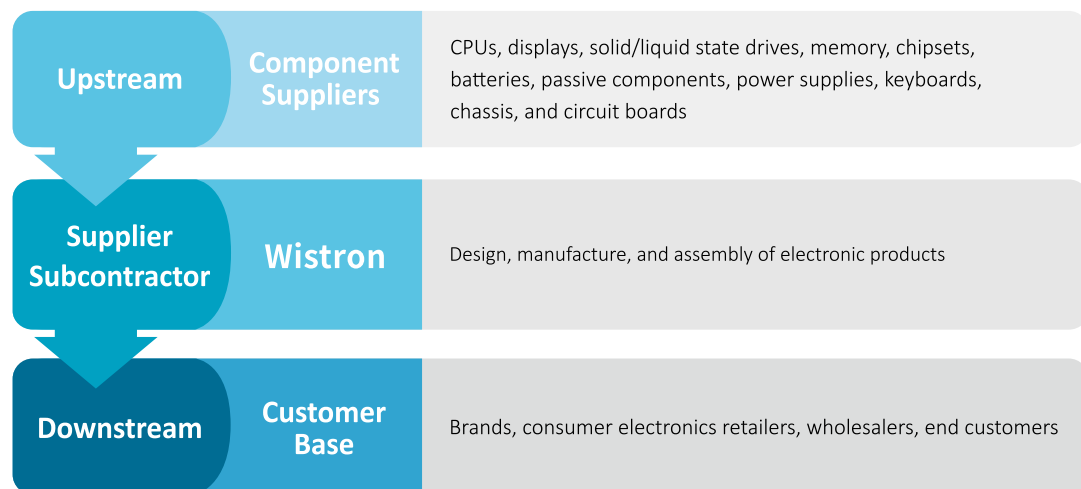
Sustainable Supply Chain Management Organization



Wistron Value Chain

Wistron is a leading company in the global ICT (Information and Communications Technology) industry and responsible for the design, manufacturing and assembly of electronic products and other services.

The upstream and midstream of the industry chain consists of component suppliers, while the downstream consists of various customers groups. We vertically integrate the industry chain through customer needs and are dedicated to providing competitive products.



Supply Chain Overview

Taiwan is a major supplier of information products worldwide. As a pioneering global OEM, Wistron is based in Taiwan but extends our reach globally, providing customers comprehensive and convenient software, hardware and one-stop comprehensive system services. We have established a robust global production base and service network, with coverage spanning across the globe. Wistron's main suppliers separated into four major categories: electronic parts, mechanical parts, maintenance repair operation, and logistics suppliers. In 2023, Wistron traded with 2,152 suppliers. To maximize management efficiency, suppliers are classified into tiers. Tier 1 suppliers are those who have reached six transactions per month and have reached over NT\$1M in the current year. In 2023, there were 1,250 tier 1 suppliers. Based on the transaction amounts and significance, we further defined 431 tier 1 suppliers as significant (Note 1). To mitigate risks in the supply chain, we expanded our management scope to include 281 non-tier1 suppliers. Among them, 162 significant non-tier 1 suppliers (Note 2) were identified and included in our management efforts to help mitigate risks within the supply chain.

Note 1: Significant tier 1 suppliers: Including critical suppliers - high proportion of turnover (top 80% of annual transaction amount); ability of technology pioneering; the only source of supply is irreplaceable; high-risk suppliers - SAQ score below 80.

Note 2: Significant non-tier 1 suppliers: 1. Agency transaction with SAQ score below 80 (Potentially high-risk suppliers); 2. The upstream supplier of the customer's designated trading supplier.

• 2023 Supplier Distribution by County/Region

	Total Number of Suppliers	Proportion of Purchase Amount (%)
Taiwan	718	54.21
China	1,110	37.67
Asia Pacific	184	4.32
Americas	82	1.71
Europe	36	0.33
Others	22	1.76
Total	2,152	100

• 2023 Tier 1 Suppliers by Category

	Total Number of Suppliers	Proportion of Purchase Amount (%)
Electronic parts	350	58.43
Mechanical parts	553	36.60
Maintenance repair operation	323	2.25
Logistics	24	2.72
Total	1,250	100

• 2023 Suppliers by Classification, Significance and Risks

	Total Number of Suppliers	Proportion of Purchase Amount (%)
Tier 1 suppliers	1,250	99.53
Significant tier 1 suppliers	431	93.21
High risk suppliers	67	-
Significant non-tier 1 suppliers	162	-

5.4.2 Supply Chain Sustainability Management

Wistron has established a comprehensive supply chain sustainability management process, which consists of five major steps: adherence to sustainability norms, sustainability risk assessment, sustainability assessment, support for improvement and capacity building, and preference and exclusion mechanism. These steps ensure that suppliers comply with our supplier code of conduct and avoid potential conflicts with ESG requirements. We verify the implementation with suppliers, item by item, through risk assessments and sustainability assessments, and help suppliers establish improvement plans for items that need to be improved. Additionally, we proactively initiate supplier sustainability resilience capacity building plans. Through long-term and in-depth cooperation, we continue to improve the sustainability performance of suppliers, thereby exerting Wistron's influence in the industry chain.

• Supplier sustainability management structure



Sustainability norms are followed

Supplier Code of Conduct

Wistron understands the importance of balancing the impacts and effects on society and the environment while pursuing continued growth. Therefore, Wistron has established the supplier code of conduct as a basis for supplier compliance. The code covers five major aspects: labor, health and safety, the environment, code of ethics, and management systems. It also includes commitments to biodiversity, preventing deforestation, and land conservation. Suppliers' compliance with the code is a critical evaluation criterion for our procurement decisions. In 2023, all suppliers signed the supplier code of conduct, representing their commitment to Wistron's sustainability standards. In addition, we also require different categories of suppliers to sign a letter of agreement, the declaration of controlled hazardous substances confirmation and compliance, the declaration of non-use of conflict minerals, etc. The signing rates of these documents are 100%, 100%, and 100% respectively. We remain steadfast in enforcing Wistron's sustainability expectations and requirements.

• Signing of the Supplier Code of Conduct

	Year	2023 Performance	2023 Targets
Existing suppliers	Number of suppliers required to sign	1,250	-
	Percentage of signed suppliers (%)	100	100
New suppliers	Number of suppliers required to sign	52	-
	Percentage of signed suppliers (%)	100	100

 Existing supplier signed Code of Conduct
100%

 Training rate for the supplier Code of Conduct
100%

 SAQ response rate among tier 1 suppliers
100%

Sustainability Risk Assessment

In order to assess the sustainability risks within our supply chain, Wistron conducts a two-phase risk investigation on suppliers. We aim to evaluate the level of supplier compliance with required standards at different stages. This allows us to identify any potential risks and pinpoint high-risk suppliers. Following this, assessments, coaching, and assistance in improvement measures are undertaken to effectively control and mitigate the identified supply chain risks.

Active Assessment

Target: All suppliers

To assess potential risks in our supply chain, Wistron conducts preliminary investigations and supplier screening based on the following factors: environmental, social, governance, business relevance, country/region of location, sector, and commodity. This allows us to preliminarily identify suppliers with potential risks and manage them to mitigate the impact brought by potential risks.

Factor	Evaluation Items
Environmental	<ul style="list-style-type: none"> Review major negative events or illegal records related to environmental issues, including but not limited to excessive hazardous substances, air pollution emissions, water pollution emissions, improper disposal of waste and toxic substances, etc. Evaluate potential negative impact factors related to environmental issues, such as high carbon emissions, non-local procurement leading to increased energy consumption and resource waste, etc.
Social	<ul style="list-style-type: none"> Review major negative events or illegal records related to social issues, such as violations of labor rights or occupational safety, forced labor, etc. Evaluate potential negative impact factors related to social issues, such as the disclosure of negative reports involving the living wage or impact on local communities.
Governance	<ul style="list-style-type: none"> Review major negative events or illegal records related to governance issues, including corporate fraud, bribery or false financial reports, etc. Evaluate potential negative impacts factors related to governance issues, such as insufficient operational soundness or anti-competitive behavior.
Business relevance	For critical business categories, we conduct a preliminary assessment based on procurement amount and in consideration of the irreplaceability of products and the pioneering nature of industry technology.
Country / Region	Based on the location of the supplier, we include regional and high-risk country controls and consider geopolitics, conflicts, and risk identification of high-risk countries.
Sector	Based on industry and business attributes, we evaluate resource intensity or labor involved for service processes or processes of specific concerns.
Commodity	Based on product attributes and raw material composition, we seek to have comprehensive understanding of any potentially hazardous substances or high-energy-consuming materials.

Risk Assessment

Target: Tier 1 and Non-tier 1 Suppliers

In order to understand the sustainability risks of existing suppliers, Wistron issued a self-assessment questionnaire for tier 1 and non-tier 1 suppliers, which was based on five sustainability aspects: sustainability and operational risk management, supply chain and business continuity, environmental protection, human rights and labor security, and occupational safety and health, etc., and required suppliers to provide supporting information to gain further insight into our suppliers' sustainability risks.

Suppliers with a score of less than 80 on our sustainability risk assessment questionnaire are defined as high-risk suppliers. We identified a total of 67 high-risk suppliers in 2023. Based on the results, in 2023, the main sustainability risk factors are concentrated in environmental protection and sustainable operation & risk management. In order to effectively mitigate the impact of these risk factors, Wistron will prioritize greenhouse gas inventory and certifications (ISO 50001 and ISO 14064-1) for critical and high energy consuming material suppliers in addition to encouraging suppliers to purchase renewable energy certificates. Other identified risk factors will be listed as items requiring guidance for remediation.

• 2023 the main sustainability risk factors for supplier and countermeasures

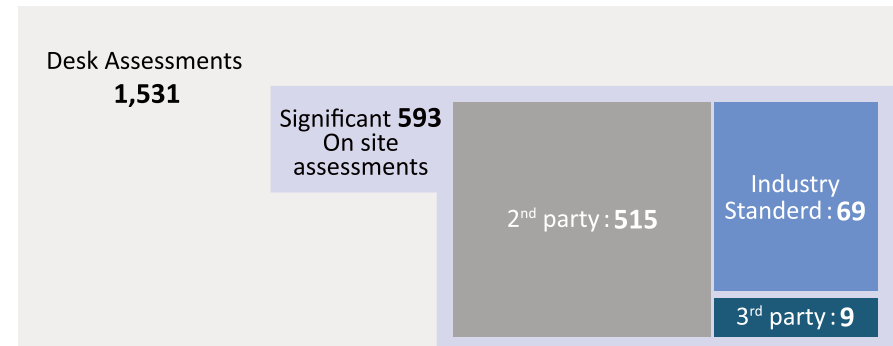
Aspects	Risk	Countermeasures
Environmental protection	Energy conservation and carbon reduction mechanisms for energy management have not been implemented (ISO50001)	Engage certificate with high energy consuming material suppliers
	Uncertified greenhouse gas inventory certification management (ISO14064-1)	Engage certificate with high energy consuming material suppliers
	No statistics on scope 3 greenhouse gas emissions generated by products or services	Engage certificate with high energy consuming material suppliers
Sustainability and operational risk management	Lack of green electricity or renewable energy usage	Encourage suppliers to purchase renewable energy certificates or use solar panels
	Response plan management for business continuity has not been implemented	List as items requiring guidance for remediation

Sustainability Assessment

In order to understand our suppliers' sustainability efforts, Wistron requires suppliers to undergo different types of assessments, including desk assessments and on-site assessments (including 2nd party, 3rd party and industry standard assessments). Results from sustainability assessment in 2023 as below tables and set long-term goals for the current year and 2030 to establish a clear direction for the short-term and long-term goals and lead the supply chain towards sustainability.

Type	Format	Approach	Scope	No. of Assessments in 2023	2023 Target	2030 Target
Desk	Desk assessments	Distribute self-assessment questionnaire on sustainability risks and request supporting materials	1,531 tier 1 and non-tier 1 suppliers	1,531	Conduct desk assessments for all significant suppliers	Conduct desk assessments for all suppliers (incl. tier 1 & non-tier 1)

Type	Format	Approach	Scope	No. of Assessments in 2023	2023 Target	2030 Target
On site assessments	2nd party assessments	On-site or remote assessments and review operations are performed by Wistron for significant tier 1 suppliers, and by tier 1 suppliers or consultants for non-tier 1 suppliers	593 significant tier 1 suppliers and significant non-tier 1 suppliers	515	Conduct on site assessment for all significant suppliers	Conduct on site assessment for all significant suppliers
	3rd party assessments	Third-party verification		9		
	Industry Standard	Assessments based on RBA standards		69		
Total number of on-site assessments				593	100%	100%

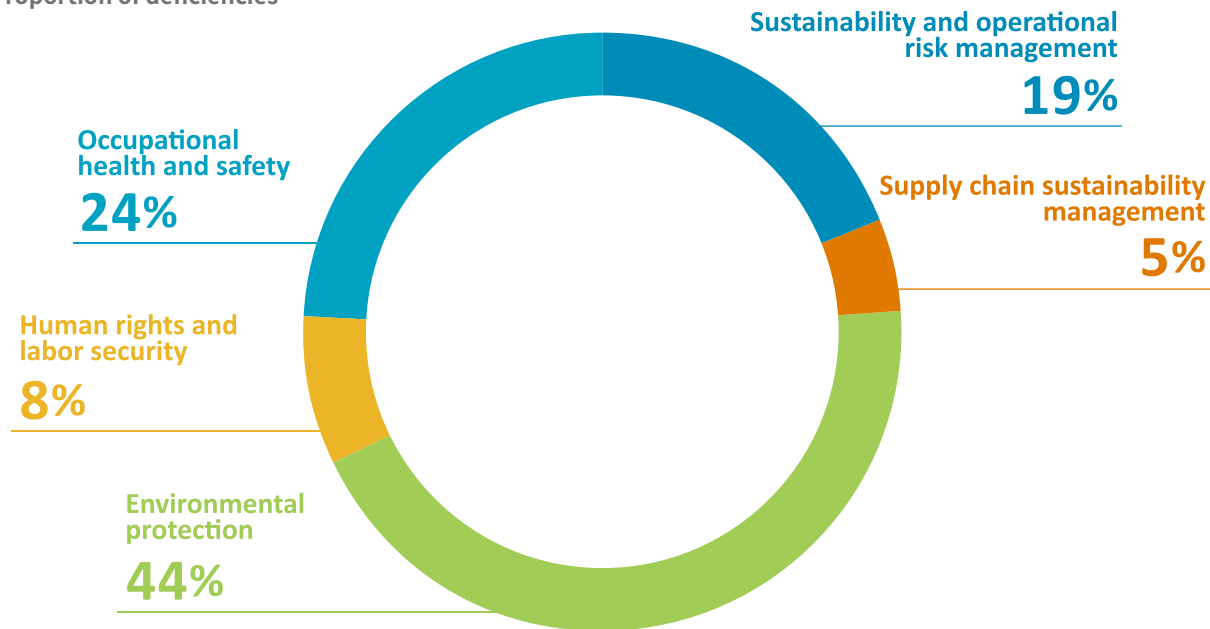


Corrective Action/Improvement Plans

To enhance the sustainability performance of suppliers, Wistron helps suppliers develop improvement plans through on-site or remote counseling for deficiencies identified in assessments. If the deficiencies cannot be addressed within two months, the supplier may submit another assessment application for a second assessment to confirm the implementation of the improvement plan. If the second assessment also fails, the supplier cannot reapply for six months and may be replaced by alternative materials or other suppliers. If immediate termination of the supplier is not possible due to shipment commitments, alternative solutions may be implemented first before execution. Suppliers still unable to comply with improvement measures within two years may face reduced purchase orders, suspension of procurement, or cancellation of supplier qualification. In 2023, all supplier assessments completed deficiency improvements within the specified timeframe, and no supplier were terminated due to non-compliance.

Supplier corrective action/improvement objects	Corrective action/ improvement plans of suppliers in 2023	2023 Goals
Significant tier-1 suppliers and significant non-tier-1 suppliers	593* <small>*Includes 67 High-risk suppliers</small>	Complete coaching and improvement for all significant suppliers (100%)

• Proportion of deficiencies



• Supplier assessment corrective/improvement actions

Aspects	Topics	Improvement Actions
Sustainability and operational risk management	Business continuity management / anti-corruption policy	<ul style="list-style-type: none"> Continuously promote corporate social responsibility, employee welfare, corporate governance, environmental protection, and social welfare Emphasize compliance with government regulations, safeguarding the right to work, and enhancing workplace health and safety Regularly conduct anti-corruption/code of conduct training and awareness sessions for employees, and understand the potential consequences and risks of violations Prevent disruptions to operational activities by integrating preventive and recovery control measures and procedures to minimize operational disruptions caused by disasters and management failures
Supply chain sustainability management	Supplier selection / management	<ul style="list-style-type: none"> Establish a comprehensive supply chain risk management plan Identify risks across all parts of the supply chain Develop a tiered approach to gradually introduce suppliers to sustainable development
Environmental protection	Energy management / environmental management	<ul style="list-style-type: none"> Develop energy policies and establish energy conservation and emission reduction management systems to control and incorporate relevant emission reduction measures. Formulate emission reduction plans and targets, and promote concrete actions to adapt to impacts Implement energy monitoring and establish regulations with clear quantitative indicators. Formulate energy resource control procedures and execute carbon reduction measures according to these procedures
Human rights and labor protection	Communication channel / non-discrimination	<ul style="list-style-type: none"> Establish a suggestion box or a direct QR code complaint channel, and position the employee suggestion box at the employee's clock-in and clock-out locations Regularly organize anti-discrimination education and training programs to address discrimination issues. Include these programs in the annual training plan, conduct employee training, and maintain records for management
Occupational safety and health	Emergency preparedness/ chemicals management	<ul style="list-style-type: none"> Communicate the importance of protective awareness and the necessity and regulations for wearing personal protective equipment to employees Ensure that escape routes are clearly marked and conduct regular safety escape education and training sessions Display warning signs and control measures on relevant facilities and areas Conduct inspections using chemical safety data sheets to appropriately enhance safety protection and improvement facilities

Preference and Exclusion Mechanism

To encourage suppliers to implement sustainable practices and enhance their sustainability performance, Wistron conducts sustainability performance evaluations of suppliers and implements a reward and exclusion mechanism in accordance with relevant management procedures.

- Preference: Suppliers with outstanding sustainability performance ratings are prioritized as primary suppliers, receive higher order allocations, and are granted opportunities to participate in new projects. They are also recognized and honored as Outstanding Suppliers during the annual Partner Conference. In 2023, a total of 5 suppliers received increased orders due to the reward mechanism.
- Exclusion: Suppliers with poor sustainability performance ratings have their eligibility for new project introductions suspended and their procurement amounts reduced. If a supplier fails to improve their performance within a two-year period, their procurement is halted, and their supplier status is revoked. In 2023, no suppliers met the criteria for exclusion.

Capacity Building

Buyer Education Training

To ensure that procurement colleagues worldwide (including buyers, logistics personnel, quality assurance teams, and other supply chain-related departments) understand supplier sustainability management processes and their roles, Wistron conducts training through an online platform. Senior executives share insights into the implications of sustainable supply chain development strategies, followed by training sessions focusing on the specific sustainability professional capabilities required for key business functions. This equips procurement colleagues with the ability to promote and implement supply chain sustainability strategies in their daily operations and interactions with suppliers. In 2023, a total of 1,776 individuals completed 636 hours of training.

Supplier Education Training

To strengthen the sustainability of our supply chain and enhance the sustainability capabilities of our suppliers, Wistron has allocated resources to develop a supplier education and training platform. This platform provides free courses and shares information related to sustainability, empowering suppliers to access and learn about sustainability independently online. By integrating ESG concepts and perspectives, we aim to foster a resilient and sustainable mindset throughout the supply chain. Currently, the platform offers courses covering various topics including general subjects, policy and regulations, supply chain management, quality management, and environmental occupational health.



Complete coaching and improvement for all significant suppliers

100%

Required courses- Supplier Code of Conduct / Number of participating suppliers : 1,250

Scope

▼

Tier 1 Suppliers

Course content

1. Labor rights
2. Health and Safety
3. Environmental standards
4. Business ethics standards
5. Management system requirements

Partner Conference and Sustainability Sharing Forum

In 2023, we centered our efforts around Resilience - Challenges & Opportunities. At the Wistron Group Partner Conference, the company shared its accomplishments in sustainable resilience and its goals for achieving net-zero carbon emissions. Leveraging the "big leads small" effect, Wistron led its supplier partners towards the net-zero target. Furthermore, Wistron recognized and commended suppliers who demonstrated outstanding commitment to sustainability and integrity. Through these initiatives, Wistron aims to foster a culture of friendly cooperation, mutual benefit, and sustainable growth in its business operations.

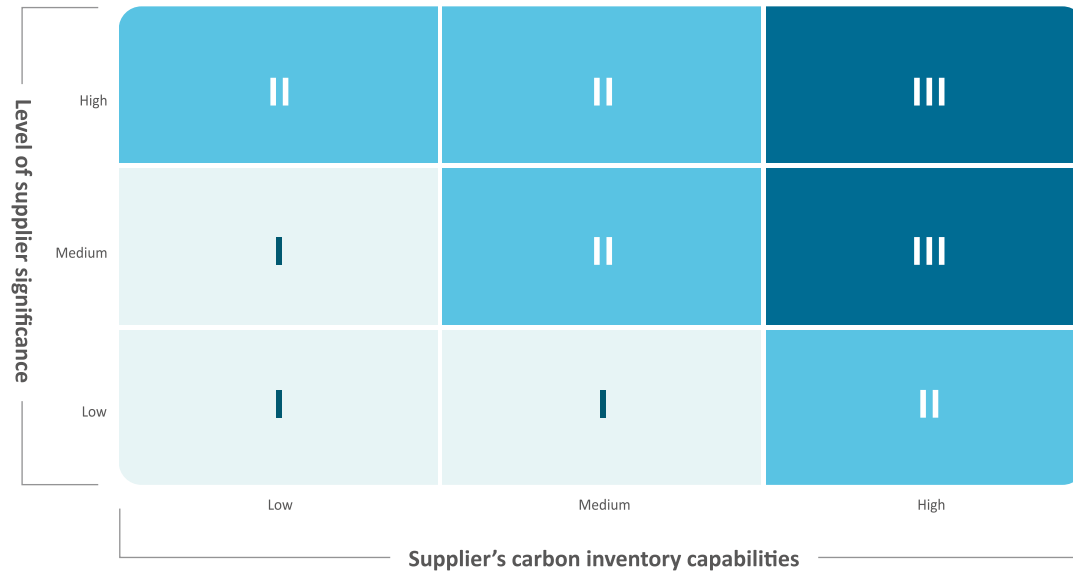
In 2023, Wistron organized two Supplier Sustainability Sharing Forums to facilitate supplier communication and education. The first forum featured presentations by consulting firms on corporate carbon management, greenhouse gas inventory, energy management systems, and international trends in circular economy and recycled materials. Wistron also briefed suppliers on their sustainable management policies and requirements regarding anti-corruption, greenhouse gas inventory, and water resources risk management. A total of 663 participants from 413 suppliers attended, with post-event surveys indicating a positive reception, scoring an average of 4.6 out of 5 in terms of helpfulness. The second forum focused on inviting suppliers with exemplary ESG performance to share their ESG policy implementations and measures for energy conservation and carbon reduction. A total of 140 suppliers participated, gaining insights into the industry's current sustainability landscape and fostering a greater commitment to sustainable development.



Capacity Building Project: Promoting Net Zero Carbon in the Sustainable Supply Chain

- Establishing a segmented supplier carbon management promotion strategy

Based on the standards and methods of the "Science-Based Carbon Reduction Target Initiative," Wistron has established Scope 3 carbon reduction targets aiming for an absolute reduction of 25% by 2030. Starting from 2021, annual greenhouse gas inventory results from suppliers are collected. Upon analysis, it was found that suppliers exhibit varying degrees of capability in carbon inventory and reduction. Consequently, a classification management system has been implemented, categorizing suppliers based on their level of significance (determined by factors such as revenue and material substitutability) and carbon inventory capabilities. Tailored project plans are provided to suppliers in different categories, along with necessary assistance resources, experience-sharing courses, and consulting resources, to ensure their progressive advancement towards carbon neutrality.



Category	Carbon management strategies for suppliers	
I	<ul style="list-style-type: none"> Conduct greenhouse gas inventory and factory-side self-inventory 	
II	<ul style="list-style-type: none"> Third-party verification for scope 1 and scope 2 GHG inventory Scope 3 GHG inventory 	<ul style="list-style-type: none"> ISO 50001 energy management system certification for high energy consuming material suppliers Establish a carbon reduction project with an annual reduction of 4.2%
III	<ul style="list-style-type: none"> Third-party verification for scope 1 and scope 2 GHG inventory ISO 50001 energy management system certification for high energy consuming material suppliers 	<ul style="list-style-type: none"> Join the SBTi commitment or set up a 4.2% annual carbon reduction project



• Building supplier carbon management sustainability capabilities

Wistron conducted a comprehensive inventory of Scope 3 greenhouse gas emissions (15 categories). The inventory results revealed that the highest proportion of carbon emissions stems from upstream raw material procurement. Consequently, tailored capability-building plans are being initiated for suppliers across different categories. Through initiatives such as carbon inventory capacity building, verification plan promotion, and deep collaboration with SBTi and carbon reduction projects, Wistron launched four carbon management projects in 2023. These projects involve ongoing cooperation with 99 suppliers for more than 6 months, aiming to continually enhance supplier capabilities.

Categories	Project	Cooperative partner- Significant Suppliers	Details	Benefits & Impacts
I	Carbon Inventory Capacity Building Plan	Significant suppliers (No carbon emissions inspection has been carried out)	<ul style="list-style-type: none"> • Courses and coaching are conducted by colleagues with ISO 14064-1 assessment certification qualifications • Online training courses on greenhouse gas inventory for suppliers are conducted • Conducting 1-on-1 inventory source and data analysis sessions 	<ul style="list-style-type: none"> • 27 suppliers participated in the carbon inventory course, achieving a 100% greenhouse gas data feedback rate • Enhanced the Wistron supplier greenhouse gas baseline database, increasing accuracy by 6.62%
	High energy consuming material suppliers verification program	High energy consuming material suppliers	<ul style="list-style-type: none"> • Since 2022, we have been consistently expanding our categories, selecting high energy consuming material critical suppliers to promote ISO 14064-1 and ISO 50001 certification 	<ul style="list-style-type: none"> • Out of the 52 suppliers selected for promotion, 34 (65.38%) attained ISO 14064-1 certification, while 29 (55.77%) achieved ISO 50001 certification.
II	Low carbon transformation promotion plan	High energy consuming material suppliers	<ul style="list-style-type: none"> • Wistron has partnered with seven suppliers to support the government's low-carbon transformation initiative. Through our "big helps small" approach, we share energy-saving technology improvement strategies and engage research institutions to conduct energy consumption assessments for our suppliers. We also provide assistance in implementing industrial energy-saving technology upgrades and carbon management. 	<ul style="list-style-type: none"> • Since the start of the project in May 2023, we have collaborated with seven suppliers to collectively propose energy-saving improvement projects. As a result, the suppliers have saved approximately 2.48M kWh of electricity, leading to a cumulative reduction of 1,232tCO₂e
III	SBTi initiative commits to promote	Suppliers with high carbon inventory maturity	<ul style="list-style-type: none"> • Collaborate with customers to target and encourage suppliers in high energy consuming industries to participate in SBTi and respond to CDP questionnaires 	<ul style="list-style-type: none"> • Selected 13 suppliers for engagement, with seven (54%) signing the SBTi commitment and 12 (92%) responding to the CDP questionnaire

• Supplier capability building KPI



Supplier Circular Economy Project Cooperation

Amidst the global push for a circular economy, Wistron remains committed to safeguarding natural life and forests by fostering communication and collaboration with suppliers. This focus enables the fulfillment of biodiversity and non-deforestation pledges, while simultaneously reducing the Earth's environmental burden. Furthermore, it enhances suppliers' sustainability awareness and capabilities to adapt to evolving sustainability trends.

Supplier Partnership Projects	Details	Qualitative Benefits	Quantitative Benefits
<p>Packaging suppliers & upstream suppliers use pulp certified by the Forest Stewardship Council</p>	<p>Wistron encourages critical packing suppliers and non-tier 1 suppliers to utilize pulp and recycled paper sourced from responsibly managed forests. All key packing critical packing suppliers and non-tier 1 suppliers have obtained FSC™ CoC (Forest Stewardship Council Chain of Custody) certification.</p>	<p>Generates incredible benefits for the equilibrium between human and ecosystems; protects natural life and forests. By managing forests correctly and reducing deforestation, we ensure that tree-based production causes minimal harm, thereby fulfilling commitments to biodiversity and preventing deforestation.</p>	<ul style="list-style-type: none"> • 100% of Wistron's critical packing suppliers and non-tier 1 suppliers use responsibly managed wood and pulp raw materials sourced from sustainable forest management practices with FSC™ CoC forest management system certification • Wistron will continue to advocate for the objective of sourcing 100% of wood and pulp materials from responsibly managed forests as part of ongoing efforts
<p>Supplier Drop Shipment packaging material reduction initiative</p>	<p>For Drop Shipment, suppliers provide packaging for casings and other materials shipped to Wistron, using disposable packaging materials. However, excessive packaging is utilized during the process, leading to unnecessary waste and an increase in garbage volume. Wistron and the supplier are collaborating to reduce the generation of unnecessary waste and collectively work on reducing packaging weight to minimize garbage.</p> <p>The plans for reducing packaging weight and waste include replacing moisture-proof bags with anti-rust paper and ensuring that the bursting strength of cartons meets the load-bearing requirements.</p>	<ul style="list-style-type: none"> • "Replacing moisture-proof bags with anti-rust paper" The packaging's anti-rust design, previously in the form of moisture-proof bags, has been replaced with an anti-rust paper design. Following a salt spray test, this change not only enhanced the anti-rust effectiveness but also directly reduced the packaging weight • "The bursting strength of the carton meets the load-bearing requirements" The cartons meet the load-bearing requirements and have undergone drop tests, burst tests, and passed simulated transportation tests, ensuring they meet transportation needs • Following the project, both suppliers and Wistron have simultaneously improved quality and efficiency while reducing costs 	<ul style="list-style-type: none"> • "Replacing moisture-proof bags with anti-rust paper" The total weight difference between desiccant and anti-rust paper is 1.158kg, resulting in a weight saving of 4,360 kg • "The bursting strength of the carton is consistent with the load-bearing strength" By reducing strength and over-design, the carton weight is decreased by 8%, resulting in a weight saving of 7,230 kg • Through these two measures, packaging waste is projected to decrease by 11,590 kg in 2023



5.4.3 Conflict Minerals

To achieve responsible and sustainable procurement practices, Wistron has established a conflict minerals policy and a responsible mineral sourcing management process. We are committed to sourcing minerals that adhere to the due diligence framework recognized by the Organization for Economic Cooperation and Development (OECD) in their "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas." We conduct thorough due diligence on our suppliers to ascertain which smelters and refiners possess systems that comply with prevailing global standards for responsible mineral sourcing. Furthermore, we prohibit the use of conflict minerals originating from high-risk regions.

Wistron adheres to the investigation findings of the Responsible Minerals Initiative (RMI) and has developed a "Conflict Minerals Management Procedure" to prevent the inadvertent acquisition of metals sourced from conflict minerals (Note 3). We explicitly mandate our suppliers to formulate policies ensuring the reasonable traceability of Gold (Au), Tantalum (Ta), Tungsten (W), Tin (Sn), Cobalt (Co), and Mica contained in our products, along with conducting due diligence to ensure their sources align with OECD requirements or have been excluded by organizations recognized for defining conflict-affected and high-risk areas for minerals.

Wistron conducts an annual reassessment of the smelters/refiners used in our products based on the Conformant Smelters List published on the RBA official website. We employ the Wistron SQP (Supplier Questionnaire Platform) questionnaire system and assessment to investigate conflict minerals systematically. Additionally, we utilize RMI's Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) for investigations, requiring suppliers to disclose mineral sources and sign conflict mineral-free declarations. This ensures that their procurement sources are not from conflict and high-risk areas and comply with customer and regulatory requirements. In 2023, a total of 1,226 suppliers signed the declaration, achieving a 100% compliance rate.

In our conflict minerals management process, we engage with suppliers to ascertain the reasons and necessity for using conflict minerals. If their usage is deemed non-essential, we request suppliers to discontinue the procurement and use of conflict minerals and to select new mineral sources. They must provide valid evidence that the new minerals comply with RBA requirements as conflict-free. If the usage of conflict minerals is deemed necessary, suppliers are requested to provide removal plans or improvement measures.

Since 2023, Wistron has begun affixing the declaration "CMRT-free" (Conflict Mineral-Free) on the outer packaging of our products, affirming that our company does not utilize conflict minerals. (The labeling may be adjusted according to different business units.)

Note 3: Conflict Minerals are minerals extracted in conditions of armed conflict and human rights abuses. The main minerals subject to regulation include Gold (Au), Tantalum (Ta), Tungsten (W), Tin (Sn), Cobalt (Co), and Mica. These minerals are not only limited to the eastern provinces of the Democratic Republic of the Congo, which are controlled by the Congolese government forces and various armed rebel groups, but also extend to nine surrounding countries, including Angola, Burundi, the Central African Republic, the Republic of Congo, Uganda, Sudan, Tanzania, Rwanda, and Zambia, where the resources from these mines are extracted. Additionally, minerals from conflict-affected and high-risk areas, as defined by the OECD or an equivalent recognized organization, are also considered conflict minerals.

Since 2023, Wistron has begun affixing the declaration "CMRT-free" (Conflict Mineral-Free) on the outer packaging of our products, affirming that our company does not utilize conflict minerals. (The labeling may be adjusted according to different business units.)



• Signing of the "Declaration of Non-use of Conflict Minerals"



100%

1,226 Suppliers

Note :24 logistics suppliers were not applicable

5.5 Operating Capability

5.5.1 Financial Performance

Wistron's consolidated revenue in 2023 was NT\$867B. The net operating profit was NT\$27.4B. The net profit after tax was NT\$11.4B. The revenue and profit increased from 2022 and the net profit after tax reached a 10-year high. In response to intense competition in the industry, we continue to improve our operational efficiency, material cost management, and manufacturing productivity in our operational management. In addition, we engaged in product innovation and business transformation.

• Financial Performance Indicators for Past 4 Years

Unit: NT\$1M

Year / Item	2020	2021	2022	2023
Net revenues	845,012	862,083	984,619	867,057
Operating income	14,471	16,375	27,472	27,390
Net profit after tax	8,682	10,468	11,162	11,472

Note: Refer to the appendix for the complete financial performance list



5.5.2 Tax Policy

Wistron’s Board of Directors is the highest decision-making and supervisory unit of the Company's taxation. It formulates [Tax Policy and Management Guidelines](#) as the basis for the Company's tax governance and adopts a reasonable tax management structure to ensure a reasonable tax burden in all countries with a major Wistron presence, so as to maintain social and economic stability and promote the sustainable development of company operations.

1 The Company makes all major business decisions in accordance with related laws and regulations and evaluates the impact of such decisions on taxation risks.

2 The Related Party Transfer Pricing Policy is established in accordance with the Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations established by the Organisation for Economic Co-operation and Development (OECD). The Policy defines related party transaction principles and requires compliance with common trading practices.

3 The company complies with the “Base Erosion and Profit Shifting” (BEPS) of the OECD and generates profits via companies with economic substance. The Company also obtains tax resident status and is governed by the taxation regulations of the country of operations.

4 The Company does not plan or engage in transactions in countries with low tax rates for the purpose of tax avoidance.

5 We fully disclose financial reports in accordance with relevant regulations and disclose taxation information in accordance with relevant laws and regulations.

6 We have established mutual respect and good communication with the taxation authorities of the countries in which we operate on the basis of good faith.

• Tax Information in the Past Two Years

Unit: NT\$1,000

Item	FY2022	FY2023	Average
Net profit before tax	24,710,914	24,320,694	24,515,804
Income tax expenses	5,693,367	6,055,409	5,874,388
Income tax rate (%)	23.04	24.90	23.96
Income tax paid	5,641,991	11,011,697	8,326,844
Cash tax rate (%)	22.83	45.28	33.97

Note: Please refer to Wistron's 2023 Consolidated Financial Report for related information

• Income Tax Paid in Various Regions Between 2022 and 2023

Unit: NT\$1,000

Year	FY2022		FY2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Asia	4,891,737	87	10,231,667	93
Americas	632,923	11	711,331	6
Europe	117,331	2	68,699	1
Total payment	5,641,991	100%	11,011,697	100%

5.5.3 Policy Influence

Participation in External Organizations and Trade Associations

Wistron has joined established good cooperative relations with cross-industry and interdisciplinary organizations to expand communication and keep abreast international trends to ensure continued progress.

The organizations or trade associations that Wistron participated in during 2023 include:

Category	Organization or Trade association
Technology	<ul style="list-style-type: none"> Taiwan Electrical and Electronic Manufacturers' Association Taipei Computer Association The Allied Association for Science Park Industries (ASIP) Information Service Industry Association of R.O.C. (CISA) Nanotechnology and Micro System Association Network of Intelligent Camera Ecosystem (NICE) Taiwan Industry-Academia Research for Collaboration-Integration-Development Association
Medical	<ul style="list-style-type: none"> Taiwan Elderly Care Industry Association Taiwan Assistive Technology Industry Association Taiwan Medical and Biotech Industry Association
Others	<ul style="list-style-type: none"> Regular member of the Responsible Business Alliance (RBA) Gap of Learning & Field Member of the Commonwealth Sustainability League Member of the Business Council for Sustainable Development of the Republic of China (BCSD Taiwan)

