

wistron®

2022

Wistron Corporation
Sustainability Report

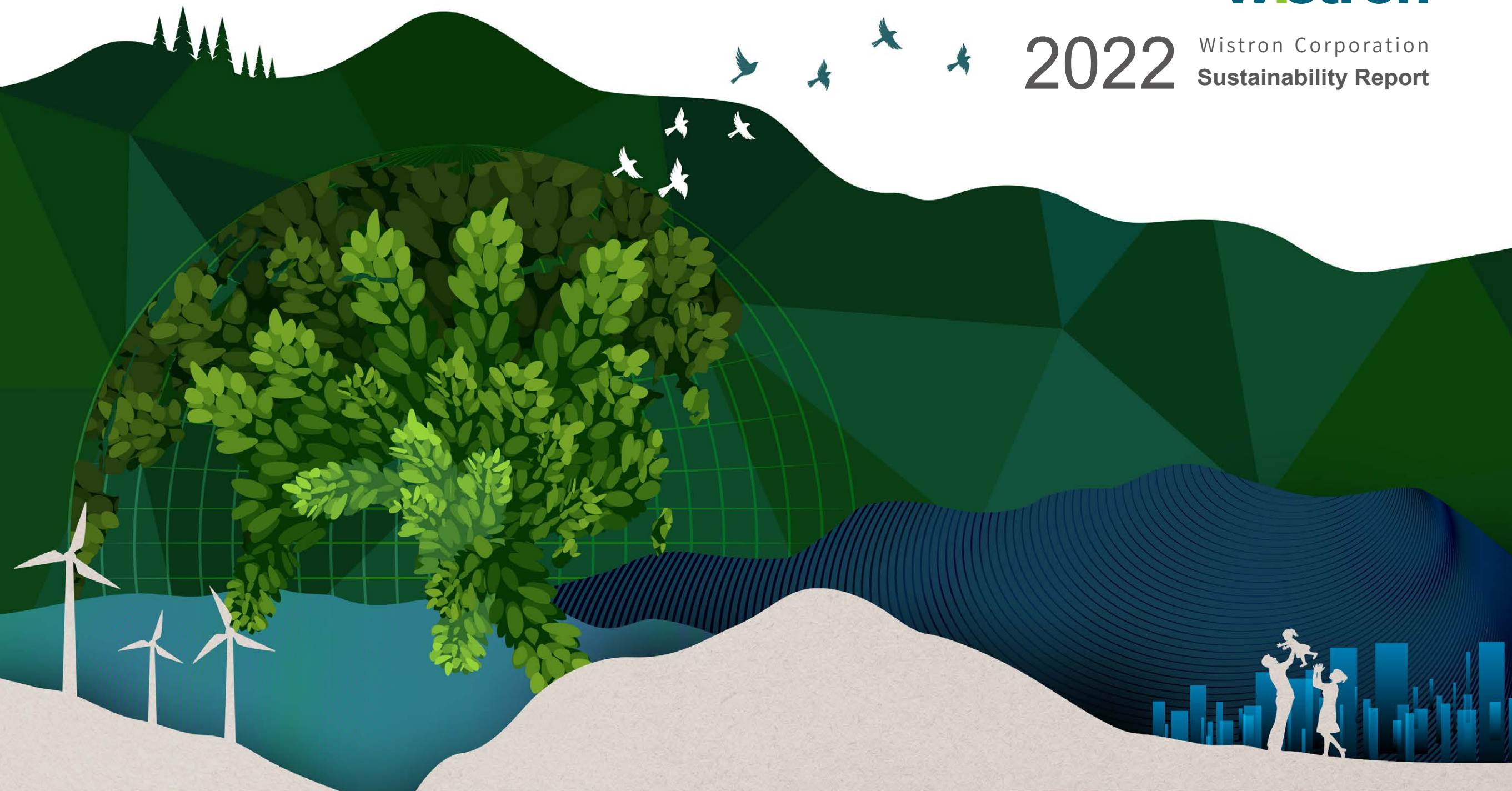


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About This Report

Editorial Principles and Compliance

Hello to all stakeholders. Thank you for reading the Wistron Corporation (hereinafter referred to as Wistron) Sustainability Report. The Report has been published in Chinese and English on the website (<https://www.wistron.com>) for the public to download. We hope that the greater transparency in this report will provide all stakeholders with a better understanding of Wistron's practices and achievements in fulfilling our ESG targets & responsibilities in 2022.

The Report has been drafted according to the GRI Standards announced by the Global Reporting Initiative (GRI) in 2021. Meanwhile, the content also corresponds to "Task Force on Climate-related Financial Disclosures, TCFD", "Sustainable Development Goals, SDGs", "Sustainability Accounting Standards Board, SASB" and "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies".

Scope and Boundary

The content of this report covers performance in economic, environmental and social topics with no major change comparing to the previous report. The organizational boundary of this report encompasses Wistron's operations in Taiwan and its main global manufacturing plants. The boundary includes Wistron's major operations and manufacturing plants in Taiwan and worldwide. Compared with the previous reporting period, the Kaohsiung and Tainan office areas, the first and second plants in Hukou, and the Malaysian plant were included. Based on these, therefore, the baseline year data of the relevant indicators are adjusted. The scope of the information in this report is as follows:

- Wistron Corporation (Neihu Headquarters)
- Wistron Corporation (Hsichih, Kaohsiung, Tainan Office Complex)
- Wistron Corporation (Hsinchu Plant, Hukou Plant I, Hukou Plant II)
- Wistron InfoComm (Kunshan) Co. (Kunshan Plant)
- Wistron InfoComm (Taizhou) Co. (Taizhou Plant)
- Wistron InfoComm (Zhongshan) Co. (Zhongshan Plant)
- Wistron InfoComm (Chongqing) Co. (Chongqing Plant)
- Wistron InfoComm (Chengdu) Co. (Chengdu Plant)
- Wistron Mexico S.A. de C.V. (Mexico Plant)
- Wistron InfoComm (Czech) s.r.o. (Czech Plant)
- Wistron Optronics (Kunshan) Co., LTD (Kunshan Opt Plant)
- Wistron Technology (Malaysia) Sdn. Bhd. (Malaysia Plant)

※The disclosure coverage of sustainability information accounts for 92.56% of the revenue in the consolidated financial statement.

About This Report

Period Covered

The Sustainability Report for the preceding year is published by Wistron in the current year. The previous report was published in 2022 and the next report will be published in 2024. This report covers Wistron's ESG management policy, key issues, actions and performance for 2022 (January 1st ~ December 31st, 2022). The Report quantifies the performance to represent the trends in the past several years. If information dated after January 1st, 2023, is disclosed, it will be explained in the text.

Internal Management

This year, the Vice Chairman and President & CEO are the publishers of the Sustainability Report. The highest supervisors or senior managers of different units and the senior managers of the operating locations around the world were gathered to form the "2022 Sustainability Report Editorial Committee" to implement the compilation of the report and formulate the overall sustainability direction. The "2022 Sustainability Report Editorial Implementation Team" was established under the committee to identify major sustainability issues, compile information from different departments, and define sustainability performance indicators. The integrity and accuracy of the information from various departments and sustainability performance indicators are first reviewed by the supervisors of each department. The "Sustainability Office" will be responsible for coordinating data re-examination content planning, and editing revisions. Finally, the compiled sustainability report is verified by an independent third party and reported to the "ESG Committee" under the Board of Directors for review. The report is publicly disclosed after receiving the approval of the Chairman.

External Verification

This Report has been verified by an independent third party, Bureau Veritas Certification (Taiwan) Co., Ltd., according to the standards AA1000AS:2018 / Type II / High Assurance, and the report information is compliant with the disclosure requirements of the GRI Standards. Financial data was attested by KPMG Taiwan. ISO 9001/14001/14064/50001/45001/20000/27001 and other relevant international standards have been verified or examined.

Contact Information

If you have any questions, thoughts, or comments regarding the Report, please contact us through one of the following channels.

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Sustainability Performance and Highlights



Environment

63.0%

Renewable energy in electricity consumption

A

CDP Climate Change Leadership Level

14.43 million kWh

Total energy savings of the six major energy conservation projects

Carbon Neutral

2030 Low carbon transformation goals



Social

NT\$248 million

Total amount of social investment

NT\$135 million

Total employee training expenses

17,547 people
(Coverage of 94%)

Participants in the global employee engagement survey

Best Companies to Work for in Asia

Providing a happy work environment



Governance

Top 5%

Highest rating in the corporate governance evaluation

100%

Employee Code of Conduct Statement signing rate

95.9 %

Existing supplier signed Code of Conduct

Digital Transformation Ding Ge Award

Simultaneously promoting digital transformation and sustainable development



Innovation

NT\$25 billion

Investment in innovative developments

47,698 CO₂e

Reduction of emissions through recycling plastic materials

6,255 cases

Approval of the number of valid patents

Top 100 Global Innovators

Investment strategy targeting advanced technology and startups

Awards and Recognition



2022 CDP
Climate Change Questionnaire
Leadership Level **(A List)**



2022 CDP
Supplier Engagement Leader

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

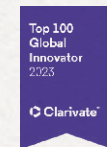
Dow Jones Sustainability Emerging
Markets Index Constituent



2023 S&P Global
Sustainability Yearbook – **Top 5%**



2023 S&P Global
Sustainability Yearbook –
Industry Mover



Clarivate 2023
Top 100 Global Innovators™



The Financial Times:
Climate Leaders Asia-Pacific 2023



2022 TCSA Taiwan Corporate Sustainability Awards
Taiwan Top 100 Sustainable Model Enterprises Award
Sustainability Report Award: Electronic Information
Products Manufacturing – Category 1
Platinum Level Innovative Growth Leader Award



CommonWealth Magazine:
Excellence in Corporate Social Responsibility
#4 in the large enterprises category



ISS ESG Corporate Rating **"Prime"** Status



ISS QualityScore – Environmental: **Highest Ranking**



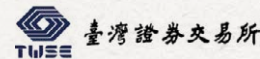
ISS QualityScore – Social: **Highest Ranking**



FTSE4Good TIP Taiwan Index Constituent
FTSE4Good Emerging Market Index Constituent
FTSE Emerging Market ESG Index Constituent



MSCI ESG Ratings **A**
MSCI Emerging Markets IMI ESG Screened
Index Constituent



Taiwan Stock Exchange Corporate Governance
Evaluation
Top 5% of TPEX-listed companies



HR Asia
2022 Best Companies to Work for in Asia



Harvard Business Review – **2022 Digital Transformation
Ding Ge Award**

Business Transformation & Operational Excellence Awards,
First Prize in the Large Enterprise Category

Business Transformation & Smart Manufacturing Awards,
First Prize in the Large Enterprise Category

Business Transformation & Smart Manufacturing Awards,
ESG Special Award in the Large Enterprise Category



World Economic Forum
Global Lighthouse Network (Hwa-Nan Plant)



Ministry of Economic Affairs, R.O.C
2022 "Buying Power Innovative Product and Service
Procurement Incentive Mechanism"
First Prize



Occupational Safety and Health Administration of the Ministry
of Labor, R.O.C

2022 "Promotion of Sustainable Workplace Health and Safety
Development Plan"

Outstanding Enterprise



Fortune Global 500
Top 500 global companies



Forbes
Top 2000 global listed companies

Message from the Chairman, Vice Chairman, and President & CEO

To All Stakeholders and Partners Concerning Sustainability,

Reshaping Vision and Mission

Wistron has been dedicated to utilizing technology to enhance the quality of life and promote environmental sustainability since its inception more than 20 years ago. With a firm commitment to becoming a technology powerhouse, as we embark on our third decade, we acknowledge the importance of embracing change, driving innovation, and building a more resilient operating system to tackle emerging challenges. As we progress, we remain committed to our management philosophy of "altruism," where we strive to maintain a balance between our diverse stakeholders. With an expanded range of stakeholders, which now includes the environment and society, we recognize that "sustainability" is a responsibility that we must shoulder both now and in the future. Consequently, we have reshaped Wistron's vision to "sustainability through innovation" and redefined our mission as "trusted innovation partner for technology, sustainability and better lives." We believe that only through these efforts can we position ourselves to overcome future challenges while ensuring continued growth.

Sustainability Became One of the Core Values

To further align our corporate culture with our revised vision, we have updated Wistron's core values to reflect our unwavering commitment to "customer focus," "integrity," "innovation," and "sustainability." As part of this transformation, we

have replaced the previous core value of "pursuit of excellence" with "sustainability." Wistron has always emphasized operational excellence in the past. Over the course of more than two decades, operational excellence has become an integral part of our DNA and is deeply ingrained in our daily operations. However, we recognize that to achieve sustainability, innovation and breakthroughs are essential. We must ensure that sustainability is integrated into every aspect of our evaluation, decision-making, and actions by realigning our core values. To truly achieve sustainability, we must focus on not just cause less harm but also finding ways to make a positive impact on the environment and society through our product design and business practices.

Establishment of Six Sustainability Strategies

The company considers environmental protection, social inclusion, corporate governance, and innovation value (collectively referred to as ESGI) as the focal areas of sustainability. To manage these aspects effectively, we have set various topics and indicators for our management team. Moreover, in response to the global sustainability trend, we took 3 months to develop Wistron's ESG strategic roadmap in the second half of 2021. These programs aimed to consolidate the consensus of Wistron's senior management on sustainability and formulate ESG 6-pillar strategy and goals that best align with Wistron's future. The six sustainability strategies, collectively known as the ESG 6-Pillar Strategy, include "sustainable

supply base," "green products," "recycling," "decarbonization," "people with purpose," and "labor welfare." We have established clear short-, medium-, and long-term goals under this framework to fulfill our long-term commitment to sustainability. In 2022, we launched 16 key initiatives to support the ESG 6-pillar strategy. We track and inspect our progress regularly, integrating our commitment to sustainability deeply into our daily operations. The strategies, goals, and initiatives of sustainability are a key driving force for Wistron's future success in the next decade.

No Enterprise can Hold tself Aloof

The term "sustainability" was first defined in the book "Our Common Future" published by the United Nations General Assembly in 1987. According to this definition, sustainability means "meeting the needs of the present without compromising the ability of future generations to meet their own needs." As such, corporate sustainability encompasses strategies and practices that not only meet the needs of current stakeholders, but also create economic, social, and environmental value to contribute to the well-being of both present and future generations. Due to the global wave of net-zero emissions and the trend of carbon border adjustment mechanisms in Europe and the United States, achieving "low-carbon transformation" has become a crucial mission for enterprises. In response to this, Wistron Group has

commissioned the Industrial Technology Research Institute to conduct a series of high-level strategy meetings on net-zero business opportunities and green transformation plans in the second half of 2022. Our objective is to collaborate and create action plans and mechanisms through high-level forums and workshops, which will enable Wistron Group to enhance its technological and innovative capabilities gradually for net-zero transformation.

Growth and Results

In recent years, Wistron has received numerous domestic and international awards and recognitions, including Fortune 500, MSCI Sustainability Index, and being selected once again for the S&P Global Sustainability Yearbook 2023 by the Dow Jones Sustainability Index. We rank among the top 5% globally in the Computers & Peripherals and Office Electronics industry. Additionally, we have been honored with the S&P Global industry mover award for two consecutive years, achieved the Leadership Level in the 2022 Carbon Disclosure Project (CDP) Climate Change Evaluation A, and recognized as a 2022 CDP Supplier Engagement Leader. Wistron's Kunshan and Zhongshan plants were selected as lighthouse factories in 2021 and 2023, respectively. Wistron's Malaysia and East China & Opt Plant District were honored as "Best Companies to work for in Asia 2022." We have consistently ranked among the top 5% in corporate governance evaluations for the past five years (fifth to ninth). In terms of innovation,

Wistron has been selected as one of Clarivate's top 100 innovative institutions for two consecutive years, in 2022 and 2023. These outstanding achievements are the result of our colleagues' active response to stakeholders and our commitment to sustainability in a rapidly changing environment.

The Promise of a Sustainable Future

Looking towards the future, ESG serves as a framework to achieve sustainability, and we will continue to follow this framework to achieve our sustainability goals. Through the application of innovative methods, we have successfully demonstrated our commitment to sustainability in our industry, living in harmony with the environment, people, communities, and the planet we share. As a company with influence, our mission is to embody the principles of ESG to pursue the beauty of ecology (environment), the goodness of society (social), and the truth of governance (governance). We aim to leverage the principles of truth, goodness, and beauty to shape our vision and strategy for corporate sustainability.

We look forward to collaborating with partners who share our philosophy and focus on ESG. By leveraging innovative thinking, we can collectively work towards sustainability for the environment and society. Through this collaboration, we can realize our vision of "sustainability through innovation".

Wistron Corporation
Chairman
Simon Lin



Wistron Corporation
Vice Chairman
Robert Hwang



Wistron Corporation
President & CEO
Jeff Lin



wistron

緯創資通

Six Sustainability Strategies

Wistron integrates the concept of sustainability into daily operations, and systematically integrates past ESG performance actions to create more sustainable value that can be created in the future, and then it shapes a six brand-new sustainability strategies that can be used as key drivers for Wistron into the next decade. It starts from the vision and is drawn up from top to bottom to define short-term (1-2 years), medium-term (3-5 years) and long-term (6-10 years) goals. It is combined with the ideas inspired by the hackathon to gradually expand the corresponding execution plan, resulting in a solid execution foundation for the overall strategy structure. The Advisory Committee is held monthly to review and track the effectiveness of the implementation of various sustainable strategies, and to report the achievement to the Board of Directors on a regular basis every year.



[Sustainable Supply Base] Accelerated Realization of Net Zero Emission Goals through Digital Transformation to Optimize Sustainable Supply Chains

One of the primary priorities of Wistron's sustainable development strategy is to lay out a sustainable supply chain. We comprehensively promote the sustainable improvement of the supply chain with three strategies, "Implementation of corporate responsibility", "Compliance with international standards" and "Moving Towards Sustainable Environment". Meanwhile, digital management systems and knowledge sharing platforms are built to create innovative and sustainable value. They are provided to supply chain managers for data collection and analysis, supplier information transparency and feedback channels in order to optimize the supplier management platform.



1 Implementation of Corporate Responsibility

Every supplier is required to comply with the Responsible Business Alliance (RBA) guidelines. The goal is to fully complete the signing of 4-in-1 documents, including statement of non-use of environmentally hazardous substances, RBA statement of code of conduct for responsible business alliances, statement of non-use of conflict minerals, and letter of integrity policy. In this way, the legitimacy of the source of raw materials is ensured to lay the foundation for sustainable development.

2 Compliance with International Standards

The supply chain is promoted to introduce the ISO50001 energy management system to ensure that our suppliers operate with energy in a more efficient way. Energy efficiency is improved by establishing standard processes, thereby reducing greenhouse gas emissions. In addition, we continue to implement ISO14064-1 greenhouse gas emission verification. The data verification results are transparent and credible through inspection units that provide a third-party notarization.

3 Moving Towards Sustainable Environment

Wistron prioritizes the inventory of carbon emissions from supplier with high carbon emission in response to the CDP and Science based target (SBT) of international initiatives. We promote the project of Scope 3 carbon reduction in upstream, and the inventory results are used as the SBTi reduction benchmark to set our suppliers' carbon reduction targets in the future.

Three Major Actions of Sustainable Supply Chain

| Aspects | Topics | Goals | Actions | Performance |
|---|--|---|--|--|
| Supplier Management System | Establishment of suppliers' data management platform | <ul style="list-style-type: none"> Automatic data collection, analysis and evaluation of indicator questionnaire Automatically send, start and execute audits | <ul style="list-style-type: none"> Inventory and gap analysis of the current situation of data governance indicators Definition of data traceability and data governance Design, development, testing, and launch of the system | <ul style="list-style-type: none"> The platform has been officially launched in November 2022. It currently covers a total of 43 data governance indicators, with a coverage rate of 47%. The system sends it regularly, and the achievement rate of sustainable performance indicators is 100%. |
| Suppliers' Knowledge Sharing | Establishment of suppliers' digital learning platform | <ul style="list-style-type: none"> Perpetual information and knowledge are delivered in real time. The connection and interaction with suppliers is enhanced. Improvement of supplier quality and skills | <ul style="list-style-type: none"> Survey of user needs and collection of syllabus Design, development, and testing of the system Notice and registration as system launched | <ul style="list-style-type: none"> The platform has been officially launched in September 2022. A total of 30 lessons of the six major aspects are offered. A total of 1,071 suppliers have registered, and the user satisfaction rate is 96.8%. |
| Promotion of Sustainable Supply Chain Carbon Reduction and Net Zero | Implementation of suppliers' carbon reduction projects | <ul style="list-style-type: none"> Cooperate with Wistron SBTi Scope 3 Carbon Reduction Construction of green sustainable supply chain Promotion to pass ISO14064-1 | <ul style="list-style-type: none"> Set a supplier's target to reduce carbon emissions by 2.5% per year. Carbon reduction projects jointly formulated and implemented with our suppliers Tracking of our suppliers' carbon reduction performance | <ul style="list-style-type: none"> A total of 27 suppliers completed the inventory of carbon emission data of high carbon emission suppliers. 100% completion rate of reduction projects for suppliers with high carbon emissions. The completion rate of suppliers' actual carbon reduction performance is 88.8%. Promotion of suppliers ISO14064-1 greenhouse gas inspection rate of 60% |

[Green Products] Manual Inventory Time Reduced by 80% with "Product Carbon Footprint System" to Realize Automatic Calculation

Enterprises should actively develop environmentally friendly green products in response to global climate change. Wistron measures the impact of products on the environment through product life cycle assessment (LCA) at the design stage. It includes the materials selection, energy and resource usage in manufacturing process, product distribution, product use and waste treatment. However, the LCA analysis method was found to be quite labor-intensive, a faster and more accurate system is required to provide sufficient carbon emission information for developers to evaluate during product development.

Therefore, Wistron developed the "Product Carbon Footprint System" in 2022 to connect with the internal system to automatically obtain product information. It includes component information from product BOM and carbon emission data in the manufacturing process, etc. Then, the LCA database is combined with it for automatic calculation. The system has the characteristics of Simplified LCA, which can quickly produce the carbon footprint of the product, and it is expected to reduce 80% of manual work time. In addition, Wistron can quickly increase product LCA coverage through the system. Developers are assisted to understand the carbon emissions and carbon emission hotspots of various parts and materials. It facilitates the selection of materials or further cooperation with our suppliers for carbon reduction. Therefore, it has become a powerful auxiliary tool for low-carbon and green product development.

Implementation of three actions for innovative design of green products

The following explains how Wistron implements the innovative design of green product in the stage of product life cycle. It includes the development and the selection of new environmentally friendly materials, the introduction of new process technology, and the emphasis on its detachable maintainability. In addition, Wistron has established a long-term cooperative relationship with the suppliers who use green electricity because the traditional manufacturing process consumes a lot of electricity. From the design and development stage, incorporating recycling formulas and using low-carbon recycled materials in the production of casings, while also utilizing efficient manufacturing processes to reduce carbon emissions.

Design stage

Recycled Materials

In 2022, we successfully introduced high-recycled plastic (30% PCR) and aluminum (50% Recycle AL) into materials with the continuous testing and optimization of material and structural design by the R&D team. It is expected to increase to 50% of plastic recycled by PCR and 55% of aluminum recycled by AL, which will greatly reduce the carbon emissions of products in 2023.

| Item | PCR recycled plastics | AL recycling aluminum |
|---------|-----------------------|-----------------------|
| Year | Recycle Ratio | Recycle Ratio |
| 2021 | 0% | 0% |
| 2022 | 30% | 50% |
| 2023 | 50% | 55% |
| Results | 50% | 55% |

Manufacturing Stage

Reduction in size

PCB (printed circuit boards) are found to be the parts of high-carbon emission according to the carbon-emission hotspots of the process analyzed by the product carbon footprint. We cooperate with Intel to introduce TK2 advanced process technology in order to effectively reduce the carbon footprint of products. It can place more parts in the smallest area, and successfully reduce the size of the 13-inch notebook PCB by 27.9%, thereby simultaneously reducing the carbon footprint.

| Item | 13 inch GLF | 13 inch OEM |
|----------------|------------------------------|------------------------|
| Thickness | 0.6mm | 0.7mm |
| Area | 9,121 mm ² | 12,659 mm ² |
| TK2 Technology | Yes | No |
| Results | Area reduced by 27.9% | |

Disposal Stage

Automatic Disassembly

Wistron's biggest challenge in green design in 2022 was to improve the automatic replacement of laptop components. The reason was that it was necessary to overthrow the old design, introduce design thinking in a new way, and incorporate the consideration of automatic disassembly and assembly of robots. The successful design of GLF depends on the efforts of the R&D team. The disassembly and assembly operation time is greatly reduced through the modular design, and the generation of electronic waste is also reduced.



[Recycling] The Key to Solving the World's Millions of Retired Electric Vehicle Batteries - Recycling and Reuse of Lithium Batteries

According to the data from the International Energy Agency (IEA), 26% of global carbon emissions came from transportation. Therefore, the promotion of electric vehicles is one of the priorities of the net zero policies of governments in various countries. Reuters estimates that the production of electric vehicles will reach 54 million in 2030, accounting for more than 50% of all automobile production, with the rapid development of the electric vehicle market. However, there is a potential environmental problem of batteries behind the high growth. The process of producing batteries uses a large amount of raw materials, including lithium, cobalt, nickel and other metal minerals. However, a large amount of mining will cause resource depletion. In addition, more than 12 million tons of lithium batteries will be decommissioned before 2030. Waste batteries that are not disposed properly will damage the environment; therefore, how to recycle batteries has become a new market opportunity for the green economy.

Wistron Takes the Lead in Investing in Start-ups in Lithium Battery Recycling.

In 2020, Wistron GreenTech Texas began to pay attention to and seek the recycling of lithium batteries - a new technology for the recycling of cathode materials. In 2021, an agreement was signed with our technical partner. We utilized the patented technology, direct recycling and refining of lithium batteries, to recycle lithium batteries from both consumer electronics and electric vehicles.

According to the EverBatt data of Argonne National Laboratory in the United States, this technology can reduce water consumption by 69%, energy consumption by 73%, and greenhouse gas emissions by 68% compared with cathode materials refined by virgin (raw) materials.

Establishment of Lithium Battery Recycling Production Line

The trial production line for recycling and refining lithium battery cathode materials was set up in Wistron Green Tech (Texas) in 2022. The trial production is expected to be officially launched in 2023, and the target is to implement an annual production capacity of 500 metric tons in 2025. After the new technology reaches the mass production target, and the output of the positive electrode material meets the industrial grade of battery manufacturing, Wistron Green Tech (Texas) will formulate a plan for future plant expansion, and continue to work with partners to establish a lithium battery recycling and refining plant with greater processing capacity to solves the environmental problems of global battery production and recycling, and becomes a new growth momentum for the development of Wistron's circular economy.

Reduce Costs

44%

Costs reduction compared to using virgin material

39%

Costs reduction compared to hydro recycling



Lower Environmental Impact

68%

Reduction of carbon emissions

69%

Reduction of water consumption

73%

Reduction of energy consumption



[Decarbonization] Establishment of a Dedicated Decarbonization Organization and Implementation of the Three Major Actions of Net Zero and Carbon Reduction

The Decarbonization Pillar ("Decarb. Pillar" for short) was established in 2022 to strengthen and promote carbon reduction strategies to achieve Wistron's 2030 carbon neutrality vision. It is compliant with the policies of international initiatives and is in line with the goal of carbon neutrality. As a result, Wistron is expected to be a pioneer in decarbonization. Decarb. Pillar holds regular review meetings to review the overall carbon reduction performance. The Decarb. Pillar serves as a framework for Wistron's comprehensive approach to carbon reduction and sustainability. It demonstrates the company's dedication to incorporating environmentally friendly practices and contributing to a more sustainable future.

Enhancement of Renewable Energy Ratio

Solar power systems with an installation capacity of 7.37MW are planned to be newly built in 2023. The main planned plants include the Mexico, Chongqing, and the Czech. The company plans to continue expanding the solar power installation scope, with a projected total capacity of 24.23MW.

Meanwhile, the opportunities for direct supply of green electricity in the area where the plants are located have been actively investigated. It is planned to sign a PPA renewable energy with the legal power plants in 2023 with the expectation that green electricity will account for 9.6%.

Promotion of Energy-saving Technical Transformation

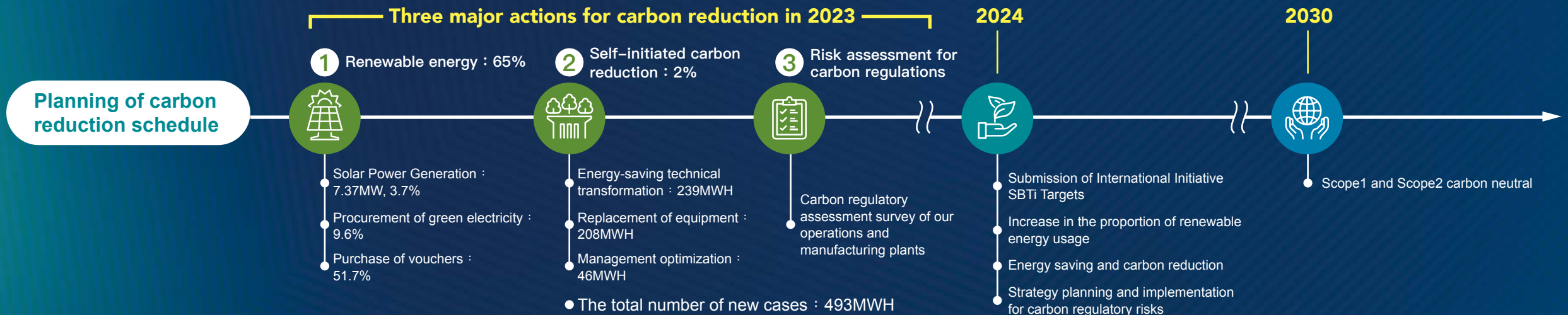
Continuously promoting energy-saving technological and improving energy efficiency is the key principle for reduce energy consumption. The carbon reduction actions are carried out by the Decarb. Pillar. Equipment energy efficiency monitoring and big data simulation are carried out through IIOT, 5G and other Internet of Things technologies to establish the management systems of water, electricity, gas, and energy in order to realize closed-loop intelligent regulation.

Smart technology is applied to introduce energy saving and facility management. Energy-saving measures are promoted in the air compressor, air conditioning, production, and management of the manufacturing plants. Also, energy saving data is reviewed on a rolling basis and energy saving potentials are tracked. Moreover, energy usage is managed and analyzed through Wistron-developed systems.

Carbon Regulations Risk Impact Assessment

In 2023, Decarb. Pillar will conduct a carbon regulatory risk assessment for the manufacturing region and initiate internal research on carbon pricing mechanisms. They aim to understand internal carbon pricing methodologies and mechanisms, evaluate the benefits through carbon regulatory risk and internal carbon goal assessments. This will enable them to develop and implement effective strategies to address carbon regulatory risks and projects, ensuring that all employees are engaged in addressing carbon-related issues in corporate activities.

Carbon emissions are converted from intangible costs to valuable costs that affect the Company's operations. Therefore, the financial impact of carbon risk is fully grasped as a management tool for future low-carbon investment.



[People with Purpose] Communicating the Corporate Vision to Nearly 30,000 Employees Worldwide, Fostering the Commitment of Sustainability through Innovation

In the face of turbulent external environment and generational changes in values, the meaning of work has evolved into a diverse and rich connotation. In order to effectively attract and retain talents, the Company must face up to this issue and actively create a sense of meaning in work. This sense of meaning includes the meaning of the existence of the organization to our employees, and the meaning of work itself to our employees.

In order to promote the accomplishment of the goal of "People with purpose", Wistron sets short-, medium-, and long-term goals, respectively, and initiates relevant projects. These include the enhancement of the organization's transparent communication (Transparency & connectivity), the establishment of an innovation culture (Innovation), the enhancement of our employees' sense of achievement (Sense of achievement), and the creation of a diverse, equitable and inclusive environment (Diversity, equity & inclusion). The main activity goal in 2022 focused on strengthening the organization's "transparent communication". To achieve this goal, we carry out the following activities from the headquarters in Taiwan to 26 operations around the world:

Vision, Mission, and Core Values

Our global employees are immersed in the atmosphere of the Company's vision and core values through the visual design of each contact point in 26 operations around the world, including boot screens, video walls, posters, etc., with a total of 6 language versions and 33 visual designs for publicity in 2022. In addition, the chairman was invited to speak on the "Simon's Talk" to explain the purpose of reshaping the vision, mission and core values as well as the behaviors expected to be performed. After the release of the chairman's video, a total of 23,959 IDL employees around the world have completed the training with a training completion rate of 100%.



Town Hall for Senior Executives

Since 2022, global communication events have been held. The topics include business strategy, digitization, innovation, talent, etc. The organizers collected the topics of concern from colleagues in advance and provided opportunities for questions and responses during the event, ensuring the creation of a communicative atmosphere and the achievement of event objectives. This further fosters a sense of "One Team, One Goal" team consciousness within the company. A total of 4 executive sharing communication activities both locally and overseas was held in 2022 with 764 participants and an overall satisfaction rate of 94%. A total of 16 town hall communication events were held domestically and internationally, with 856 participants. The overall satisfaction rate was 94.5%.



Performance Results of Transparent Communication

| 2021 | 2022 | Performance Item |
|-------|---------|---|
| 68.0% | → 73.5% | WT MFG employee engagement score |
| 73.0% | → 74.1% | WSD employee engagement score |
| 16.1% | → 14.2% | Voluntary turnover rate of indirect labor |



【Labor Welfare】 The "Best Companies to Work for in Asia" awarded to Wistron's two plants in China and Malaysia

With "Wicare, Joy in Wistron" as the core theme, we encourage innovation experimentation, transformative thinking, talent cultivation, career development, and employee-centric compensation & benefits to create a comprehensive happy workplace, making it as the first choice for international talents and professionals seeking employment overseas. In 2022, Wistron's two major sites, the Kunshan OPT site and the Malaysia site, were awarded the "Best Companies to Work for in Asia 2022" by HR Asia, showcasing Wistron is commitment to local culture and the development of a diverse and inclusive workplace while operating globally.

We assessed the workplace conditions across all the sites round the world in order to implement the core theme of a "Happy Inclusive Workplace". Furthermore, we consolidate the issues concerned by our employees and conduct comprehensive improvement projects in phases through prioritizing based on feasibility and benefit. In 2022, Wistron focused on frontline employees in its manufacturing sites, starting with five key initiatives: ① Employee Service Improvement, ② Labor Rights Protection, ③ Labor Agency Management, ④ Occupational Health & Injury Prevention and Improvement and ⑤ Employee Caring & Welfare Assistant and paying attention to their physical and mental well-being. Once the improvement direction was established, corresponding happy workplace projects were initiated at Wistron's global locations, continuously enhancing employee engagement and retaining exceptional talents.

Five Major Points of Improvement

- 1 Improvement Living Conditions**
 Addition of light food & salad bar, decoration of the canteen, renovation of the dormitory, distribution of health supplies, addition of rest space, holding of lectures and starting of clubs.
- 2 Protection of Labor Rights**
 5 plants have passed the RBA audit (silver medal level), and part of the plants have obtained FOC certificate.
- 3 Manpower Agency Management**
 Construction of joint supplier model, establishment of supervisory mechanisms, implementation of supplier audits, and development of long-term partnerships.
- 4 Prevention and Treatment of Work Injury**
 Addition of work-related injury management platform, first-aid kit management platform, health management platform, and arrangements of ergonomic assessment.
- 5 Coaching and Employee Care**
 Establishment of consultation station, cultivation of coaches, development of coach certification, opening of company kindergarten.

On-site Consultation of Manpower Agencies

Fixed location duty and real-time response helps junior employees working with peace of mind.



Training System for Coaches

Formulate standardized training materials for coaches and conduct semi-annual assessments.



Improving the Quality of the Employee Cafeteria

A total of 55 new dishes were launched with the participation of employees.



Establishment of Multifunctional Spaces

Utilization rate over 60%. Availability of diversified stress-relieving fitness spaces.



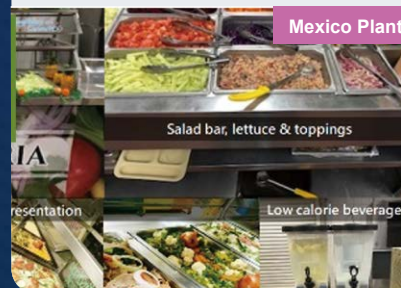
Prevention of Work Injury • Equipment Optimization

Heavy load handling is replaced with electrified facilities. Work injuries are prevented by visualization signs.



Low-calorie Meal • Care for the Environment

No use of disposable tablewares. Availability of low-calorie and nutritious foods.



Regular Audits of Dormitory Areas

Conduct weekly inspection with a pass rate of 100% to ensure a safe and sanitary environment.



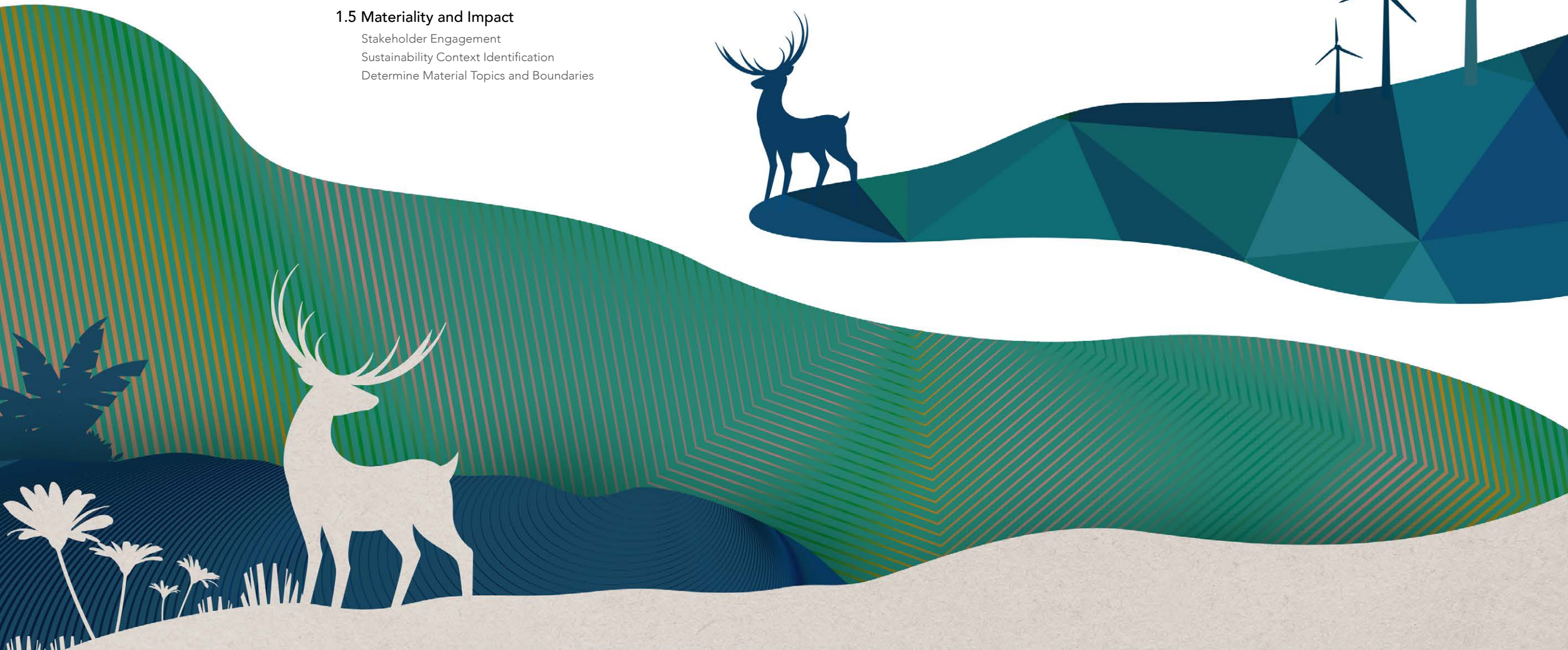
Strengthening Care • Retention Mechanism

A total of 9,011 employees were serviced. The ratio of temp workers transferred to full-time workers reached 38%.



1 Sustainability

- 1.1 Vision and Mission
- 1.2 Sustainability Strategies and Aspects
- 1.3 Sustainability Management
- 1.4 Organizational Structure for Sustainability
- 1.5 Materiality and Impact
 - Stakeholder Engagement
 - Sustainability Context Identification
 - Determine Material Topics and Boundaries



1.1 Vision and Mission

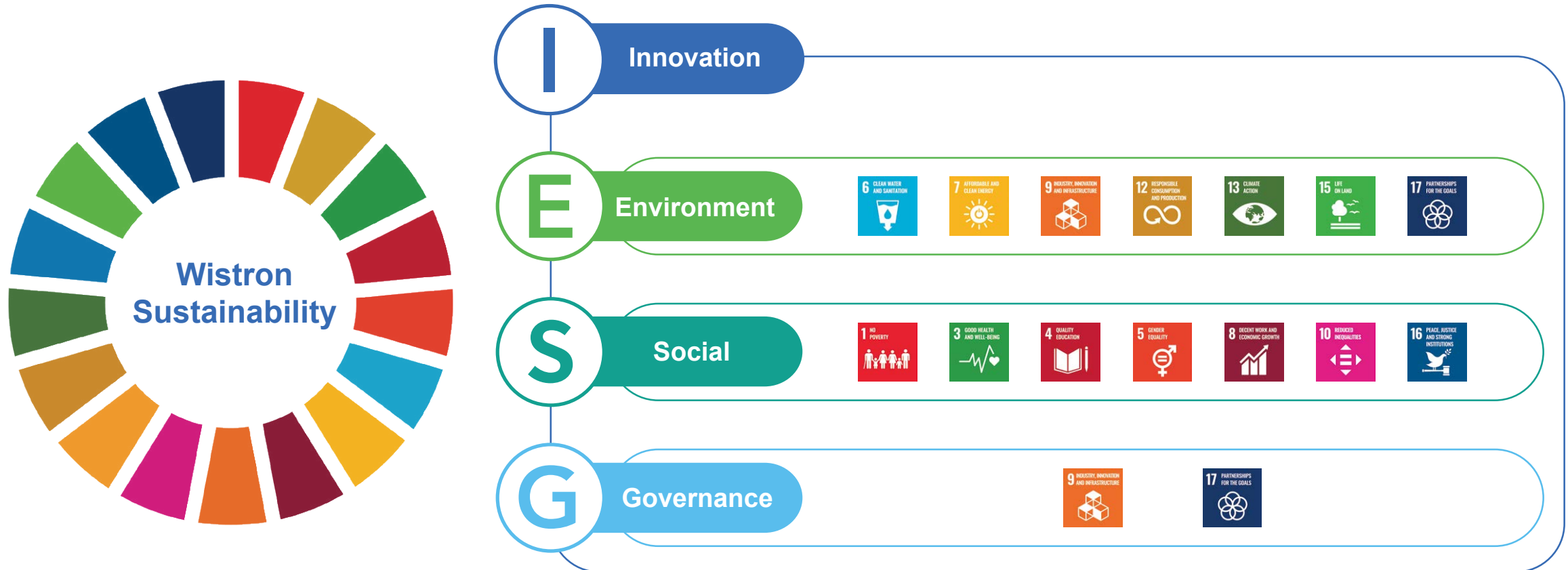


1.2 Sustainability Strategies and Aspects

In order to realize the company's vision and mission, we have integrated innovation into the core elements of sustainability, with environment, social, and governance as the main aspects. Through sustained efforts, we have established a comprehensive and differentiated ESG 6-pillar strategy that includes sustainable supply base, green products, recycling, decarbonization, people with purpose, and labor welfare. In turn, this strategic approach has positioned us as a leader in propelling the industry towards sustainability.



We take the Sustainable Development Goals of the United Nations as the common goal of promoting sustainable development. Meanwhile, the implementation of the six sustainability strategies and the deployment of localized ESG actions in each global base are planned. SDG Compass guidance documents published by UN Global Compact, GRI and WBCSD are referenced for comparison and linkage. Therefore, a framework in line with international standards is established to transparently disclose our efforts and contributions in sustainability. The summary of the implementation results in 2022 can be consistent with the 14 Sustainable Development Goals, including various measures of improving the use of clean energy (SDGs 7), improving the energy efficiency of bases of operations (SDGs 9), and improving the inclusion and diversity of the workplace (SDGs 10), etc.



Sustainability through Innovation

Goals of ESG 6-Pillar

| Strategies | Policies | 2022 Actions | 2022 Targets | 2022 Results | Progress Signal | 2023 Actions | 2023 Targets | 2025 Targets | 2030 Targets |
|-------------------------|--|--|--|---|-----------------|--|---|---|---|
| Sustainable supply base | Become customers' go-to provider to address the most pressing SCM challenges by providing transparency, insights, and advices to improve ESG performances | Transparency of suppliers' sustainability information is enhanced. | Supplier information management | Done | ● | Supplier information management is improved. | >40% of comprehensive supplier data is registered on the platform to complete the development of all modules of SDM | >60% of comprehensive supplier data is registered on the platform | >90% of comprehensive supplier data is registered on the platform |
| | | Supplier sustainability projects | Tier 1 GHG data is collected for suppliers with high carbon emissions. | The Tier 1 GHG data inventory of 27 suppliers was completed | ● | Supplier sustainability goal agreement is continuously strengthened. | 25 companies were added (expanded to other suppliers' properties). | SBTi Scope 3 carbon reduction target compliance (< 3%) | SBTi Scope 3 carbon reduction target achievement (< 3%) |
| | | | Promotion of manufacturer ISO14064-1 greenhouse gas inspection >35% | 62.96% | ● | Suppliers with high energy consumption obtained external GHG certification (ISO 14064-1) | >55% | >70% | >100% |
| | | | - | - | ● | High energy usage suppliers obtaining energy management system external verification (ISO 50001) | >55% | >70% | >70% |
| | | Supplier ESG development | Suppliers Schools | Done | ● | Suppliers' ESG capabilities are continuously enhanced through training and mentoring. | The content of sustainability-related courses in Supplier Academy has been expanded. | - | - |
| Green products | Provide continuously evolving sustainable design capabilities supported by an exclusive network of niche suppliers to become the go-to brand for customers | Develop low-carbon products (Project GLF) | >30% recycled or renewable materials used in green products | 30.23% | ● | (Project GLF) A new generation of low-carbon products is developed. | >35% recycled materials used in green products | >40% recycled materials used in green products | >50% recycled materials used in green products |
| | | Development of product carbon footprint system, PCF | System go live PCF calculation efficiency is improved to < 9 days. | 1. Done 2. Done | ● | Development of product carbon footprint system - phase II | Emission factor coverage for components > 90% | - | - |
| Recycling | Provide full-suite of recycling offerings to tackle most pressing circularity challenges and enable cradle-to-cradle vision in ICT and beyond | Increase PCR usage rate | >30,000 tons of plastic recycling | 21,577 tons | ● | Introduce new material and expand new application | >27,000 tons of plastic recycling | >39,500 tons of plastic recycling | >98,000 tons of plastic recycling |
| | | Battery recycling - annual input (tons) | (120 tons) | (0 ton) | ● | Achieve annual battery recycling input weight (tons) | >70 tons | >500 tons | >2,000 tons |

Goals of ESG 6-Pillar

| Strategies | Policies | 2022 Actions | 2022 Targets | 2022 Results | Progress Signal | 2023 Actions | 2023 Targets | 2025 Targets | 2030 Targets |
|---------------------|---|--|---|---|-----------------|--|--|--|--|
| Decarbonization | Be on pace with ambitious customers to support their decarb vision via improvements in energy efficiency, IoT, etc., and achieve carbon neutral by 2030 | Improve the ratio of renewable electricity consumption | 57.5% of renewable electricity used | 63.02% | ● | Improve ratio of renewable energy consumption | 65% of renewable electricity used | 80% of renewable electricity used | carbon neutral (Scope 1 + Scope 2) |
| | | Increase in energy efficiency | Energy-saving technology retrofits up to 2% of total electricity consumption (YoY) | 2.20% | ● | Increase in energy efficiency | Energy-saving technology retrofits up to 2% of total electricity consumption (YoY) | Energy-saving technology retrofits up to 2% of total electricity consumption (YoY) | Energy-saving technology retrofits up to 2% of total electricity consumption (YoY) |
| People with purpose | Achieve reputation as the "Best Place to Work." in tech industry by providing a workplace with a culture embedded with innovation, inclusion, and integrity | Promoting diversity, equity, and inclusion | Establish baseline of engagement score(behavior) | 67.55% (2021 ~ 2022) | ● | Promoting diversity, equity and inclusion and a sense of achievement in workplace. | Engagement score (behavior) | Engagement score (behavior) | Engagement score (behavior) |
| | | Reshaping and promotion of vision, mission and core values | 1.Promoting online courses on vision, mission and core values 2.Global IDL employee turnover rate <15.5% | 1.A total of 29,359 employees around the world have completed the training with a training completion rate of 100%. 2.Global IDL employee turnover rate = 14.18% | ● | Transparency & communication project 2.0 | Global IDL employee turnover rate <15.5% | Global IDL employee turnover rate <15% | Global IDL employee turnover rate <12% |
| Labor welfare | Create respectful and supportive working environment to support our direct employees and make Wistron a long-term place to be engaged in | Labor rights protection | Abiding and promoting Responsible Business Alliance (RBA) code of conduct | No violations of laws with a penalty exceeding NTD 1 million in operating locations around the world | ● | Manpower agency management | The Responsible Business Alliance (RBA) code of conduct is followed and promoted | The Responsible Business Alliance (RBA) code of conduct is followed and promoted | The Responsible Business Alliance (RBA) code of conduct is followed and promoted |
| | | Increasing employee satisfaction | Establish baseline of satisfaction score (full-time DL) | Full-time DL satisfaction score = 3.66 | ● | 1. Improvement in living conditions 2. Coaching and employee care | Full-time DL Satisfaction score > 3.7 / 5 | Full-time DL Satisfaction score > 3.8 / 5 | Full-time DL Satisfaction score > 4.0 / 5 |
| | | Occupational safety & health | Incident rate per thousand persons <1.8 | Incident rate per thousand persons 1.53 | ● | 1. Prevention and treatment of work related injury 2. Improvement of the health service | Incident rate per thousand persons < 1.15 (note) | Incident rate per thousand persons < 1.03 (note) | Incident rate per thousand persons < 0.8 (note) |

Note: 1. Excluding off-site traffic accidents 2. Expansion of the scope

Linking Executive Compensation to Sustainability Performance

In order to encourage executive managers, key professional talents and employees to pursue long-term overall performance, Wistron has taken into account a variety of sustainability indicators for ESG 6-pillar strategies to formulate a balanced scorecard. Since 2022, we have linked not only our President & CEO, but also portion of executives and business unit managers compensation to sustainability goals/metrics with short-term and long-term incentive program.

| Subject | Performance Metrics | Implementation (Weighting) |
|---|----------------------------------|--|
| President and CEO | Financial performance (30%) | – |
| | Customer and market (25%) | – |
| | Organizational (10%) | – |
| | Sustainability performance (15%) | <ul style="list-style-type: none"> • Green products (4%) • Decarbonization (4%) • Occupational Safety and Health (2%) • Other metrics (5%) |
| | Growth and learning (20%) | – |
| Executives (ESG 6-pillar owner) | Sustainability performance (6%) | <ul style="list-style-type: none"> • Sustainable supply base (6%) |
| Business unit managers (ESG 6-pillar owner) | Sustainability performance (5%) | <ul style="list-style-type: none"> • Recycling (5%) |



1.3 Sustainability Management

In order to implement corporate social responsibility, Wistron's Board of Directors established "Sustainable Development Best Practice Principles" which clearly defined four major principles to serve as the highest guiding principles for sustainable development. The four principles are: (1) exercising corporate governance, (2) fostering a sustainable environment, (3) preserving public welfare, and (4) enhancing the disclosure of corporate social responsibility information. In addition, our ESG Committee is established under the leadership of Wistron's Vice Chairman who reports to the Board of Directors annually on the implementation and performance of the Wistron ESG program as well as the plans and goals for the coming year.



1.4 Organizational Structure for Sustainability

ESG Committee

To strengthen sustainable development vision, fulfill corporate social responsibilities, promote economic, environmental, and social advancement, and attain sustainable development goals, Wistron established the ESG Committee in 2019 to elevate corporate sustainability and social responsibility to the level of the Board of Directors.

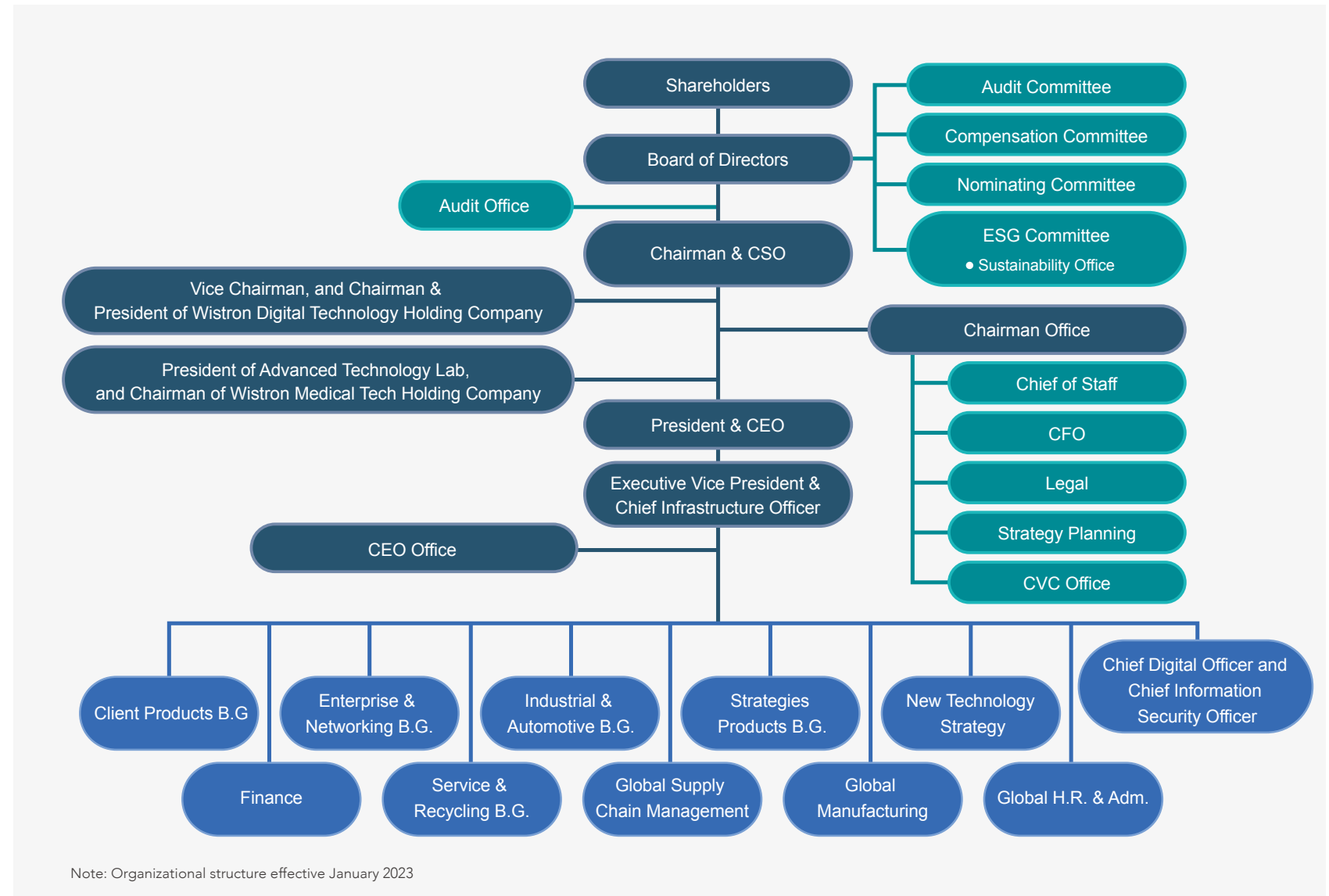
The ESG Committee is placed under the jurisdiction of the Board of Directors (BOD), and the Vice Chairman, and Chairman & President of Wistron Digital Technology Holding Company serves as the Chairman of the Committee. The Committee consists of one independent director, President & CEO, Executive Vice President & Chief Infrastructure Officer, Chief of Staff, President of Advanced Technology Lab, and Chief Digital Officer & Chief Information Security Officer. The Committee is responsible for overall sustainable development plans of Wistron and sets short-, medium-, and long-term goals. It also formulates related management policies, implements detailed action plans, and regularly reports the results to the Board of Directors.

Sustainability Office

Wistron established the Sustainability Office under the ESG Committee, in order to actively develop a sustainable environment, maintain social welfare, and implement corporate governance. The Vice President of Sustainability acts as the manager and is responsible for the implementation of the Company's sustainable developments.

Sustainability Report Editorial Committee


In order to strengthen corporate sustainable development information disclosure, Wistron established the Sustainability Report Editorial Committee. The Committee compiles the sustainability report each year to improve information transparency.



1.5 Materiality and Impact

1.5.1 Stakeholder Engagement

Wistron has adopted the Global Reporting Initiative Standards (GRI Standards) and the AA1000 Stakeholder Engagement Standards as the framework to establish the procedures for identifying material topics for sustainable development. Wistron referenced the five major principles in the AA1000 Stakeholder Engagement Standards (SES) to ensure effective communication with stakeholders, including dependency, responsibility, influence, diverse perspectives, and tension. Stakeholders are classified into seven groups based on 60 stakeholder identification questionnaires: Employees, Customers, Shareholders/Investors, Suppliers, Government agencies/competent authorities, Non-Profit Organizations/Communities, and Media. The communication methods and results with various stakeholders in 2022 are as follows:

| <p>Stakeholders</p>  <p>Employees</p> <p>Stakeholders Significance to Wistron Wistron upholds the core value of a people-oriented philosophy and attracts outstanding talents from all over the world. We provide a comprehensive salary, benefits, and training system to unleash employees' potential and maximize business performance.</p> <p>Key Issues of Concern in 2022</p> <ul style="list-style-type: none"> • Employee care and benefits • Occupational safety and health • Information security • Talent attraction and retention • Human rights, diversity and inclusion • Talent cultivation and career development | Communication Method and Channel | Communication Frequency | 2022 Response and Results |
|---|---|--|--|
| | Degree of engagement surveys for indirect employees and satisfaction surveys for direct employees | Degree of engagement surveys for indirect employees are conducted once every 1~2 years. Satisfaction surveys for direct employees are conducted once every year. | <ul style="list-style-type: none"> • Degree of engagement score of 67.55% (out of 100%) and satisfaction score of 3.66 (out of 5) |
| | Participation in external third-party assessment activities | Ad hoc | <ul style="list-style-type: none"> • Wistron East China and Opt Plant District and Malaysia Plant were selected as "Best Employers in Asia" in 2022 by HR Asia Magazine |
| | Two-way communication activities for supervisors and key personnel | Annually | <ul style="list-style-type: none"> • 20 communication sessions have been held around the world with a total of 1,620 participants and a satisfaction rate of 95.6% |
| | Official company website/ ESG Official Website/ Human Resources Official Website | Real time | <ul style="list-style-type: none"> • The global core value communication course has 23,959 participants and the satisfaction score of 4.6 (out of 5) |
| | Global code of conduct online education and training | Annually | <ul style="list-style-type: none"> • 100% coverage rate and 100% signature rate of code of conduct employee training |
| | Training for new employees | In accordance with the recruitment status of new employees | <ul style="list-style-type: none"> • Average of 65.5 hours of training for employees around the world |
| | Training for new supervisors and Key talent | In accordance with the number of people | |
| | Performance and development meetings | In accordance with the performance evaluation cycle | <ul style="list-style-type: none"> • 96% performance communication and meeting rate |

Stakeholders



Customers

Stakeholders Significance to Wistron

Wistron's core philosophy is to create value for customers and continuously communicate with customers to understand their needs, increase trust, and help customers achieve their goals and grow together.

Key Issues of Concern in 2022

- Customer relations
- Occupational safety and health
- Information security
- Risk and crisis management
- Sustainable Supply Chain
- Human rights, diversity and inclusion

| Communication Method and Channel | Communication Frequency | 2022 Response and Results |
|--|---|--|
| Quarterly sales reviews, e-mails, audits, and visits | Daily / Weekly / Quarterly / Semiannually | <ul style="list-style-type: none"> • Awarded the Business Transformation & Operational Excellence Awards, First Prize in the Large Enterprise Category, and ESG Special Award of the 2nd Digital Transformation Ding Ge Award • East China and Opt Plant District and Malaysia Plant was awarded the "Best Employers in Asia" • Chongqing Plant and Zhongshan plant won the title of Green Manufacturing System Demonstration Unit (Green Factory) • CDP Climate Change Evaluation A • All Wistron plants have passed the audit of ISO/IEC 27001 certification • Solar panel construction • Zhongshan Plant's Technology and Opt Park was awarded the RBA Selected Factory One-Star Label • Complies with the customer policies of not using conflict minerals |
| Project meetings and e-mails | Ad hoc | |
| CDP questionnaire, e-mails, and audits | Annually/ Quarterly | |
| Project meetings, documents, e-mails, and audits | Ad hoc/ Quarterly | |
| E-mails and questionnaires | Where necessary / Quarterly | |
| E-mails, questionnaires, training, or audits | Where necessary / Quarterly | |
| E-mails, questionnaires, training, or audits | Where necessary | |
| E-mails and documents | Where necessary | |

| Stakeholders | | |
|--|-------------------------|---|
| Communication Method and Channel | Communication Frequency | 2022 Response and Results |
| Supplier green product management platform | 6 sessions | |
| Investor conference | 6 sessions | <ul style="list-style-type: none"> • 1 Shareholders' Meeting convened • 6 Investor Conferences convened • Participated in around 60 meetings and communicated with nearly 400 domestic and foreign investors face to face/ through the phone |
| Investor meetings | Investor meetings | |

Stakeholders



Shareholders/ Investors

Stakeholders Significance to Wistron

The Company's business goal is to maximize the interest of shareholders. Wistron leverages funds in an appropriate manner to create a positive cycle and discloses operational and financial information with transparency.

Key Issues of Concern in 2022

- Customer relations
- Sustainable strategies and vision
- Company Governance
- Financial Performance
- Product development and innovation
- New Businesses Development

| Stakeholders | | |
|--|-------------------------|--|
| Communication Method and Channel | Communication Frequency | 2022 Response and Results |
| Supplier green product management platform | Updated when necessary | <ul style="list-style-type: none"> • 1,414 green specifications and hazardous materials investigations are provided |
| Supplier sustainability performance evaluation | Once a month | <ul style="list-style-type: none"> • The product quality, price, and delivery items of 571 suppliers were evaluated |
| Risk identification | Once a year | <ul style="list-style-type: none"> • 1,812 companies were evaluated with the risk assessment procedure |
| Supplier sustainability audit | Once a year | <ul style="list-style-type: none"> • 880 supplier sustainability audits were completed. |
| Partner conferences | Once a year | <ul style="list-style-type: none"> • A total of 330 companies in the group |

Stakeholders



Suppliers

Stakeholders Significance to Wistron

Suppliers are Wistron's important partners for sustainable development. We help them evaluate potential risks and opportunities in accordance with global sustainability trends to jointly develop better solutions for customers.

Key Issues of Concern in 2022

- Customer relations
- Occupational safety and health
- Information security
- Sustainable Supply Chain
- Green product
- Product development and innovation

Stakeholders



Government Agencies/
Competent Authorities

Stakeholders Significance to Wistron

Wistron complies with the laws and regulations of the local government at its business locations and maintains good communication with the government agencies to create local employment opportunities and tax revenue.

Key Issues of Concern in 2022

- Occupational safety and health
- Sustainable strategies and vision
- Risk and crisis management
- Air Pollution and Waste

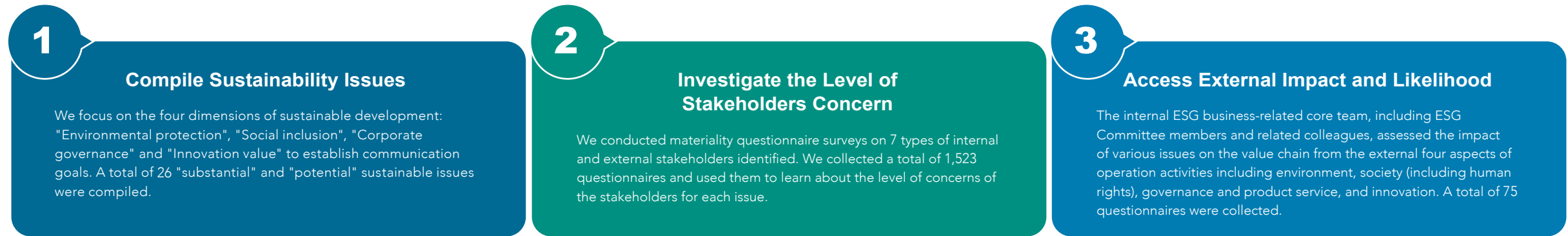
| Communication Method and Channel | Communication Frequency | 2022 Response and Results |
|--|-------------------------------|---|
| Participate in the Corporate Governance Evaluation | Annually | |
| Market Observation Post System, company website, and telephone communication | Quarterly / Annually / Ad hoc | <ul style="list-style-type: none"> • Ranked among the top 5% of listed companies in the 9th Corporate Governance Evaluation |
| Explanatory meetings and annual reports | Ad hoc | |
| Official documents, Market Observation Post System, and explanatory seminars | Ad hoc | <ul style="list-style-type: none"> • No violation record in 2022 |
| Market Observation Post System, company website, and annual reports | Ad hoc | <ul style="list-style-type: none"> • Through the establishment of the Information Security Committee, it supervises the Company's information security management system, technical standards, and maintenance operations. The President, Chief Digital Officer and Chief Information Security Officer act as Co-chairpersons and are responsible for fulfilling the Company's commitment to information security. |
| Official documents, questionnaires, and annual reports | Ad hoc | <ul style="list-style-type: none"> • Based on the "SBTi, Science Based Targets initiative," 2016 is used as the baseline year to formulate carbon reduction pathways and targets, and the implementation results are publicly disclosed every year to respond to international energy transition and low-carbon manufacturing trends. • Cooperating with the "Sustainable Development Roadmap for Listed Companies" issued by the Financial Supervisory Commission, we plans to complete the greenhouse gas inventory of the Company and all consolidated subsidiaries before 2025. |
| Financial Report and Annual Report | Quarterly | <ul style="list-style-type: none"> • Material litigation are periodically disclosed in the quarterly financial reports and annual reports, as required by law. • Wistron was named one of the Top 100 Global Innovators™ by Clarivate in 2023 and one of the Global 250 by IFI CLAIMS in 2022. |

| Stakeholders | Communication Method and Channel | Communication Frequency | 2022 Response and Results |
|---|--|-----------------------------|---|
| <p>Non-Profit Organizations/ Communities</p> <p>Stakeholders Significance to Wistron Non-profit organizations are Wistron's key partners for expanding influence for sustainability. We have established long-term cooperation to respond to environmental and social issues. Wistron continues to communicate with entities and residents in local communities to mitigate the impact of operations and production activities on local communities.</p> <p>Key Issues of Concern in 2022</p> <ul style="list-style-type: none"> Sustainable strategies and vision Talent attraction and retention Green product Environmental policy and management Natural ecology protection Social welfare and charity | <p>Projects in line with the purpose / goal of the foundation are supported in the form of commissioning or sponsorship, and communicated in the form of meetings, site surveys, reports, etc.</p> | <p>Ad hoc</p> | <ul style="list-style-type: none"> Self-initiated donations totaled NT\$3.92 million. |
| | <p>Publish newsletters and event information</p> | <p>Regularly and ad hoc</p> | <ul style="list-style-type: none"> 26 articles of event information 4 articles of bimonthly newsletters |

| Stakeholders | Communication Method and Channel | Communication Frequency | 2022 Response and Results |
|---|---|-------------------------|---|
| <p>Media</p> <p>Stakeholders Significance to Wistron Wistron maintains good communication channels with the media which helps the Company deliver a broad range of company information, communicate its brand image, and engage more stakeholders.</p> <p>Key Issues of Concern in 2022</p> <ul style="list-style-type: none"> Customer relations Employee care and benefits Information security Air Pollution and Waste Green product Environmental policy and management Climate change management | <p>Holding of a press conference</p> | <p>Ad hoc</p> | <ul style="list-style-type: none"> Ranked among the top 5% in the 9th Corporate Governance Evaluation |
| | <p>Publish monthly revenue press releases</p> | <p>Regularly</p> | <p>Media inquiries are responded proactively or in a timely manner, so that the media can obtain correct company operations and corporate governance related information to maintain and improve corporate image. Include:</p> <ul style="list-style-type: none"> Organized 6 press conferences Published 28 press releases in total 10 media interviews were arranged |
| | <p>Announcement of financial report and board resolution press release</p> | <p>Regularly</p> | |
| | <p>Announcement of Shareholders' Meeting or investor conference press release</p> | <p>Regularly</p> | |
| | <p>Publish press releases major information related to operations</p> | <p>Ad hoc</p> | |
| | <p>Announcement of showcase / award press release</p> | <p>Ad hoc</p> | |
| | <p>Participate in public events such as forums and interviews</p> | <p>Ad hoc</p> | |

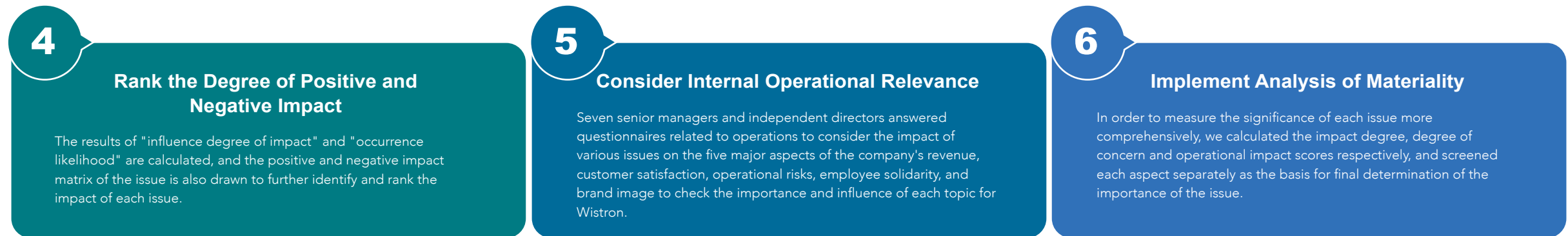
1.5.2 Sustainability Context Identification

Wistron conducts a materiality analysis annually, we referenced international sustainability trends and standards, including GRI Standards, SDGs, SA8000 Social Responsibility Standards, RBA, SASB, and WEF-The Global Risks Report, and the issues that responsible investment institutions focus on: ISS-Oekom, MSCI ESG Ratings, and DJSI, CDP, TCFD information disclosure frameworks. In addition, the major issues of industry benchmarks are collected to match the Company's corporate sustainable development strategy and goals in order to interact with stakeholders to evaluate and report impact information on various sustainable issues. The assessment conducted is based on the principle of double materiality in Step 3 (Access external impact and likelihood) and Step 5 (Consider internal operational relevance). Also, the analysis results are incorporated into the organization's risk management process (Enterprise risk management, ERM) to be considered together. Please refer to Chapter 5.3 Risk Management for details.



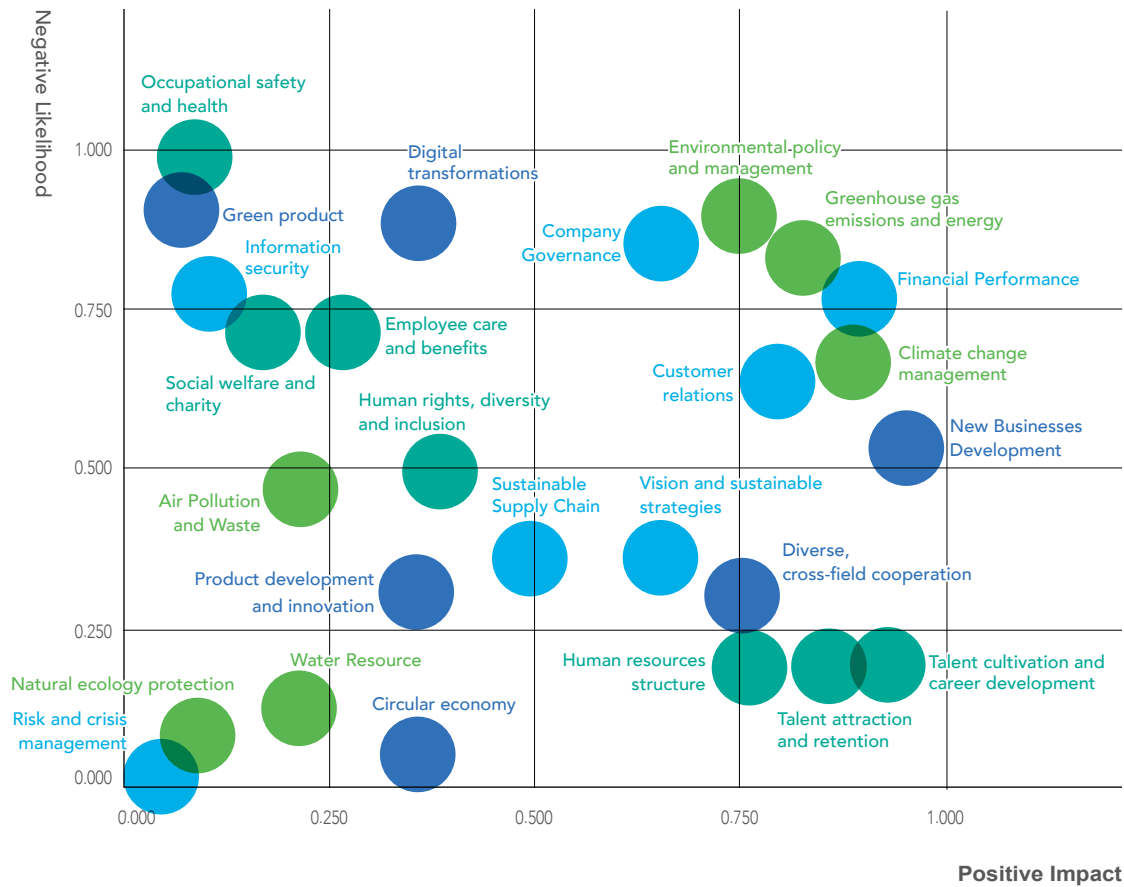
1.5.3 Determine Material Topics and Boundaries

After the major themes are identified, they will be discussed and confirmed in the company's internal regular meetings. And according to the reporting requirements of the GRI Standards, relevant information on major topics, data and management policies, and communication results with stakeholders are collected, and major analysis results are reported to the board of directors and the information is approved for disclosure. Materiality assessment process and analysis results verified by a third-party assurance provider.

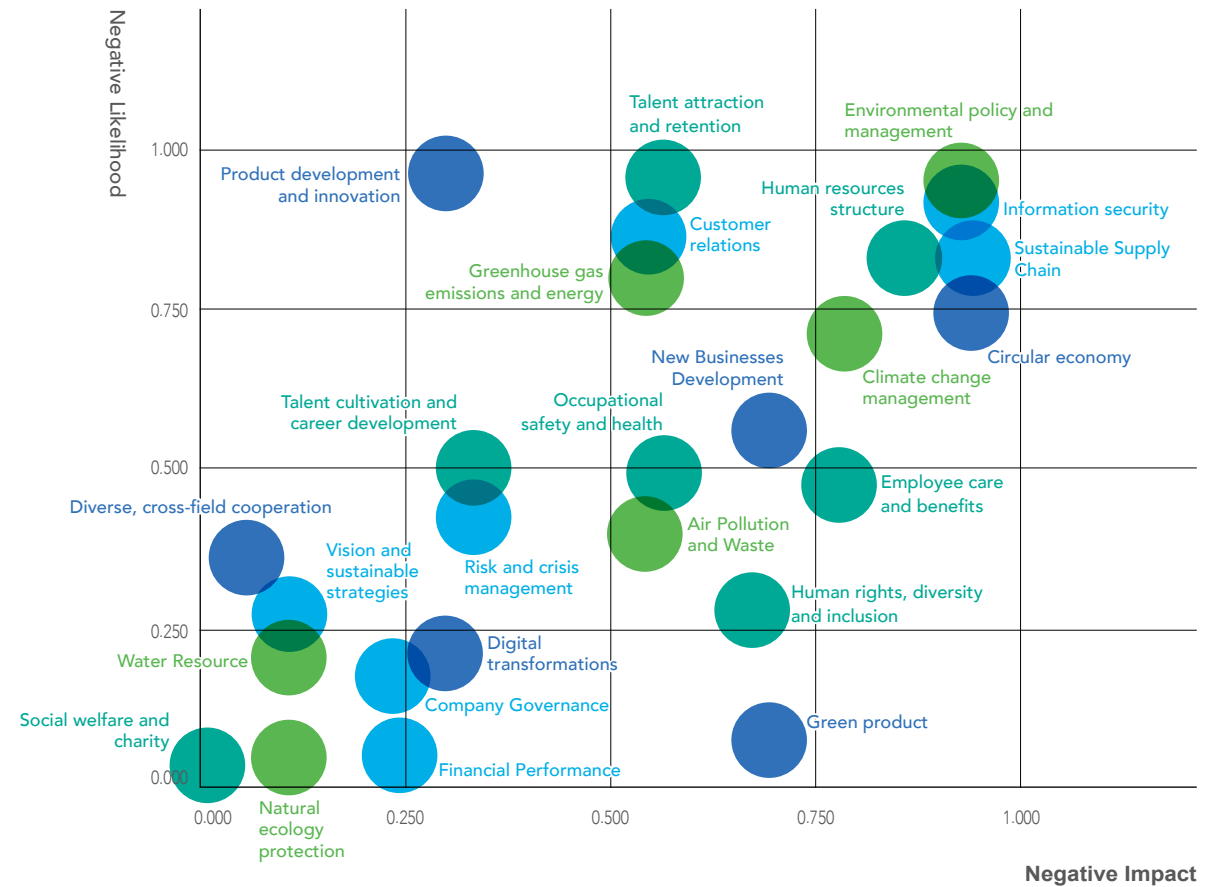


Matrix of Topics Impact Assessment

Positive Impact Matrix

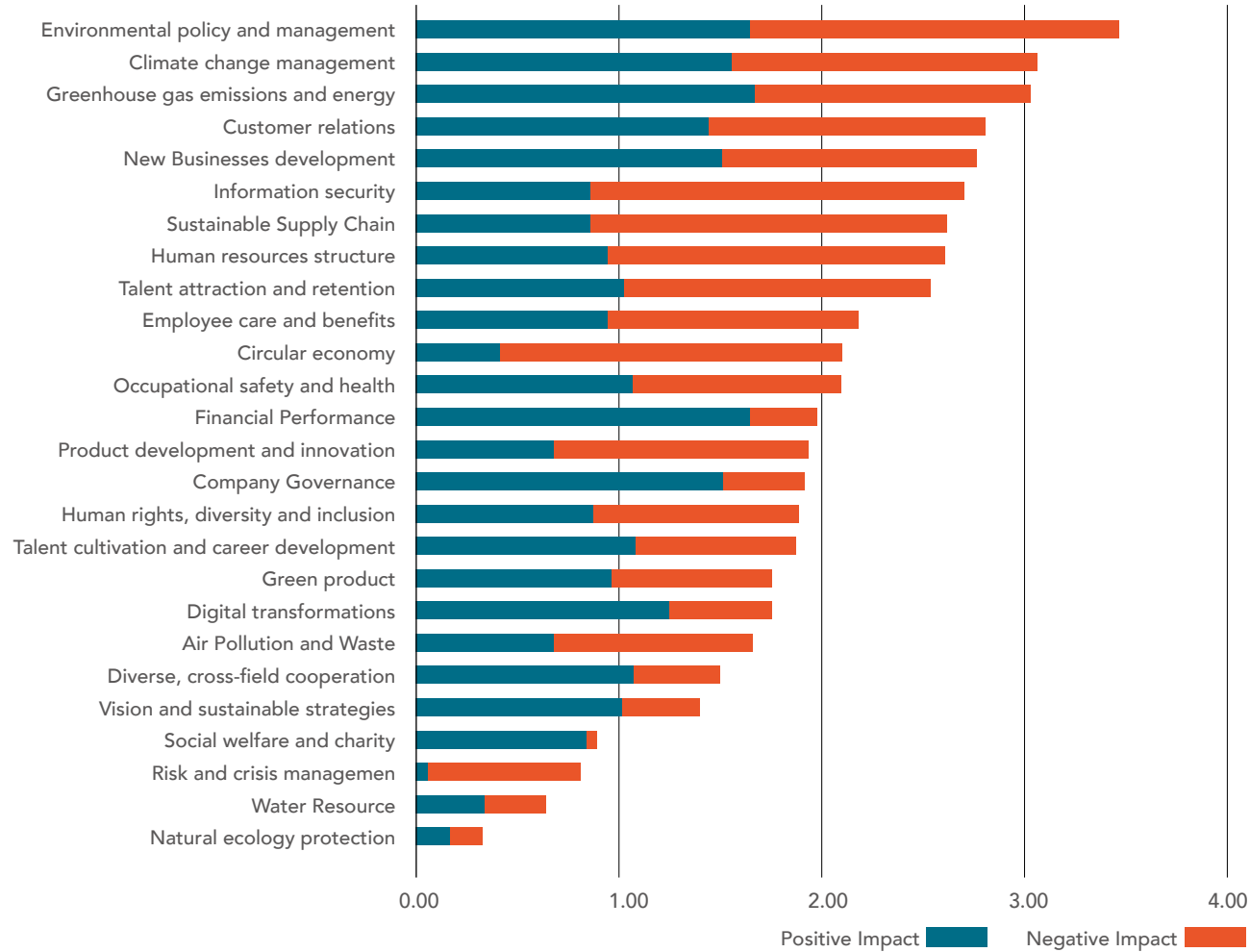


Negative Impact Matrix



● Innovation Value ● Environmental Protection ● Social Inclusion ● Corporate Governance

The Degree of Impact Rankings in Topics



In assessing the positive impact, we consider that each issue is just in the stage of meeting the requirements of the regulations, the management is superior to the regulations, the influence of the enterprise is exerted, the market opportunities are created, and so on. These are used to evaluate the positive impact of the issue on Wistron, further continue to exert corporate influence, and create higher value.

In evaluating negative impacts, we consider whether each issue has not occurred or has no risk of illegality, whether there is potential loss or risk of illegality, whether minor losses or violations of laws have occurred, whether major losses or illegal events have occurred, etc.

These are used to assess the negative impact of the issue on Wistron, and then formulate a response plan in advance to reduce the impact of potential risks.



Evaluation Results for Four Dimensions of ESGI

The four dimensions of ESGI are sorted separately, and according to the priority of the issues, the top 50% of the issues sorted from each aspect are taken as material topics. In addition, the company's sustainable strategy and focus area were considered to finally identify 17 topics as the major themes of Wistron in 2022. The relevant statistical scores are shown in the table below.:

Dimension of Environment

| Topics | Degree of impact | Level of concerns | Operational impact | Scores of topics | Material topics |
|-------------------------------------|------------------|-------------------|--------------------|------------------|-----------------|
| Environmental Policy and Management | 3.46731 | 0.80186 | 3.73324 | 8.00241 | V |
| Climate Change Management | 3.05653 | 0.30385 | 3.64345 | 7.00383 | V |
| Greenhouse Gas Emissions and Energy | 3.02553 | 0.10403 | 3.78844 | 6.91801 | V |
| Air Pollution and Waste | 1.65878 | 0.96046 | 1.46196 | 4.08120 | |
| Natural Ecology Protection | 0.32676 | 0.35062 | 2.04208 | 2.71946 | |
| Water Resource | 0.63685 | 0.32694 | 0.43656 | 1.40034 | |

Dimension of Social

| Topics | Degree of impact | Level of concerns | Operational impact | Scores of topics | Material topics |
|---|------------------|-------------------|--------------------|------------------|-----------------|
| Talent Attraction and Retention | 2.54261 | 0.65521 | 3.53119 | 6.72901 | V |
| Human Resources Structure | 2.61680 | 0.08780 | 3.41716 | 6.12175 | V |
| Employee Care and Benefits | 2.18428 | 0.87782 | 2.80418 | 5.86628 | V |
| Talent Cultivation and Career Development | 1.88679 | 0.52780 | 3.27838 | 5.69297 | V |
| Human Rights, Diversity and Inclusion | 1.89062 | 0.58500 | 2.25112 | 4.72674 | V * |
| Occupational Safety and Health | 2.09404 | 0.85811 | 1.69011 | 4.64226 | V * |
| Social Welfare and Charity | 0.89704 | 0.05873 | 0.94505 | 1.90083 | |

Dimension of Innovation

| Topics | Degree of impact | Level of concerns | Operational impact | Scores of topics | Material topics |
|------------------------------------|------------------|-------------------|--------------------|------------------|-----------------|
| Product Development and Innovation | 1.93742 | 0.59717 | 4.08748 | 6.62208 | V |
| Digital Transformations | 1.75339 | 0.46361 | 4.26256 | 6.47957 | V |
| Green Product | 1.75387 | 0.96112 | 2.58021 | 5.29520 | V |
| New Businesses Development | 2.76513 | 0.51400 | 1.68413 | 4.96326 | |
| Circular Economy | 2.10751 | 0.38122 | 1.75764 | 4.24638 | V * |
| Diverse, Cross-Field Cooperation | 1.50261 | 0.04933 | 0.80775 | 2.35969 | |





Dimension of Governance

| Topics | Degree of impact | Level of concerns | Operational impact | Scores of topics | Material topics |
|-----------------------------------|------------------|-------------------|--------------------|------------------|-----------------|
| Customer Relations | 2.81003 | 0.95365 | 3.49162 | 7.25529 | V |
| Information Security | 2.70556 | 0.59962 | 2.23688 | 5.54206 | V |
| Vision and Sustainable Strategies | 1.40014 | 0.81127 | 2.90035 | 5.11176 | V |
| Sustainable Supply Chain | 2.61815 | 0.11142 | 2.15025 | 4.87982 | V |
| Financial Performance | 1.98109 | 0.08930 | 2.69862 | 4.76902 | |
| Company Governance | 1.91873 | 0.43321 | 2.27572 | 4.62766 | |
| Risk and Crisis Management | 0.81133 | 0.46654 | 1.68803 | 2.96590 | |

Note: The topics of "Circular economy", "Occupational safety and health" and "Human rights, diversity and inclusion" are related to Wistron's Six Sustainability Strategies, so they are also included in material topics to proactively disclose relevant information.



Alignment of Material Topics with GRI Standards

17 material topics for priority communication in 2022 were identified and 15 topics related to GRI Standards were found. "Information security," "vision and sustainable strategies," "product development and innovation," and "digital transformations" thereof were classified as special topics and do not correspond to GRI Standards.

| Sustainability Aspects | Sustainability Issues | Material Topics in 2022 | Corresponding GRI Disclosure Items / Topic Standards | Chapter/Page of The Disclosure in the Management Approaches |
|---|--|-------------------------|--|---|
| Environmental Protection  | Environmental Policy and Management System | ✓ | Universal Standards | Chapter 3 Environmental protection p.54 management approach |
| | Climate Change Management | ✓ | Economic Performance | |
| | Greenhouse Gas Emissions and Energy | ✓ | Energy, Emissions | |
| | Air Pollution and Waste | | Emissions, Waste Water and Waste | |
| | Water Resources | | Water, Waste Water and Waste | |
| | Natural Ecology Protection | | Biodiversity | Nature and Biodiversity |
| Social Inclusion  | Employee Care and Benefits | ✓ | Employment | Chapter 4 Social Inclusion p.81 management approach |
| | Talent Attraction and Retention | ✓ | Market Presence, Employment | |
| | Occupational Safety and Health | ✓ | Occupational Health and Safety | |
| | Human Resources Structure | ✓ | Market Presence, Employment | |
| | Talent Cultivation and Career Development | ✓ | Training and Education | |
| | Human Rights, Diversity and Inclusion | ✓ | Diversity and Equal Opportunity. Non-discrimination, Child Labor, and Forced or Compulsory Labor | |
| | Social Welfare and Charity | | Local Communities | |
| Corporate Governance  | Information Security | ✓ | - | Chapter 5 Company governance p.150 management approach |
| | Customer Relations | ✓ | Customer Health and Safety, Marketing and Labeling, and Customer Privacy | |
| | Sustainable Supply Chain | ✓ | Supplier Environmental Assessment, and Supplier Social Assessment | |
| | Vision and Sustainable Strategies | ✓ | - | |
| | Company Governance | | Anti-corruption and Anti-competitive Behavior | |
| | Financial Performance | | Economic performance | |
| | Risk and Crisis Management | | - | |
| Innovation Value  | Green Product | ✓ | Materials | Chapter 2 Innovation Value p.37 management approach |
| | Product Development and Innovation | ✓ | - | |
| | Circular Economy | ✓ | Materials, Waste | |
| | Digital Transformations | ✓ | - | |
| | New Businesses Development | | - | |
| | Diverse, Cross-Field Cooperation | | - | |

Relationship Between Material Topics and Wistron's Value Chain

The Company conducted a full evaluation of the value chain covered by Wistron based on the identified material topics in accordance with the related activities, products, services, and related impact.

| Sustainability Aspects | Material Topics | Importance to Wistron | Position of Impact in the Value Chain | | | | | |
|---|---|---|---------------------------------------|--------------|----------|-----------|-----------|------------|
| | | | Within the organization | | Upstream | | | Downstream |
| | | | Wistron | Subsidiaries | Parts | Materials | Equipment | Customers |
|  Environmental Protection | Environmental Policy and Management System | Wistron is dedicated to reducing the environmental impacts created during operations. We prevent potential environmental risks from occurring through complete policies, management procedures, and verification mechanisms | ● | ● | ● | ● | ● | ● |
| | Climate Change Management | In response to the global challenges brought by climate change, Wistron has established the goal of low carbon transformations, and actively manages climate related risks and opportunities to strengthen operation resilience | ● | ● | ● | ● | ● | ● |
| | Greenhouse Gas Emissions and Energy | Wistron complies with international standards to establish our carbon reduction goals. We actively introduce energy saving and carbon reducing measures to minimize our overall carbon footprint and improve our operational competitiveness | ● | ● | ● | ● | ● | ● |
|  Social Inclusion | Employee Care and Benefits | We are committed to promoting the physical and mental health of employees through a variety of health management activities to achieve work-life balance and improve employee performance. | ● | ● | | | | |
| | Talent Attraction and Retention | A talent pool with excellent potential is the most important strategic capital of a company. Wistron created a world class workplace through diverse measures, so that our employees can be proud to work in Wistron | ● | ● | | | | |
| | Occupational Safety and Health | Employee health and workplace safety are the foundations for corporate sustainable developments. Wistron complies with international standards to build a safe work environment for employees, ensuring highly efficient operational performance | ● | ● | | | | |
| | Human Resources Structure | Wistron recruits diverse talents from all over the world and actively promotes gender equality. We also employ local talents to take up supervisory positions to implement localized management of talents. | ● | ● | | | | |
| | Talent Cultivation and Career Development | In order to help the career development of employees, Wistron provides diversified learning channels and training systems. We actively improve our competitiveness to face the market challenges | ● | ● | | | | ● |
| Human Rights, Diversity and Inclusion | A diverse and inclusive culture can create positive impacts on the organization. By upholding the core value of a people-oriented philosophy, Wistron actively shows respect for the human rights of employees and a diversified workplace in the overall value chain | ● | ● | | | | ● | |
|  Corporate Governance | Information Security | In order to identify information security risks, education and training related to information technology management policies are implemented to improve overall IT security capabilities and strengthen the organization's resilience against IT security incidents and threats. | ● | ● | ● | ● | | ● |
| | Customer Relations | The source of the Company's core competitiveness is the close and sustainable partnerships we have established with our customers. Wistron continues to deepen customer trust through our corporate sustainable management and social responsibility management system. | ● | ● | | | | ● |
| | Sustainable Supply Chain | Wistron's procurement influence is used to help suppliers improve the five dimensions of labor, health and safety, environment, ethics and management. | ● | ● | ● | ● | ● | ● |
| | Vision and Sustainable Strategies | Only with a grand vision and strategy can we create a bright future. Through the stipulation of sustainable strategies and vision, Wistron has created a clear long-term development plan. | ● | ● | ● | ● | ● | ● |
|  Innovation Value | Green Product | In the product design stage, it is considered that no hazardous raw materials are used, product efficiency is improved, and it is easy to disassemble or recycle, etc. to reduce the impact of products on the environment. | ● | ● | ● | ● | | ● |
| | Product Development and Innovation | By leading sustainability with innovation, Wistron actively introduces sustainable thinking during the design process to reduce the environmental impact of products, creating a better life through technology | ● | ● | ● | | | ● |
| | Circular Economy | The recycling green service from Cradle to Cradle is provided, environmentally friendly materials are provided, and the use of plastics is reduced, leading to the realization of the concept of industrial recycling. | ● | ● | ● | ● | | ● |
| | Product Development and Innovation | By leading sustainability with innovation, Wistron actively introduces sustainable thinking during the design process to reduce the environmental impact of products, creating a better life through technology. | ● | ● | ● | | | ● |

2 Innovation Value

2.1 New Businesses Development

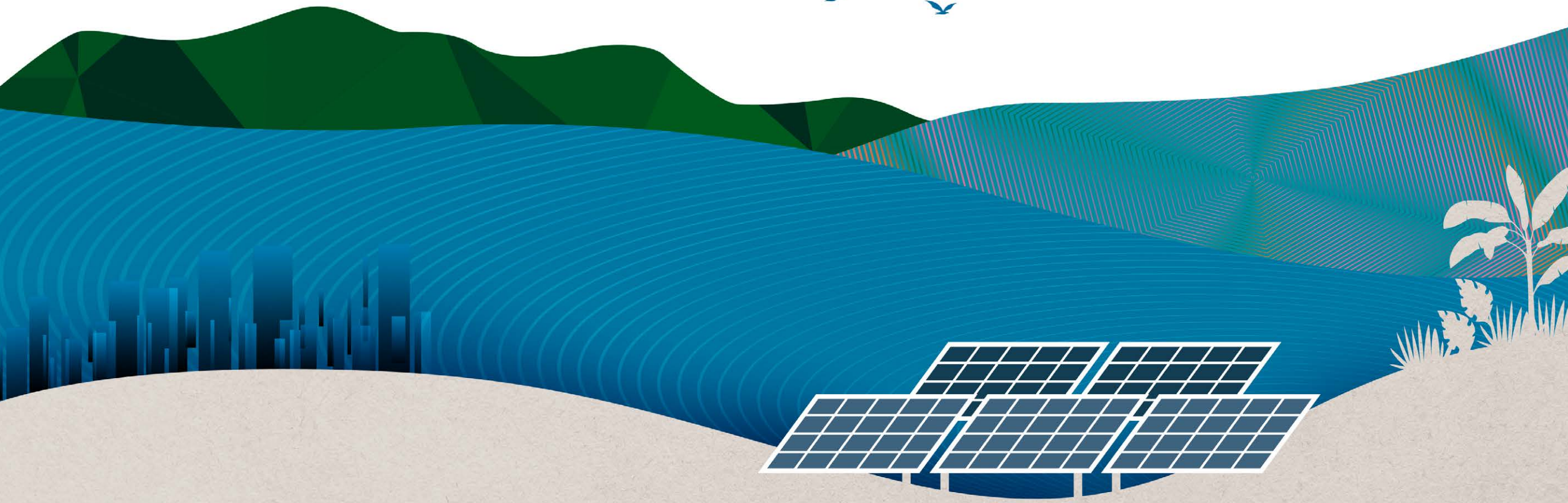
- Circular Economy
- Product Design and Development
- Manufacturing and Energy Saving Innovations

2.2 Pursuing the Highest Quality

- Green Products
- Product Life Cycle Assessment

2.3 Maintaining Customer Relations

- Product Quality
- Customer Satisfaction
- Privacy Protection



Management Approach

| Topics | Strategies | 2022 Targets | 2022 Results | Progress Signal | 2023 Targets | 2025 Targets | 2030 Targets |
|-----------------------|---|--|---|-----------------|---|---|--|
| Customer Relations | Increase customer satisfaction | Customer QBR ranking: More than 80% ranked first or second | Customer QBR ranking: More than 80.8% ranked first or second | ● | Customer QBR ranking: More than 83% ranked first or second | Key Customer QBR ranking: More than 90% ranked first or second | Key Customer QBR ranking: More than 95% ranked first or second |
| Innovation Management | Strategically maintain patent portfolio (6,000 ~ 8,000 granted patents) | Add 5%~10% new patent applications and release 5%~10% patents of the portfolio | The number of active and granted patents is around 6,255. Added 9.72% new patent applications and released 5.39% patents of the portfolio | ● | Add 5%~10% new patent applications and release 5%~10% patents of the portfolio | Add 5%~10% new patent applications and release 5%~10% patents of the portfolio | Add 5%~10% new patent applications and release 5%~10% patents of the portfolio |
| | Expand technology fields and country coverages, enhance patent quality and increase overall patent value | Percentage of utility patents > 87% | Percentage of utility patents: 88.39% | ● | Percentage of utility patents > 88% | Percentage of utility patents > 90% | The ratio of patented technologies and products apart from computers, tablets, and servers > 50% ; The ratio of patent countries other than Taiwan, China, and the U.S. > 10% |
| | Revitalize patent assets, e.g., transactions, licensing, or monetization | Participate in patent related projects , e.g., patent pools or organizations | Participated in a patent related project (32 patents) | ● | Participate in a patent related project | Participate in 2 or more patent related projects | Participate in 4 or more patents patent related projects |
| | Expand new businesses | 1) Investment in R&D and innovation of cutting-edge technology 2) New businesses: 5G, AI, IoT, Smart Home, Professional Display Solutions, Smart medical, automotive electronics. 3) Startup O.I. as a percentage of all O.I.: 28% | Startup O.I. as a percentage of all O.I.: 25.30% | ● | Startup O.I. as a percentage of all O.I.: 30% | Startup O.I. as a percentage of all O.I.: 35% | Startup O.I. as a percentage of all O.I.: 40% |
| Information Security | Establish an updated information security system and mechanism to ensure information security for the company and customers | The plant has passed the audit of customers' information security regulations. Pass rate = 100% | A total of 16 customer audits have been completed in 7 Sites, 100% completed and passed. (WHN*2,WIH*2,,WZS*7,WMI*1, WCD*1,WVN*1,W CZ*2) | ● | The plant has passed the audit of customers' information security regulations. Pass rate = 100% | The plant has passed the audit of customers' information security regulations. Pass rate = 100% | The plant has passed the audit of customers' information security regulations. Pass rate = 100% |
| | | 1) ISO27001 certificate has been obtained in 8 Sites and it is continuously updated and valid. 2) ISO 27001 certification has been newly introduced and obtained in 7 sites (WCQ/ WCZ/WVN/ WMY/ WMI,/WMX/ KOE) | ISO27001 certification has been obtained in 15 offices and plants, and the coverage rate of manufacturing plants is 100% . | ● | ISO27001 certification has been obtained 100% in all manufacturing plants and it is continuously updated and valid. | Copied to other business groups and plants with previous experience in obtaining ISO-27001 certification. | ISO27001 certification has been obtained for 100% of all manufacturing sites and it is continuously updated and valid. |

Note: The progress light is ● green light with more than 95% ● yellow light with 90%~95% ● red light with 90% or less.

2.1 New Businesses Development



Disposal of Electronic Waste

In 2022, due to the continued covid-19 pandemic in the United States, the lack of work and the impact of inflation in the second half of the year, about 4,660 tons of electronic waste have still been processed. It includes the existing Closed-loop Gold (recycling gold) and the Plastic Closed-loop (plastic recycling) service provided to customers in conjunction with Wistron's Green Resources Plant in Kunshan, China. In addition, we are committed to expanding our service targets, from the existing customer groups in the information and communication industry, medical industry, battery recycling and aviation industry, to OEM customers who are provided with secured product destruction and recycle service.

Provision of PCR Environmentally Friendly Materials

In 2022, the shipment of PCR (Post-consumer-recycled) environmentally friendly materials has reached 21,577 tons. 11,047 tons of e-waste recycled raw materials have been used. Estimated by Simapro and the carbon footprint and carbon emission coefficient of recycled plastics in the database, the carbon reduction benefit is equivalent to reducing emissions by 47,698 tons of CO₂e. In 2022, a total of 20 UL yellow card product recognitions have been obtained. The application of recycled plastic products has continued to extend from monitors, desktop computers, and televisions to routers, servers, mice, keyboards, fans, and other fields.

2.1.1 Circular Economy

Wistron, as one of the world's largest suppliers of information and communication products, focuses on product development, design, manufacturing, and services. Product sustainable design and development is based on the concept of life cycle. It reduces the impact of products on the environment from the aspects of raw material acquisition, manufacturing, distribution, product use, discarding and recycling. This can create sustainable value, make sustainable use of resources, and create a sustainable business model of green circulation. Recycling Business Group of Wistron has provided brand customers with green services for recycling since 2013. A closed cycle of regeneration from cradle to cradle creates the maximum benefits of a circular economy.

Green Resources Business Achievements

| Item | 2019 | 2020 | 2021 | 2022 |
|--|--------|--------|--------|--------|
| Disposal of electronic waste(tons) | 11,363 | 10,000 | 7,300 | 4,660 |
| PCR plastic materials shipping volume(tons) | 13,512 | 16,930 | 26,288 | 21,577 |
| Reduction in usage of new plastic materials(tons) | 4,730 | 7,620 | 11,131 | 11,047 |
| Revenue (in million RMB) of Wistron Advanced Materials (Kunshan) Co., Ltd. | 797 | 921 | 1,680 | 1,380 |

| Category | 2022 Shipments (tons) | 2022 PCR Addition Amount (tons) | 2022 Reduction of Carbon Emissions tCO ₂ e |
|---------------------------------|-----------------------|---------------------------------|---|
| Recycled ABS Series | 15,169 | 8,424 | 32,324 |
| Recycled PC/ABS Series | 2,861 | 1,545 | 10,064 |
| Recycled HIPS Series | 767 | 575 | 1,967 |
| Recycled PC Series | 706 | 377 | 2,860 |
| Recycled Marine Material Series | 148 | 126 | 483 |
| Others | 1,926 | 0 | 0 |
| Total | 21,577 | 11,047 | 47,698 |

Raw Materials and Technological Innovations

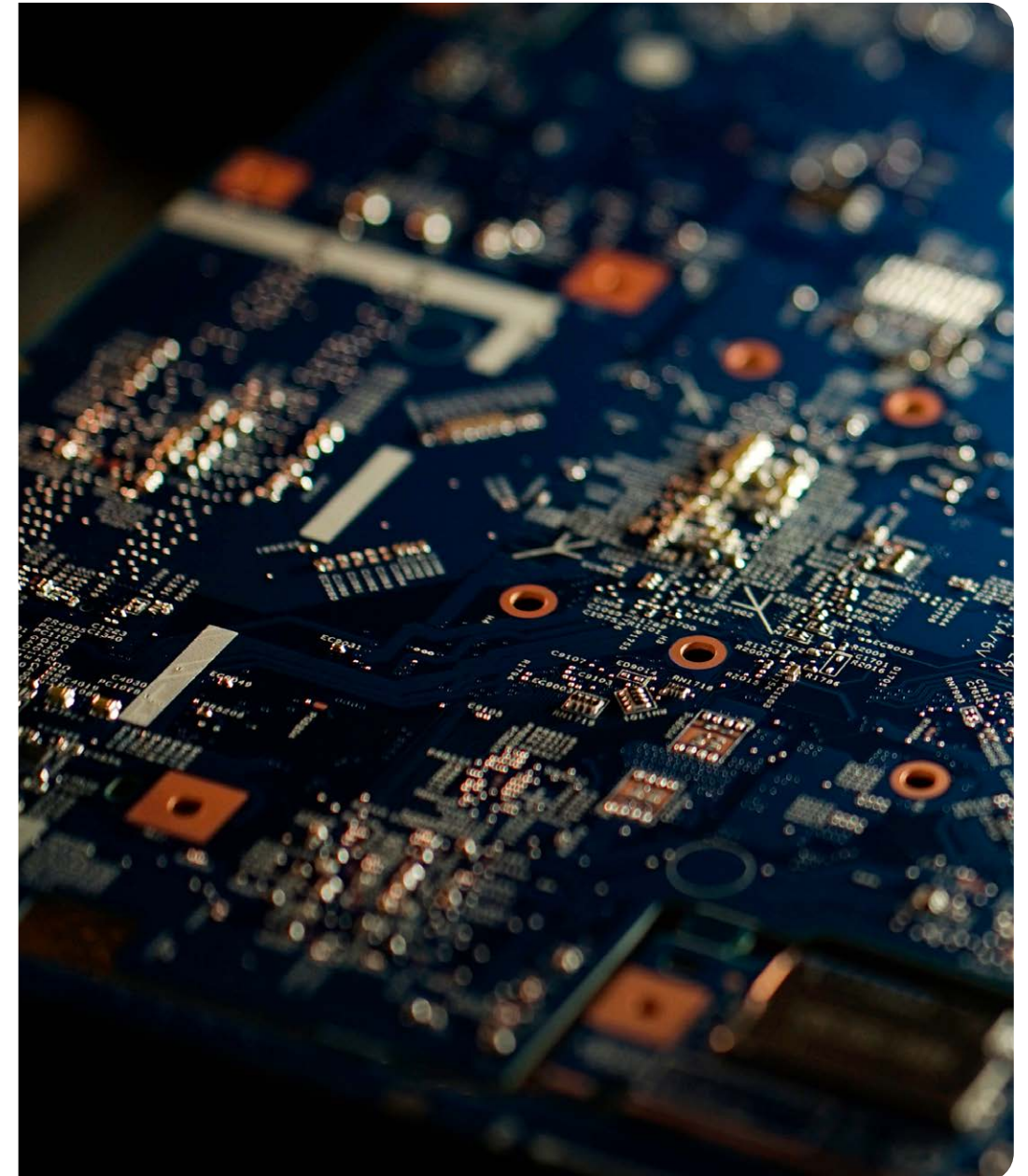
In the past ten years, the Green resources team has been committed to the recycling and reuse of electronic waste resources. The team's cooperation with Wistron and its OEM customers under the premise of circular economy has created achievements and contributions, and OEM customers have also given high recognition. At the same time, in McKinney, Texas, where the company operates, it won the honor of the Outstanding Enterprise Performance Award due to the emphasis and efforts on local environmental protection.

In 2022, sales to new customers have reached 4,022 tons, an increase of 49% over last year, indicating that it has successfully entered new OEM/ODM customers, including servers, fans, Netcom, TV and other electronic products. The development of new materials has mainly involved in new fields such as peripheral accessories, Netcom, and industrial computers, such as: Coffee grounds are added to the MNT back shell, transparent PC, or ABS is used for keycaps, PC/OBP marine material alloy is used for Netcom, and high-proportion flame-retardant PCR PC is used for Adaptor and other products. Sales of new materials for the whole year of 2022 have reached 2,656 tons, an increase of 48% compared to last year.

Ocean Bound Plastic (OBP) has developed ABS/OBP, PBT+GF/OBP, and newly added PC/OBP. Current applications have covered the product components such as display casings, keycaps, fans, and routers. A total of 148 tons was shipped in 2022. The total revenue is NT\$1,380 million.

In line with brand customer announcements, 100% of packaging materials and more than 50% of product materials in 2030 must use recycled or renewable materials. Therefore, in 2022, Wistron has cooperated with customers to introduce 50% PCR in laptop products, introduce hydroelectric recycled aluminum in commercial models, and introduce 12% recycled steel in desktop computers. In addition, expanding the application of recycled metals is another innovative focus areas.

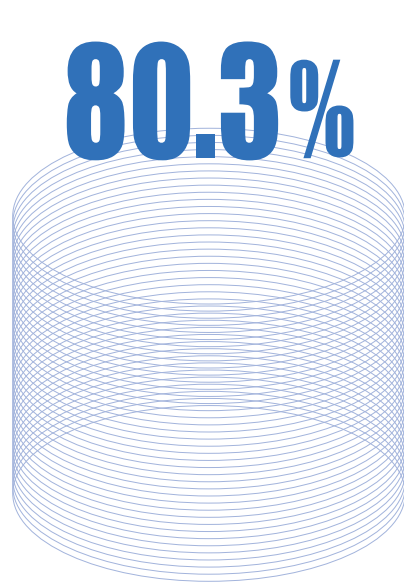
| Item | Raw Materials/ Technologies | Characteristics and Environmental Benefits |
|-----------------------|--|--|
| Renewable Materials | Bio-based Plastic | Currently, the main source of bio-based plastics is castor oil from renewable plants to reduce the use of petroleum and to reduce carbon emissions. In 2022, 50% of PCRs have been introduced into laptops. |
| | Ocean-bound plastic | Ocean-bound plastic is applied for product development, and PC/OBP were newly developed. The application has covered display case, key cap, fan, router and other product components. In 2022, a total of 148 tons of marine recycled plastic products have been shipped. |
| Innovative Technology | Hydroelectric recycled aluminum | The energy used to produce recycled aluminum in the form of remelting ingots is lower than that of virgin aluminum ingots. Moreover, the carbon dioxide emitted by one ton of electrolytic aluminum produced by hydropower is much lower than that of thermal power. In 2022, it has been introduced to laptop products. |
| | Recycling and reuse of lithium batteries | In cooperation with technical partner in 2022, a lithium battery cathode material recycling refinery has been established in the Green Resources Plant in the State of Texas, with an annual processing capacity of 500 tons. It is scheduled to production pilot run in 2023 and mass production in 2024. |



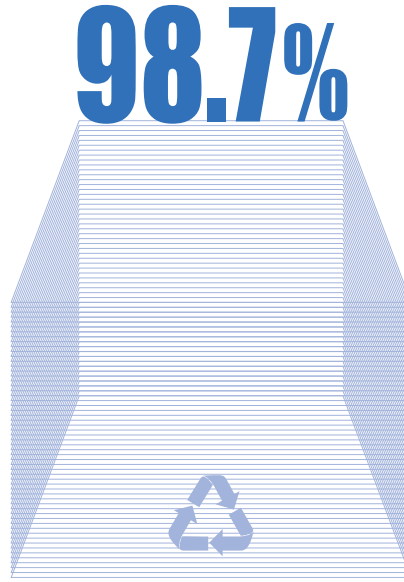
Performance of Green Product

In the development stage of product design, Wistron introduced the "Green Product Design Guidelines and Review Procedures" and other specifications. We start to consider waste disposal and recycling reuse from the design stage, and strive to minimize the impact on people and the environment after the products are discarded. Wistron's Green Resources Business subsidiary focuses on the recycling of electronics and refining of renewable plastics, continuing to cooperate with customers on PCR plastics for various products. In 2022, Wistron's shipped products using PCR plastics accounted for 80.3% of its hardware revenue, representing an increase of 1.2% compared to the previous year. This proves that Wistron's green brand continues to be recognized by the international market.

Wistron's product packaging is also designed in accordance with the concept of green circulation. From cartons and cushioning to printing inks, recyclable and reusable materials are used wherever possible. Moreover, we cooperate with the requirements of national laws and regulations, such as: China's Blue Sky Plan, French Mineral Oil Law, etc. We replace packaging materials with more environmentally friendly characteristics to reduce the impact on the environment. In 2022, the products that used Wistron's packaging design with recycled materials accounted for 98.7% of overall revenue. Among which, 98.6% of the external boxes were made from recycled pulp; 92.2% of the cushioning materials were made from recycled EPE; and 98.1% of the printed materials were printed with environmentally friendly water-based ink.



PCR Plastic Materials Revenue Percentage of Hardware Products



Packaging Designed with Recycled Materials Percentage of Hardware Revenue

Products Using PCR Plastic Materials as Percentage of Hardware Revenue (%)

| Item | 2019 | 2020 | 2021 | 2022 |
|--|--------------|--------------|--------------|--------------|
| Laptops | 52.2% | 61.8% | 85.6% | 90.9% |
| Desktop computers | 65.8% | 58.1% | 68.4% | 81.7% |
| LCD monitors | 97.7% | 95.8% | 96.5% | 94.2% |
| Servers/ Voice over Internet Protocol (VoIP) | 1.3% | 0.5% | 0.65% | 0.8% |
| Total | 53.5% | 58.7% | 79.1% | 80.3% |

Note: Hardware products refer to laptop / desktop computers, and all-in-one (AIO) computers/monitors/servers/Voice over Internet Protocol (VoIP)

Key Performance Indicators of Green Product (%)

| Item | 2019 | 2020 | 2021 | 2022 |
|--|-------|-------|-------|-------|
| Percentage of products compliant to WEEE regulations | 100% | 100% | 100% | 100% |
| Percentage of products with environmental labels | 87.0% | 89.5% | 90.7% | 85.1% |
| Percentage of packaging designed with recycled materials | 95.0% | 98.0% | 98.1% | 98.6% |
| Percentage of products that use recycled plastic materials | 53.5% | 58.7% | 79.1% | 80.3% |

Note: Data and examples of packaging designs using recycled materials before 2020 in Wistron Technology

Recycled Materials Used in Product Packaging as Percentage of Hardware Revenue in 2022 (%)

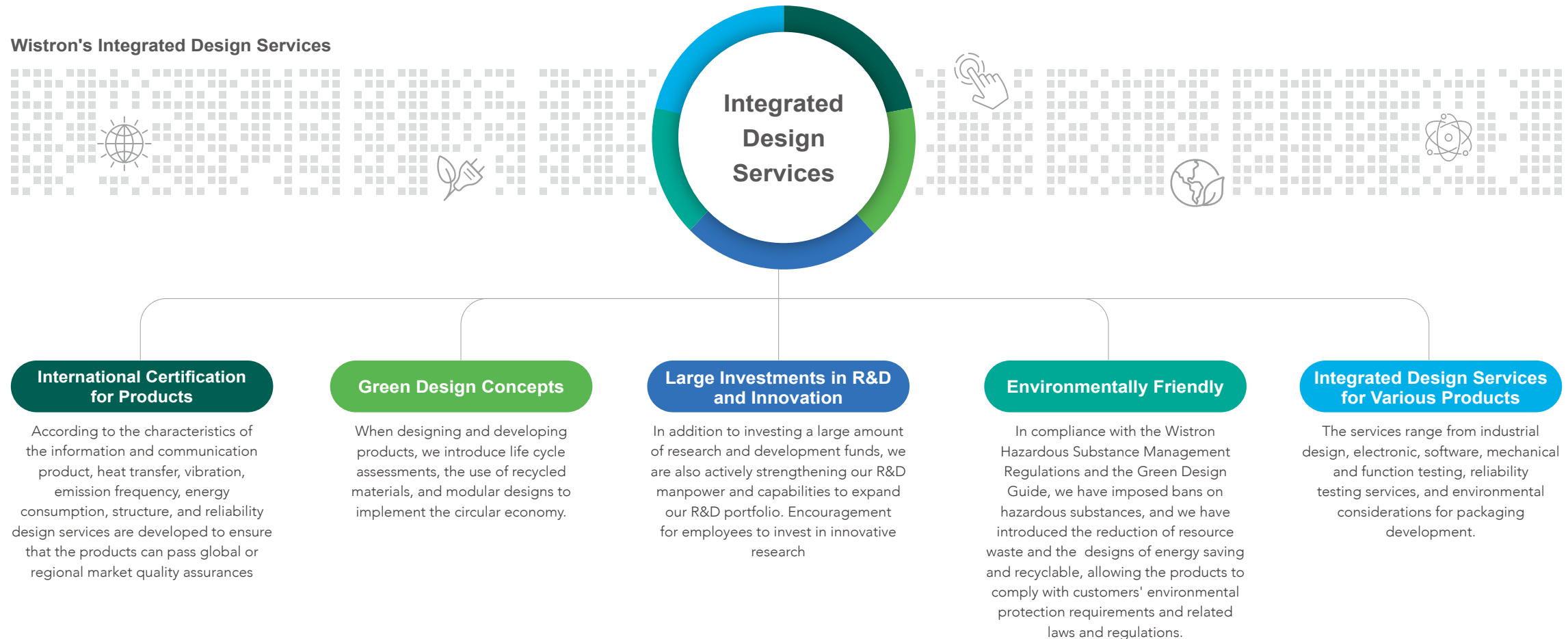
| Item | Recycled Pulp for Cardboard boxes | Cushioning Materials Using Recycled EPE | Environmentally Friendly Water-Based ink for Printed Materials |
|--|-----------------------------------|---|--|
| Laptops | 99.6% | 99.6% | 99.6% |
| Desktop computers and all-in-one (AIO) computers | 96.2% | 78.2% | 96.2% |
| Monitors | 95.1% | 67.6% | 95.1% |
| Servers/ Voice over Internet Protocol (VoIP) | 99.0% | 92.8% | 96.1% |
| Keyboards | 100% | 0% | 100% |
| Speakers | 100% | 0% | 88.2% |
| Handheld mobile devices | 100% | 100% | 100% |
| Total | 98.6% | 92.2% | 98.1% |

2.1.2 Product Design and Development

Wistron, as a pioneer in providing innovative services, improves the capabilities of R&D and innovation and the development of diversified products. At the same time, in order to ensure the high quality of our products, we have established a quality management system, incorporating the PDCA management cycle into our daily operations to implement the monitoring, analysis and continuous improvement of quality-related indicators. In terms of after-sales service from the design and development stage to mass production, the Wistron R&D team provides customers with comprehensive and friendly integrated services, allowing our products to continuously improve and enhance our customer satisfaction.

| Investments in Innovative Developments | 2019 | 2020 | 2021 | 2022 |
|---|-------|-------|-------|-------|
| Funds invested in R&D (NT\$ hundred million) | 162 | 190 | 208 | 250 |
| R&D funding as percentage of revenue (%) | 1.84 | 2.25 | 2.41 | 2.54 |
| R&D personnel (number of people) | 4,556 | 4,896 | 5,350 | 6,330 |
| Percentage of R&D personnel per total employees (%) | 6.5% | 7% | 8.5% | 13.4% |

Wistron's Integrated Design Services



Wistron Invention Reward Regulation

In order to maintain the competitive edge in innovative technologies, Wistron encourages our employees to continuously improve their engineering capabilities and develop new technologies. The company has stipulated the "Wistron Invention Reward Regulation" to encourage our employees to boldly innovate. The regulation provides incentives in the invention disclosure, patent application, patent grant, and technology licensing stages. Annual Patent Award Ceremony is held to encourage employees to continue researching and innovating. Wistron will continue to utilize our innovative energy and increase our R&D competitiveness.

Accumulative Number of Patent Applications and Granted Patents

Wistron continues to devote itself to R&D and innovation in having new patents. In 2022, in addition to continuing to focus on the quality of patents, we have also increased the number of applications for patents directly related to the company's R&D direction or business development for new technologies, new products and new businesses. In particular, we have established and accumulated a robust global patent portfolio in the fields of 5G+AI smart applications, smart healthcare, in-vehicle information and communication systems, and cloud technology services.

| Award | 2018 | 2019 | 2020 | 2021 | 2022 |
|--------------------------------|------|------|------|------|------|
| Number of patent award winners | 320 | 248 | 246 | 237 | 248 |
| Number of patent applications | 495 | 532 | 429 | 386 | 608 |
| Number of granted patents | 446 | 440 | 459 | 401 | 414 |

Note: Wistron was named one of the Top 100 Global Innovators™ by Clarivate in 2023

Number of Patents Granted in Different Countries and the Ratio in 2022



Encourage the Development of Green Product Patents

In order to implement Wistron's Green Product Policy, we also included the ideas of green innovation in the development of our products. Among the patents granted in 2022, green product patents with environmentally friendly designs accounted for 34 patents. Green product patents increase the added value of products, protect the environment with innovative technologies, and create a better life for the entire society.

Wistron's Green Product Patents



Green Product Patent Design Achievements in 2022

Co-constructed power generation device

EP3499032

The present invention is a dual mechanical power generation device with special structural design. That is, electricity can be generated with good efficiency in a shaking or rotating manner. The power demand of small devices can be met without installing a battery, so environmental protection and convenience are taken into consideration.

Electronic device and charging foot seat thereof

TWI768643

The present invention is a new type of wireless charging stand. It improves the charging efficiency, reduces the time required for charging, and avoids the loss of electrothermal conversion caused by long-term charging and the thermal damage to electronic devices through the design of special electrode configuration.

Charging method and electronic device using the same

CN109256825

The charging device of the present invention can properly implement different fast/normal charging programs according to the user's demand for charging time or usage time, and it also takes into account the charging efficiency to avoid the battery damage.

2.1.3 Low-Carbon Manufacturing and Energy Saving Innovations

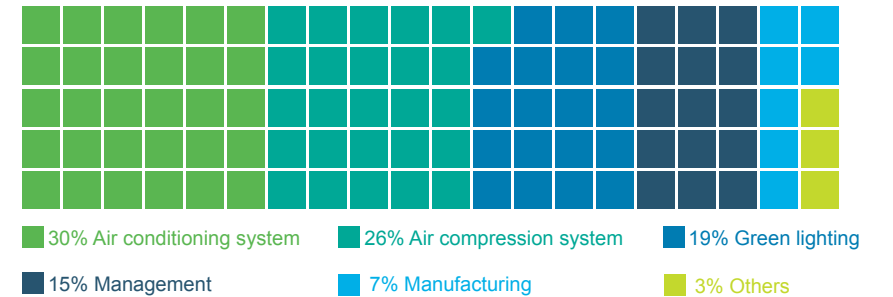
With the 2030 carbon neutral goal in mind, Wistron is proactively driving actual carbon reduction in addition to increasing renewable energy use. We use low-carbon manufacturing processes, smart energy conservation technologies, and improvement of energy efficiency to achieve the goal of energy saving. All plants carry out energy-saving projects to practice low-carbon production. The project is divided into six dimensions: air conditioning, air compressor, production, management, green lighting and others. It is moving towards two aspects, including the introduction of smart energy management system, and the strengthening of management and data base. Diversified solutions have also been drawn up to realize low-carbon manufacturing and energy saving innovations.

The manufacturing plants have achieved remarkable results in the carbon reduction performance of the six energy-saving dimensions mentioned above under the long-term promotion of energy-saving activities. Air-conditioning and air compressor power consumption thereof are high-energy-consuming hot spots in the plants. Carbon reduction planning is actively carried out in the two hotspots of high energy consumption through the inventory of hardware equipment and energy use diagnosis. The goal of effective management is achieved through the introduction of smart energy conservation technology, combined with AI and IoT control technology in addition to replacing old equipment consuming energy. One of the energy-saving achievements in 2022 is smart energy conservation and innovative projects with a power saving rate of 20-30%. Wistron will continue to commit to low-carbon innovative manufacturing with the help of smart solutions. We combine digital platforms and virtual factories to realize the vision of sustainable management through energy management, intelligent repair and maintenance systems, and ice water systems.

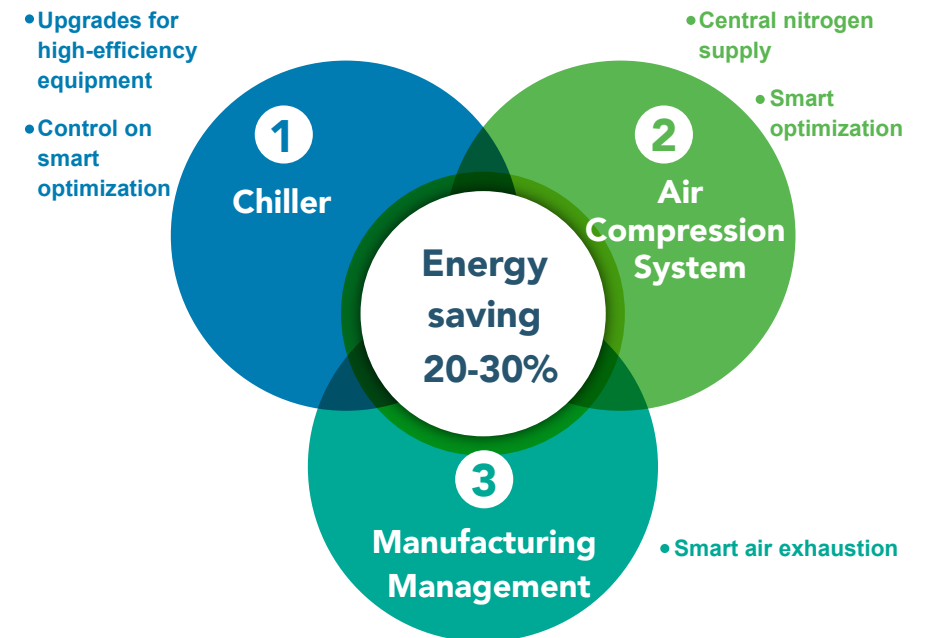
Low-Carbon Manufacturing / Energy Saving Innovative Initiatives - Central Nitrogen Supply

Through the soldering process, it is necessary to react with nitrogen to ensure the quality of the soldering tin. The nitrogen production process is mainly from the atmospheric air that is transmitted to the nitrogen supply machine through the air compressor, and passes through the filter to produce high-purity nitrogen, which is supplied to the reflow furnace and soldering tin. Common nitrogen supply machines are erected beside the production line. However, in the process of nitrogen production, there are disadvantages such as high energy consumption due to high ventilation frequency, excessive noise in the nitrogen production process, and equipment occupying some space in the production area. After various assessments and improvement plans, the Wistron Zhongshan plant introduced a central nitrogen supply system to increase nitrogen flow and centralize nitrogen supply. Therefore, compressed air gas is saved and energy consumption is reduced. It is also installed centrally on the roof to reduce working noise, and it can also reduce the electricity consumption and land occupation of the air conditioner installed in the onsite nitrogen generator for heat dissipation. The annual electricity saving of this project is estimated to reach 2471.43MWh. It will continue to be introduced into other plants in the future.

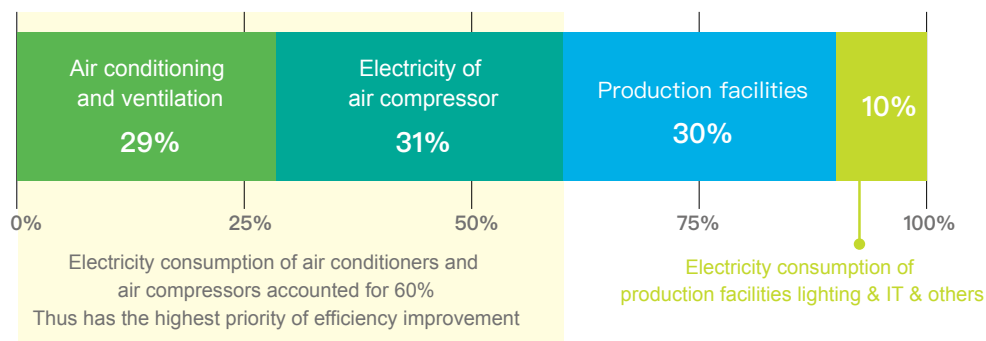
Scale Diagram of Energy Saving Project



A Trilogy to Smart Energy Conservation



Scale Diagram of Energy Consumption before Smart Energy Conservation



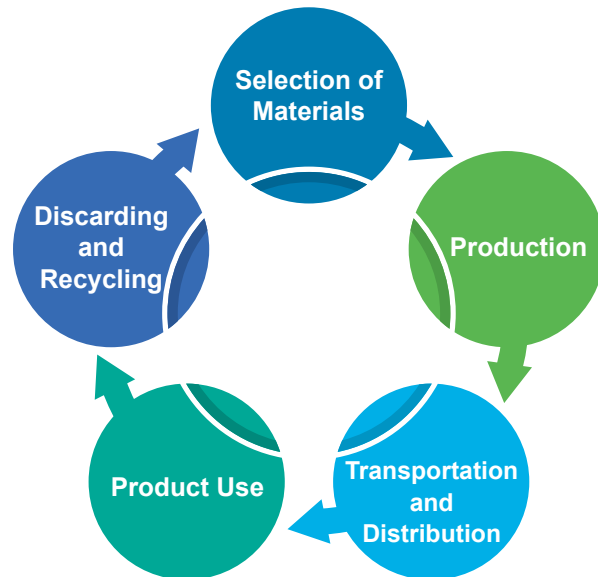
2.2 Pursuing the Highest Quality

2.2.1 Green Products

Wistron follows the framework of ISO9001 and QC080000 management system in the product development stage. The Green-design Guide is adopted to introduce the concept of life cycle assessment into products. Moreover, Wistron can design compliant products to meet customer needs and the requirements of environmental protection laws and regulations, energy consumption labels and safety regulations in various regions.

The products are guaranteed to avoid the use of harmful substances, the design is easy to disassemble and easy to recycle, the percentage of PCR recycling is increased, and it is connected to Reduce/Reuse/Recycle to reduce the use of raw materials.

A circular economy is implemented through recyclable designs for products and proper waste disposal.



Energy management, greenhouse gas management, resource management, and waste management are implemented to achieve Cleaner Production.

Energy conservation and easy to repair designs are used to reduce product energy consumption and extend product lifecycles.

Improvement in transportation efficiency: Lightweight product designs and reduced packaging

By 2022, all product lines have attained 100% compliance with Waste Electrical and Electronic Equipment Directive (WEEE) regulations. In 2022, the company's products that assist brand customers to obtain various environmental protection labels account for 85.07% of hardware revenue. All product lines are 100% in compliance with customer requirements, environmental protection laws and regulations, energy consumption labels and safety regulations in various regions. Meanwhile, there was no incident of non-compliance with regulations and voluntary codes concerning product information and labeling. In 2022, Wistron's products that meet the Energy Star standard saved 580,048,154 (kwh) and reduced 295,244,510 (kgCO₂e) annually. Product age is considered, and the energy saving benefit of the product is 3,590,806,033 (kwh) with a reduction of 1,827,720,271 (KgCO₂e). Energy Star products accounted for 84.3% of hardwares' revenue.

Wistron strictly complies with the import laws, regulations and directives of various countries.

Achieving a passing rate of **100%** in previous years

| Laws, Regulations and Directives | Wistron's Products |
|---|--|
| EU RoHS directive: Control of substances hazardous to the environment | 100% compliant |
| REACH | 100% compliant |
| WEEE: Recycling of electronics/appliances wastes: | 100% compliant |
| CA65 | Products exported to California are 100% compliant |
| POPs (Persistent organic pollutants) | Products exported to EU are 100% compliant |
| VOCs | Products exported to China are 100% compliant |
| Mineral oil of France | Products exported to France are 100% compliant |

Passing rate for other industrial certification standards

| Certification Standards | 2019 | 2020 | 2021 | 2022 |
|---|-------|-------|-------|-------|
| Products certified by Energy Star | 82.9% | 86.7% | 89.5% | 84.3% |
| Products meet EPEAT certification or equivalent standards | 56.6% | 62.4% | 74.6% | 77.9% |

Number of Products to Obtain Important Environmental Protection Labels in 2022

| Label name | Product Type and Quantity |
|-------------------------------|---|
| Taiwan Green Mark | 82 personal computer products (including 50 laptop computers, 32 desktop computers, and all-in-one computers) and 6 monitor products obtained the Taiwan Green Mark |
| China Environmental Labelling | 215 personal computer products (including 138 laptop computers, 77 desktop computers and all-in-one computers), 100 monitor products, and 4 corporate products obtained the China Environmental Labelling |
| U.S.A. EPEAT | 326 personal computer products (including 251 laptop computers, 75 desktop computers and all-in-one computers) and 104 monitor products obtained US EPEAT certification |
| TCO certification | 147 personal computer products (including 101 laptop computers, 46 desktop computers and all-in-one computers) and 100 monitor products obtained US EPEAT certification |
| US Energy Star | 639 personal computer products (including 467 laptop computers, 172 desktop computers and all-in-one computers) and 148 monitor products obtained TCO certification |

Sales of Products with Important Environmental Protection Labels as Percentage of Hardware Revenue in 2022 (%)

| Item | Energy Star | EPEAT / TCO / Taiwan Green Mark / China Environmental Labelling |
|--|--------------|---|
| Laptop computers | 98.9% | 89.9% |
| Desktop computers and all-in-one (AIO) computers | 70.3% | 60.5% |
| Monitors | 89.0% | 93.3% |
| Servers/ Voice over Internet Protocol (VoIP) | 4.8% | 1.6% |
| Total | 84.3% | 77.9% |

Product Safety Management and Guidelines

In order to ensure that raw materials do not use hazardous substances to comply with international environmental protection regulations and customer regulations on hazardous substances, Wistron has formulated "Wistron Hazardous Substance Management Regulations" and "Control Operation Procedures for Products Containing Hazardous Substances" by following the management framework of IECQ QC080000. We have developed Product Lifecycle Management (PLM) and Green Product Management (GPM) on our own to confirm that all parts and packaging materials used in products must comply with international environmental protection regulations and customer regulations on hazardous substances. In 2022, there were currently 10 banned substance and 186 regulated substances. Wistron re-examines regulations and customer standards every six months for the amendment of Wistron regulations to ensure compliance with raw material regulations and customer specifications. Wistron's packaging materials mainly use renewable materials. We compile statistics every year based on the import/export customs declaration system for the weight of product materials and packaging materials.

Use of Product Materials and Packaging Materials

Usage Volume of Product Materials and Packaging Materials Over the Years

| Item | 2019 | 2020 | 2021 | 2022 |
|--|---------|---------|---------|---------|
| Product material usage volume (tons) | 230,657 | 196,097 | 238,388 | 219,161 |
| Packaging material usage volume (tons) | 68,229 | 63,101 | 78,979 | 76,947 |
| Percentage of renewable materials (%) | 29.6% | 32.2% | 28.6% | 35.1% |

Notes 1: The weight of all materials and packaging materials is denominated in "gross weight", which is defined as the total weight that includes the weight of packaging materials.

Notes 2: Product material usage volume (ton) = product weight + packaging material weight

Notes 3: Packaging material usage volume (ton) = packaging material weight

Notes 4: Percentage of renewable materials = (total renewable materials/total materials) x 100%

Wistron Hazardous Substance Management Regulations

In accordance with international environmental protection regulations and customer environmental protection requirements, Wistron has formulated "Wistron Hazardous Substance Management Regulations" to define the standards for restricting hazardous substances such as components, packaging materials, and auxiliary materials used in products. This is used to establish a list of control and monitoring items, and cooperate with suppliers to reduce the impact on the environment and protect human health.

- 1 Hazardous substances restricted by the EU RoHS Directive
- 2 Wistron restricted items: Established based on IEC62474 of the Material Declaration Standards and environmental friendly requirements from each brand customers.
- 3 Wistron monitoring items: Include substances of concern that have yet been banned. We collect information on the usage status as the basis of evaluation for future reduction schedule or new bans.
- 4 Halogen-free or low-halogen product regulated items: Halogen-free or low-halogen regulations for specific products are introduced in response to customer demands.
- 5 Substances of Very High Concern (SVHC) under REACH
- 6 Battery regulations: Because batteries contain a lot of chemicals, they should be recycled and separated before disposal to avoid environmental pollution. The batteries are all marked with recycling marks in accordance with customer requirements and the requirements of various countries.
- 7 Packaging material regulations: The main controls will be with the packaging materials for final product shipments, such as: corrugated boxes, packaging bags, cushioning materials, labels, tapes, pads, etc.



Information System and Management Procedures

- Invention and innovation reward scheme
- Project tracking system (pts)
- Quality management system (iso 9001)
- Hazardous substance process management system (iecq qc 080000)
- Green-design guide
- Product lifecycle management (plm)
- Green product management (gpm) system
- Sap system
- Rohs directive
- Registration, evaluation, authorization, and restriction of chemical substances (reach)
- International safety regulations (bsmi, cb, ccc, cul, ul, and tuv certification from different countries)

2.2.2 Product Life Cycle Assessment

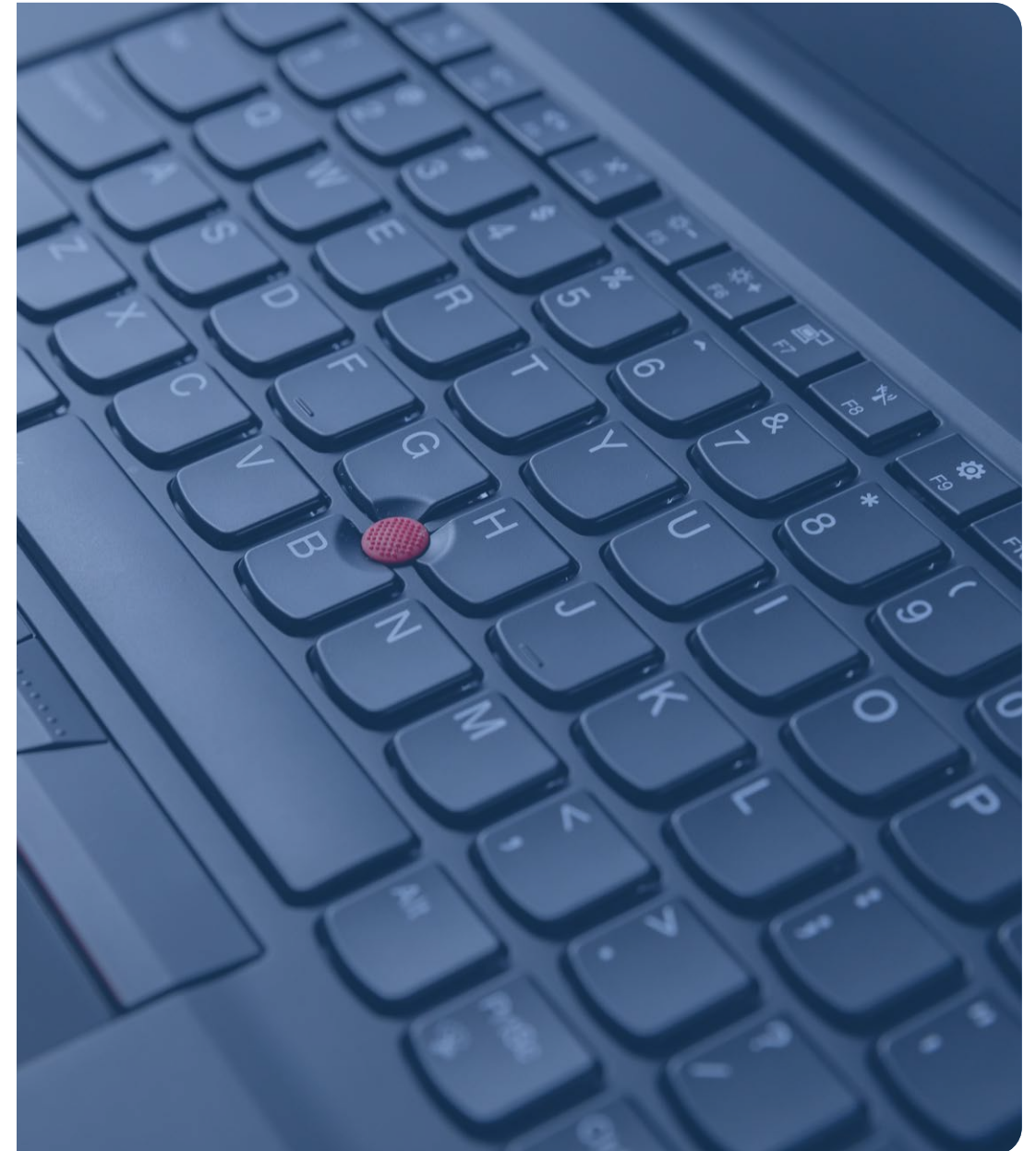
Through life cycle assessment, enterprises can evaluate the potential impact on the environment of various inputs and outputs in the process of product or service life cycle. In addition, the evaluation results are applied to the commodity, manufacturing or service stages to achieve the purpose of continuously providing environmentally friendly products. In 2022, Wistron complies with ISO 14040 and 14044 life cycle assessment standards in the life cycle assessments of laptop computers and All-in-One computers. The scope of the system boundaries has been defined according to the product category rules (PCR) for IT equipment by the EU Environmental Footprint Category. The boundaries have been defined as cradle to grave, which includes raw material, manufacturing, distribution, use, and end of life stages. The LCA analysis tool is used to conduct the computational analysis to obtain the environmental impact assessment results and carbon footprint of the product. Currently, products that have completed LCA analysis account for 20.24% of the revenue of laptop computers, desktop computers, All-in-One computers and handheld devices.

Wistron established a standard operating procedure for product life cycle assessment. Our colleagues are trained through e-learning classes. At the same time, an LCA analysis team was established to continuously strengthen the knowledge and capabilities of the company's product life cycle assessment. In addition, Wistron has started the development of the product carbon footprint system (PCF System) in 2022. It obtains product-related information by connecting Wistron's internal systems in series to greatly reduce the manual work time for life cycle assessment. In the future, this system will be used to accelerate the LCA coverage of Wistron's products, and continue to develop low-carbon products through carbon emission hotspot analysis and improvement.

Carbon Footprint Analysis Result of Each Life Cycle Stage

| Product Scope | Raw Materials | Manufacturing | Distribution | Product Use | End of Life | Total Carbon Emissions |
|---|---------------|---------------|--------------|-------------|-------------|------------------------|
| Laptop computer (13 inches)(Chengdu Plant) | 45.88 | 2.08 | 17.12 | 15.70 | 1.66 | 82.44 |
| Laptop computer (14 inches)(Chengdu Plant) -A | 48.30 | 2.97 | 23.20 | 23.00 | 1.97 | 99.44 |
| Laptop computer (14 inches)(Chengdu Plant) -B | 49.99 | 2.67 | 17.56 | 27.24 | 1.80 | 99.25 |
| AIO (24 inches)(Zhongshan Plant) | 177.33 | 6.74 | 38.32 | 97.50 | 3.81 | 323.70 |

Note: Unit kgCO₂e/q



Results of Environmental Impact Assessment

| Impact Category | Unit | Environmental Impact Results | | | |
|---|--------------------------|---|--|--|--|
| | | Laptop Computer (13 inches) (Chengdu Plant) | Laptop Computer (14 inches) (Chengdu Plant) -A | Laptop Computer (14 inches) (Chengdu Plant) -B | All in One (24 inches) (Zhongshan Plant) |
| Global warming | kg CO ₂ eq | 77.41 | 78.11 | 100.96 | 323.78 |
| Stratospheric ozone depletion | kg CFC-11 eq | 0.000036 | 0.000401 | 0.000048 | 0.000163 |
| Ionizing radiation | kBq Co-60 eq | 8.66 | 11.61 | 14.47 | 46.10 |
| Ozone Formation, Human Health | kgNO _x eq | 0.22 | 0.18 | 0.28 | 0.85 |
| Formation of fine particles | kg PM _{2.5} eq | 0.17 | 0.19 | 0.21 | 0.69 |
| Ozone formation, terrestrial ecosystems | kgNO _x eq | 0.22 | 0.19 | 0.29 | 0.87 |
| Soil acidification | kg SO ₂ eq | 0.36 | 0.36 | 0.44 | 1.29 |
| Freshwater eutrophication | kg P eq | 0.07 | 0.07 | 0.08 | 0.27 |
| Ocean eutrophication | kg N eq | 0.02 | 0.02 | 0.03 | 0.16 |
| Terrestrial ecotoxicity | kg 1,4-DB eq | 1,190.83 | 1,229.27 | 1,245.92 | 2,466.55 |
| Freshwater ecotoxicity | kg 1,4-DB eq | 22.18 | 25.17 | 27.24 | 70.77 |
| Ocean ecotoxicity | kg 1,4-DB eq | 29.22 | 32.98 | 35.53 | 91.99 |
| Carcinogenic human toxicity | kg 1,4-DB eq | 7.41 | 8.70 | 10.48 | 31.42 |
| Non-carcinogenic human toxicity | kg 1,4-DB eq | 347.56 | 381.99 | 402.40 | 1,014.40 |
| Use of land | m ² a crop eq | 2.31 | 2.76 | 3.24 | 10.66 |
| Water resources consumption | m ³ | 1.39 | 1.54 | 1.60 | 4.41 |
| Scarcity of mineral resources | kg Cu eq | 19.94 | 19.54 | 26.48 | 83.00 |
| Scarcity of fossil resources | kg oil eq | 0.92 | 0.96 | 1.05 | 3.32 |

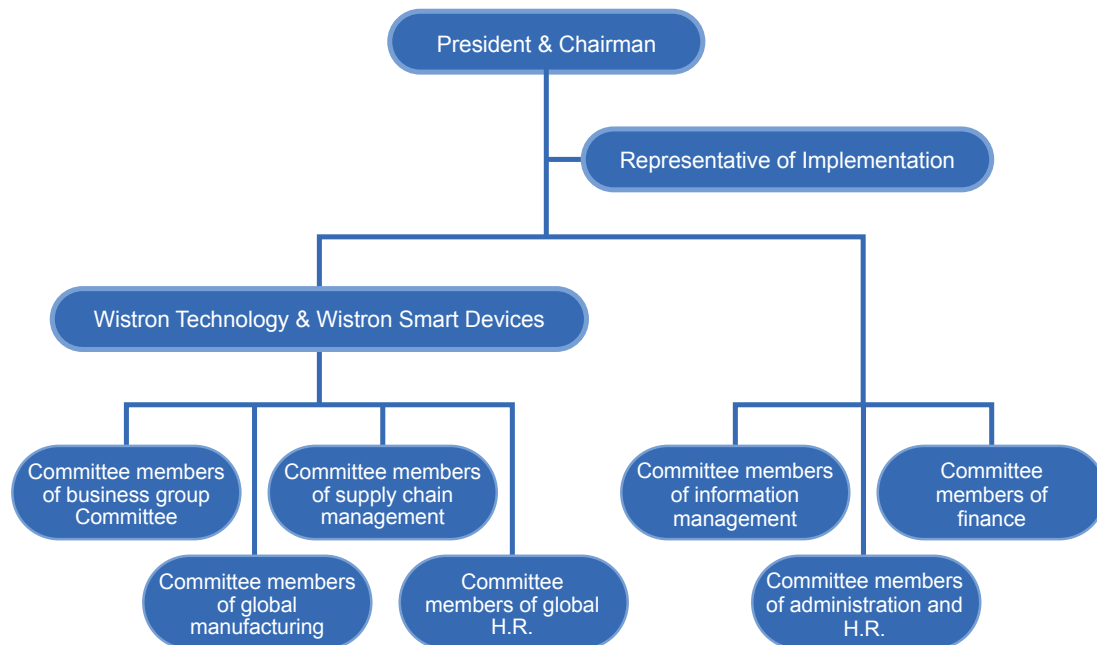
2.3 Maintaining Customer Relations

2.3.1 Product Quality

Wistron not only focuses on product quality, but also continues years of design and manufacturing experience to win the trust of customers with complete product testing and strict quality control. Wistron's quality policy regards "deliver zero-defect and competitive products and services to customers on time" as the long-term quality management goal.

As the world's leading technical service provider (TSP) for the information and communication industry, we have introduced the ISO 9001 quality management system. We integrate the spirit of ISO, "say what you do, do what you say, document what you did" and continuous improvement, and PDCA management cycle into daily operation management. Therefore, it is possible to ensure that the quality policy can be implemented in detail, resulting in no major quality incidents in Wistron in 2022.

Wistron has established the "Quality and Hazardous Substance Management Systems Committee", which is chaired by the President of the Company. The various business units appointed committee members to implement the quality and hazardous substance management requirements to the various units under it.



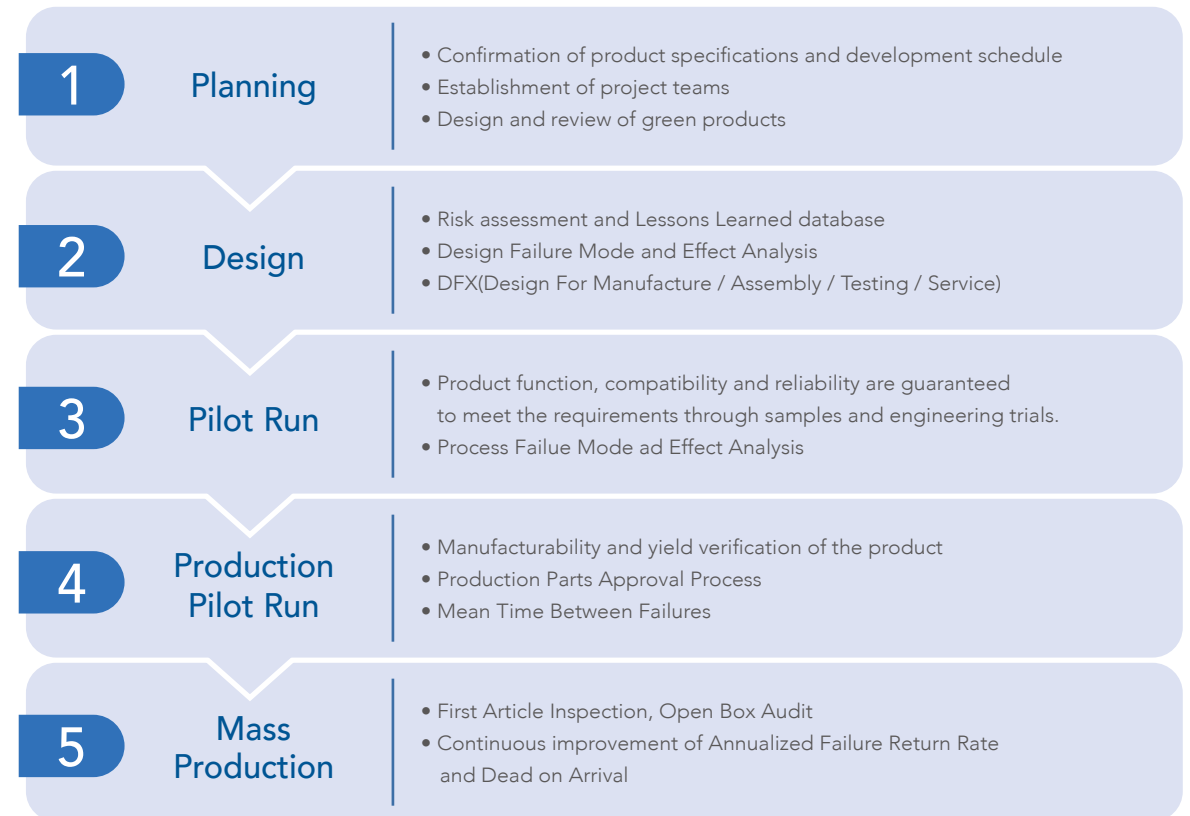
Quality Certification Testing

In order to meet the quality requirements of customers, Wistron's product must pass related quality inspections and tests to ensure that the products meet specifications and customer quality requirements before starting mass production.

They include function certification, compatibility certification, reliability certification, environmental specifications and requirements, and DfX (design for manufacture / assembly / testing / service) requirements. In the early periods of design and development, we use risk assessments and the lessons learned database to jointly and continuously improve product design capabilities, ease of production, and product quality with Wistron plants.

In order to be able to develop high-quality products that meet the needs of customers and the market in real time, Wistron develops the process according to the product, including planning, design, pilot run, production pilot run, and mass production. At the same time, the digital transformation project was introduced to automate the design verification and standardize the process. Design problems are avoided in the front-end design to reduce the time and cost of the R&D unit's back-end debugging and verification-end repeated testing.

Product Development Process



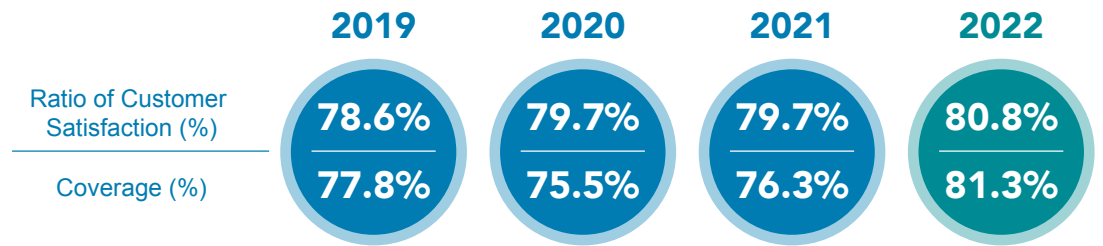
2.3.2 Customer Satisfaction

With the attitude of pursuing customer satisfaction and quality first, Wistron strengthens existing customer relationships. Moreover, we optimize the existing product portfolio to provide products and services that satisfy customers and exceed customer expectations. Our value is based on developing dependable partnerships with all customers.

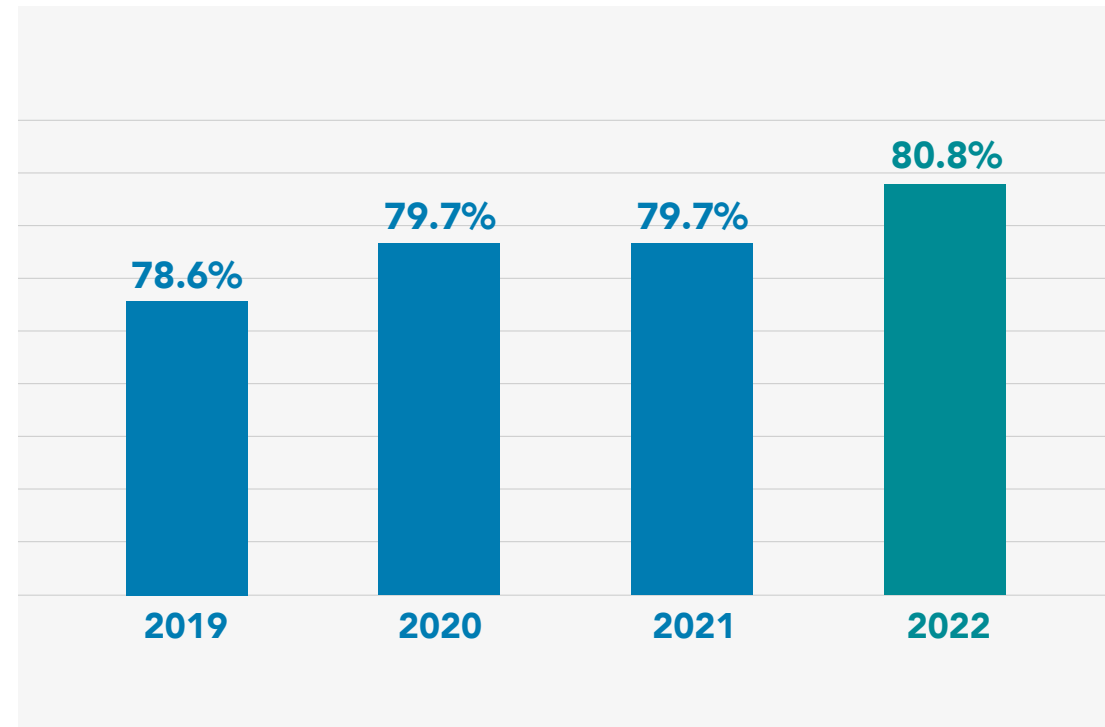
In order to improve customer satisfaction, we carefully listen to the voices of customers through internal assessment operations and customer satisfaction questionnaire, or through the process of customers' Quarterly Business Review (QBR) on Wistron's quarterly business performance (refer to the table). We will continue to improve related results. In 2022, we launched the Wistron Customer Satisfaction Questionnaire for the first time to all customers in addition to the feedback from the existing regular customer business performance appraisal. The ratio of customer satisfaction is 83.3%. In order to understand customers' multi-faceted feedback on quality, cost, delivery, service and technology, etc., it is used to actively respond to customer needs. Therefore, we look forward to bringing more benefits to customers and providing better services.



Customer Quarterly Business Review (QBR)

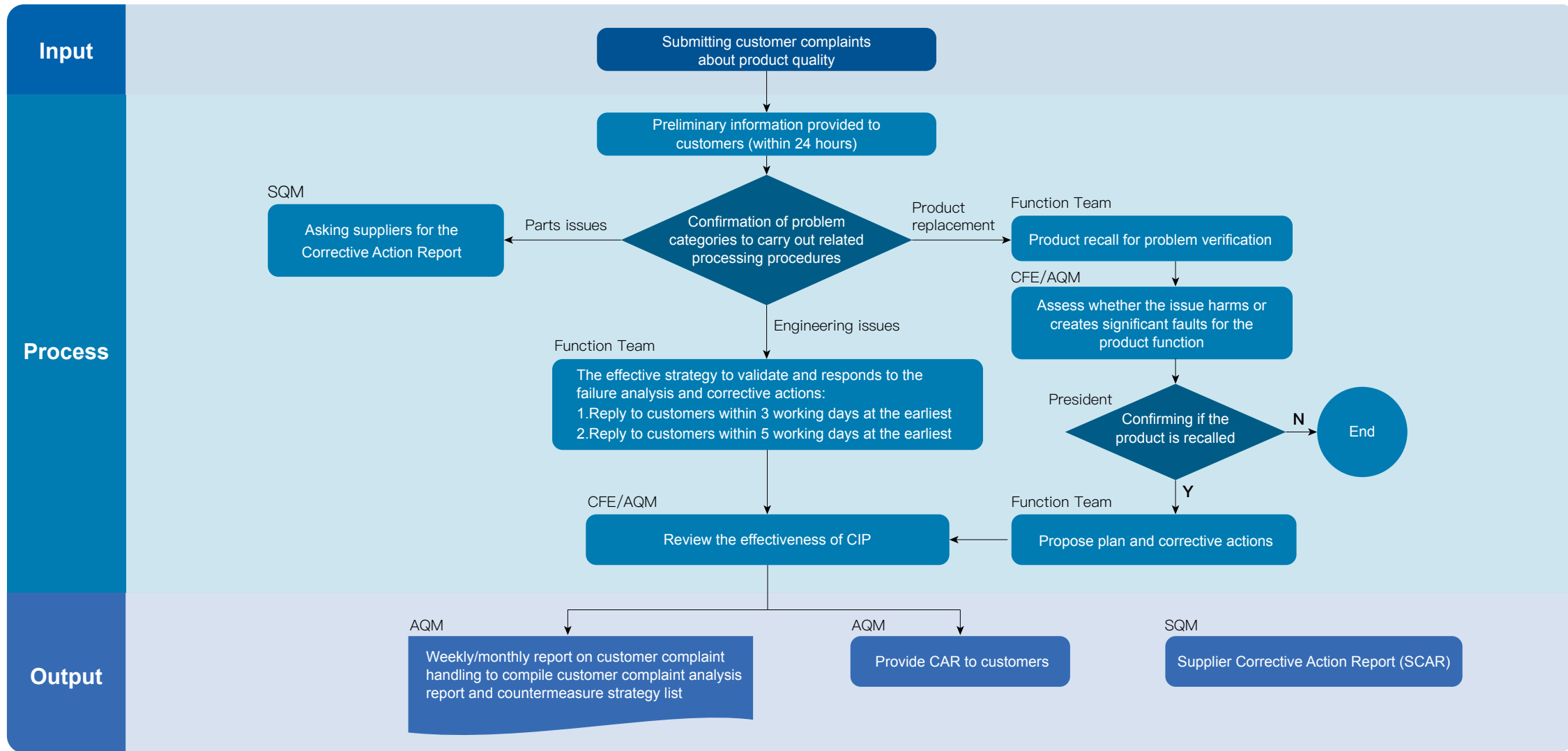


Ratio of Customer Quarterly Business Review Satisfaction (%)



Customer Complaint Handling Procedure

An effective customer complaint handling process has been established to ensure that customer complaint cases can be properly handled and resolved. This is an important task for Wistron to continuously improve and increase customer satisfaction. In addition to understanding customer needs through customer satisfaction, there is also a complete tracking process for customer complaints. At the same time, we can serve customers more flexibly and efficiently, and make adjustments according to their demands, according to industry characteristics and practical requirements. The procedures are mainly based on the RFQ (Request for quotation) or SOW (Statement of Work) provided by individual customers. Customized mission teams are organized to respond to the customers in a timely fashion and provide the best service and quality.



wistron



2.3.3 Privacy Protection

In order to implement personal data protection and management, Wistron refers to the regulations of the operational location and relevant requirements of the EU General Data Protection Regulation (GDPR) to establish [Privacy policy](#). The Policy is the highest governing principle for privacy protection and covers all employees, suppliers, contractors, and external consultants of Wistron, subsidiaries, and joint venture companies with significant influence. The Policy contains clear regulations and requirements for personal data usage and protection. We require all members and partners to comply with the Policy, in order to effectively protect personal data and rights and interests.

At Wistron, the Audit Department proactively conducts Internal control system every six months in accordance with company policies. The scope of this audit activity includes the collection, processing, and transfer of personal data to ensure compliance with local regulations and internal codes of conduct.

Wistron has established privacy appeal channels. If incidents that may violate privacy or violate the Policy occur, the incidents may be reported through the privacy protection hotline, (02)6616-9999 ext. 25740 or the email address, web_master@wistron.com. In order to implement privacy protection, we periodically conduct trainings of privacy protection for all employees and review the effectiveness of the training. Wistron adopts a zero tolerance policy for privacy protection. If any personnel violates the Policy, the discipline will be determined by the regulations according to the Company's code of conduct.

Wistron is committed to ensuring the confidentiality of customer information and upholding the principle of good faith for customer privacy rights. Wistron absolutely complies with the Policy for customer information and will not use customer information for secondary purposes. Therefore, the percentage of using customer information for secondary purposes is 0%. From 2019 to 2022, no complaints or penalty related to privacy from external organizations or the competent authority were received.

3 Environmental Protection



3.1 Management System

- Environmental Protection Policies
- Environmental Investment and Benefits

3.2 Adoption of TCFD

- Climate Governance Structure
- Mitigation and Adaptation Strategies
- Identification of Climate Risks and Opportunities
- Climate Goals

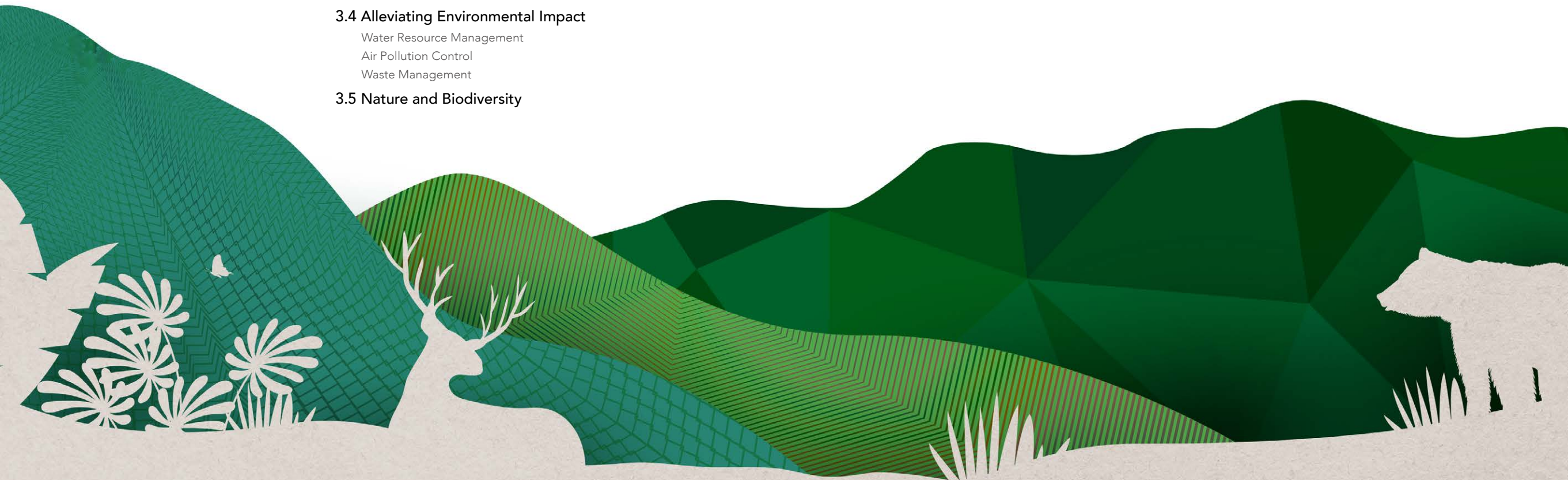
3.3 Greenhouse Gas Emissions and Energy Management

- Energy Usage
- Greenhouse Gas Emissions
- Reduction Actions and Results

3.4 Alleviating Environmental Impact

- Water Resource Management
- Air Pollution Control
- Waste Management

3.5 Nature and Biodiversity



Management Approach

| Topics | Strategies | 2022 Targets | 2022 Results | Progress Signal | 2023 Targets | 2025 Targets | 2030 Targets |
|--------------------------------------|--|--|--|-----------------|--|--|--|
| Climate Change and Energy Management | <ol style="list-style-type: none"> 1. Improve energy efficiency 2. Improve renewable energy consumption | Absolute greenhouse gas reduction of 25.2% compared to 2016 | <p>-66.7%*</p> <p>Total Greenhouse Gas (GHG) Emissions amounted to 114,137.9 (tons of CO₂e) (260 million kWh I-REC was purchased in 2022)</p> <p>*Calculate using the information disclosed in the scope of this report.</p> | ● | <p>Absolute greenhouse gas reduction of 4.2% every year compared to the baseline year</p> <p>Note: 2023 is reset as the baseline year due to changes in reporting boundaries. (The original goals: Absolute greenhouse gas reduction of 29.4% compared to 2016)</p> | <p>Absolute greenhouse gas reduction of 4.2% every year compared to the baseline year</p> <p>Note: 2023 is reset as the baseline year due to changes in reporting boundaries. (The original goals: Absolute greenhouse gas reduction of 37.8% compared to 2016)</p> | carbon neutral (Scope 1 + Scope 2) |
| | | 57.5% of renewable electricity used | <p>63.0%</p> <p>260 million kWh I-REC was purchased in 2022 9.283 million degrees of solar energy was self-produced and used in 2022</p> | ● | 65% of renewable electricity used | 80% of renewable electricity used | 100% of renewable electricity used |
| Water Resource Management | <ol style="list-style-type: none"> 1. Implementation of water resource management and day-to-day water conservation 2. Implementation of water recycling and wastewater management | Water consumption intensity reduced by 10% compared to 2016 | <p>-37.6%</p> <p>Total water usage amounted to 3,812.5 (million liters)</p> | ● | Water consumption intensity reduced by 11% compared to 2016 | Water consumption intensity reduced by 13% compared to 2016 | Water consumption intensity reduced by 18% compared to 2016 |
| Hazardous Substance Management | Hazardous Substance Free (HSF) | 100% compliance with Hazardous Substance Free standards and customer requirements | <p>100%</p> <p>compliance with Hazardous Substance Free standards and customer requirements</p> | ● | 100% compliance with Hazardous Substance Free standards and customer requirements | 100% compliance with Hazardous Substance Free standards and customer requirements | 100% compliance with Hazardous Substance Free standards and customer requirements |
| Waste Management | <ol style="list-style-type: none"> 1. Continuous implementation of waste classification and waste reduction 2. Enhancement of waste recycling and reuse | Waste intensity reduction of 4% compared to 2018 | <p>-14.0%</p> <p>Waste generation (including landfilling and without energy recovery) 40,303.3 (tons)</p> | ● | 6% of waste intensity reduction | <ol style="list-style-type: none"> 1. Waste intensity in 2025 reduced by 10% compared to 2018 2. All sites have been certified with UL2799 Zero Waste to Landfill. | 20% of waste intensity reduction compared to 2018 |
| Product Accountability | Improve environmental benefits of products | <p>100% compliance with energy label and safety label requirements of customers and regions</p> <p>100% compliance with WEEE regulations</p> | <p>100%</p> <p>compliance with energy label and safety label requirements of customers and regions</p> <p>100%</p> <p>compliance with WEEE regulations</p> | ● | <p>100% compliance with energy label and safety label requirements of customers and regions</p> <p>100% compliance with WEEE regulations</p> | <p>100% compliance with energy label and safety label requirements of customers and regions</p> <p>100% compliance with WEEE regulations</p> | <p>100% compliance with energy label and safety label requirements of customers and regions</p> <p>100% compliance with WEEE regulations</p> |

Note: The progress light is ● green light with more than 95% ● yellow light with 90%-95% ● red light with 90% or less.

3.1 Management System

3.1.1 Environmental Protection Policies

Wistron is committed to abiding by environmental and energy regulations that are associated with our activities, products and services, as well as customer requirements in order to achieve our set goals and targets, or attain results better than regulated. We actively support government environmental protection policies and continue to mitigate and prevent pollution. (Please refer to the [company website](#) for full environmental policy).

Environmental Management Policies

- We regularly implement regulatory compliance inspections to ensure that our current practices comply with new regulations.
- We perform internal audits and third-party verification each year to ensure the effective operations of the management system.
- In addition to paying continuous attention to international issues and trends, Wistron has adopted the ISO 14001 Environmental Management System in all global operations. We seek to satisfy the requirements in environmental protection regulations of local governments. We aim to effectively reduce the impact of business activities on the environment and improve environmental management performance to attain our ultimate goal of sustainable development.

Environmental Complaint Channels

Wistron has set up the Stakeholder Communication Section on its official website for stakeholders such as customers, employees, shareholders, suppliers, government agencies, non-profit organizations, and the media to provide suitable communication channels. When we receive any environmental issue, Wistron will address the issue and respond in accordance with procedures.

Environmental Education and Advocacy

Wistron seeks to enhance the employees' awareness of environmental protection and occupational health and safety. Every plant organizes safety and environmental protection campaigns every year and uses promotions, contests, and activities to encourage employees to participate and learn more about the importance of environmental protection and occupational safety.

Compliance with Environmental Laws and Regulations

In 2022, Wistron had no violations of environmental laws and regulations. During the years 2019 to 2022, Wistron had only one fine related to environmental regulations in 2021, amounting to NT\$1,445,420. The plant has cooperated with the relevant local competent authority to complete the improvement and continues to monitor the progress. We will continue to focus on changes in environment-related laws and regulations in various countries. We will update and implement internal operating procedures and regulations, periodically organize legal compliance training and include the training in the annual internal training plan, in order to ensure the legal and regulatory compliance of every aspect of the company's operations and appropriately respond to the stakeholders' expectations of Wistron.






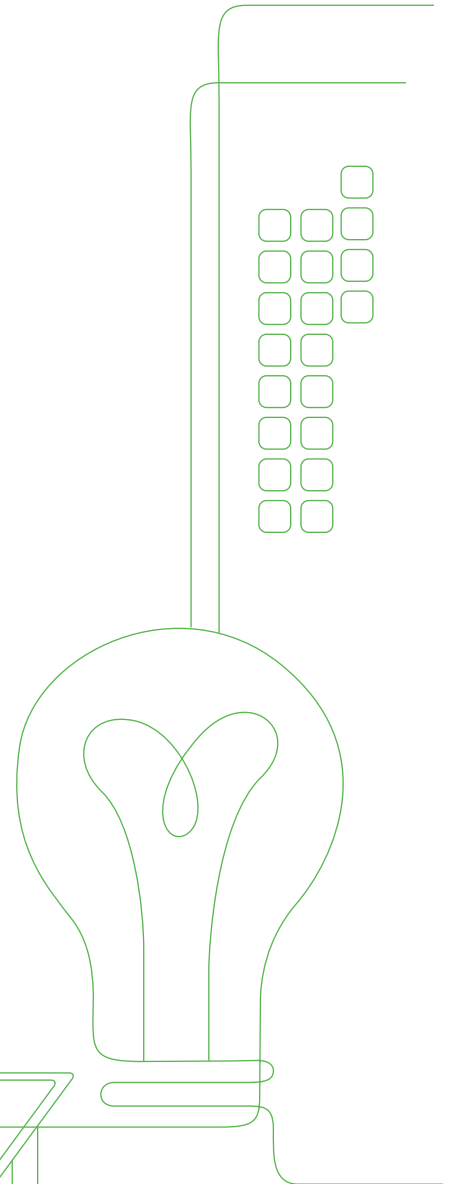
Green and low-carbon manufacturing has been implemented, and green factories have been built to lead the industry benchmark. The titles of "Environmental Protection and Integrity Enterprise" and "Green Manufacturing System Demonstration Unit" were awarded.

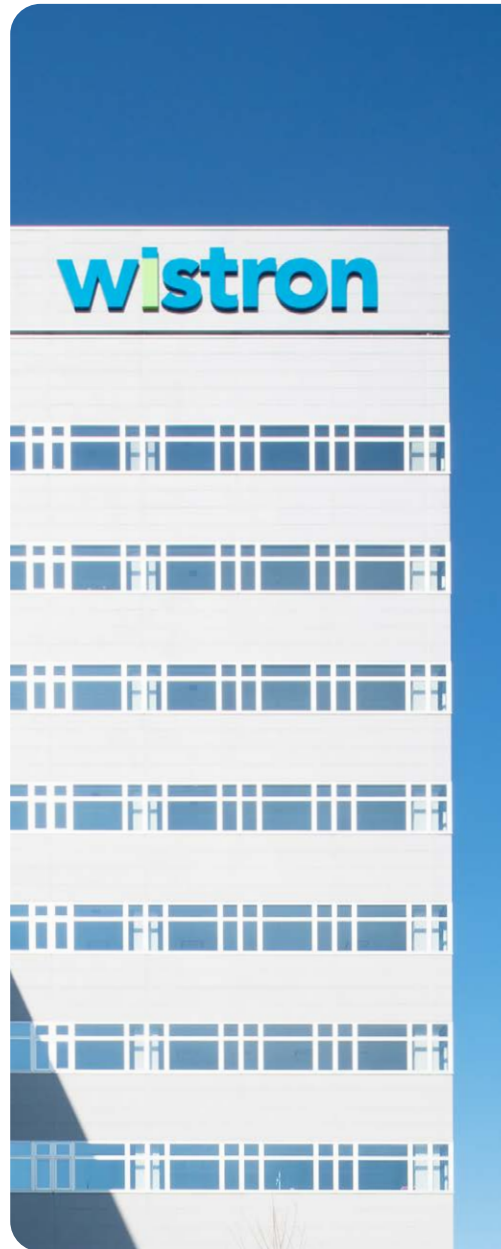
Responding to the global green transition trend, Wistron's Chongqing plant participated in Chongqing's "Municipal Enterprise Environmental Credit Evaluation" in 2022. The evaluation indicators covered 30 elements, including environmental monitoring, solid waste management, pollutant discharge permit, pollution prevention and control, environmental emergency response, information disclosure and so on. We won the title of "Environmental Protection and Integrity Enterprise" in the Chongqing Municipal Enterprise Environmental Credit Evaluation with a score of 101 from the 1,053 enterprises participating in the evaluation. We further promote the green enterprise action plan by strengthening source emission reduction, process control, and practicing the concept of green development to continuously improve the level of clean production. Meanwhile, the green factory certification mechanism has been implemented in both the Chongqing Plant and the Zhongshan Plant. These plants have conducted self-assessment and third-party evaluation on 97 factors including energy input, environmental protection, and greenhouse gas emissions. In this way, the green manufacturing management level of the plants has been improved, and it was awarded the title of "Green Manufacturing System Demonstration Unit." The management objectives of the green factory are divided into four aspects: the company's environmental protection, energy management, product quality, and occupational health and safety. The Company's green and low-carbon awareness has been strengthened through management methods. Energy saving, emission reduction, and cleaner production are actively carried out. Green strategies and technologies are adopted to improve ecological benefits. The concept of low-carbon manufacturing has been gradually practiced. Both environmental ecology and energy resource utilization efficiency are considered to demonstrate the enterprise's ambition for sustainable development.

3.1.2 Environmental Investment and Benefits

Environmental Investment

| Investment Type | Description | Starting Year of the Investment | Accumulated Investment Amount (NTDK) | Created Benefits |
|--|---|---------------------------------|--------------------------------------|---|
|  <p>Solar Power Generation Equipment</p> | Wistron has installed solar power generation equipment at the Neihu Headquarters, Zhongshan Plant, Kunshan Plan, Kunshan Opt Plant, and Malaysia Plant. In 2022, the Company expanded the area dedicated to solar power generation by 6,271 square meters at Kunshan Plant, 6,778 square meters at Zhongshan Plant, and 4,652 square meters at Malaysia Plant, increasing solar power capacity. | 2017 | 285,551.9 | 11,302 KW of installed capacity of solar panels It can generate 11.33 million kWh each year Reduces 7,458 tonnes CO ₂ equivalent |
|  <p>Solar Heating Equipment</p> | Wistron has installed large quantities of solar panels on the rooftops of Zhongshan Plant, Kunshan Plant, Kunshan Opt Plant, and Taizhou Plant to make full use of the space. The panels are used to generate electricity for the plants or used for heating hot water in the dormitories to reduce carbon emissions from the use of electricity or natural gas. | 1998 | 108,541.2 | 5,023 sets of solar water heater equipment NT\$28,370,469 in the use of natural gas saved Saves 1,834,255 cubic meters of natural gas each year |
|  <p>Smart Energy Conservation</p> | Starting in 2019, Wistron began introducing smart energy saving systems. We used AI and IoT technologies to integrate digital technologies with environmental management. Optimized energy usage is based on supply and equipment performance to achieve energy saving effects. | 2020 | 119,035.7 | 47.503 million kWh of energy saved Reduces 38,544.9 tonnes CO ₂ equivalent |

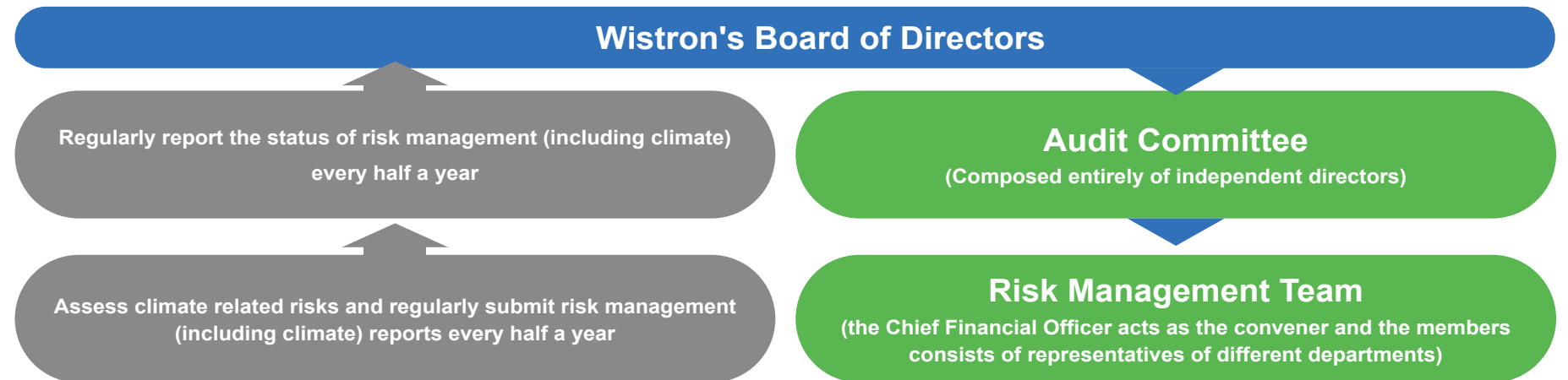




3.2 Adoption of TCFD

Wistron adopted the framework of the Task Force on Climate-related Financial Disclosures (TCFD) in 2019 to identify climate risks and opportunities and used it to create measurement indicators and targets for management. Starting from 2020, the ESG Committee reports climate change risks, mitigation measures, and the progress of related targets to the board of directors on an annual basis. In 2021, Wistron officially became a TCFD Supporter. From 2022, in coordination with the group, the formal implementation of the Enterprise Risk Management (ERM) mechanism has been introduced, which also integrates climate-related risks. In accordance with the Company's "Risk Management Policies and Procedures", each risk ownership unit must conduct risk assessment for the identified risk scenarios through management process including risk identification, risk analysis, risk evaluation, risk response and monitoring, risk reporting and disclosure, etc. In addition, a risk response improvement plan is proposed based on the assessed residual risk level to effectively adjust the risk.

3.2.1 Climate Governance Structure



Climate change and global warming are issues the global community must face now together. While floods, droughts, and other physical risks created by extreme weather threaten the continuity of corporate operations, as a proactive solution, the transition to low carbon economy to achieve sustainable goals will also bring massive opportunities for the industry. At this critical turning point in history, in order to strengthen climate governance, Wistron has named the Board of Directors as the highest supervising unit for climate issues. The Board is responsible for coordinating the overall climate strategy and supervising senior managers in the implementation of climate related risk management and key performance indicators. As a functional committee that reports directly to the Board of Directors, the ESG Committee consists of a risk management team (To comply with the ERM system, it will be transferred to the Audit Committee starting from May 2023) with the CFO acting as the convener. The members consists of supervisors and representatives of each department and business unit. Each year, the risk management team formulates response and adjustment strategies through the comprehensive evaluation and analysis of various risks related to climate. The team produces the corporate risk management report and submits it to the ESG Committee (To be reported to the Audit Committee starting from May 2023) to ensure that climate issues are included in the thinking of senior management and receive proper review and management.

Starting from May 2023, the risk management team will be transferred from the original ESG Committee to the Audit Committee, which will regularly reviews the Company's risk assessments and countermeasures in various aspects such as environment, social, and corporate governance, including but are not limited to the implementation status of climate change-related issues and identification and formulation of response strategies for emerging risks. The Committee reports to the Board of Directors at least twice each year. At the level of promoting sustainable strategies, the Sustainability Office under the ESG Committee reports monthly to the President & CEO on the progress of sustainable strategies and projects, including climate actions. It also reports at least once a quarter to the ESG Committee and the Board of Directors on the implementation results and future plans of corporate sustainability, including climate change-related issues.

3.2.2 Mitigation and Adaptation Strategies

Related departments of Wistron plants across the world identify climate-related risks and opportunities and calculate the cost of management and financial impact of each risk and opportunity. The head office in Taipei assigns departments to take charge of responding to material risks and opportunities. They convene meetings to form consensus and determine actions to be taken for risks with material impact on the Company's finance. Wistron currently defines financial impact greater than NT\$100 million to be a material impact. Regarding the physical impact analysis of climate change in the Taiwan area where the operating headquarters is located, high temperature, drought, flooding and other major disaster types that are currently concerned by stakeholders are analyzed through the "Taiwan Climate Change Projection Information and Adaptation Knowledge Platform" (TCCIP) information in order to facilitate the research and development of the Group's future shock adjustment plan. For Wistron, disasters with physical impact are the biggest source of climate risks in operations and directly affect the production capacity. On the other hand, opportunities appear as our customers' demand for green products increases in order to increase cooperation opportunities with our customers and drive R&D and innovation capabilities. As such, Wistron actively assesses investments and R&D for products with increased demand as a result of climate change. They include various medical devices, online video conference systems, analog conference phones, and cloud storage and servers. Climate change risks in the form of potential natural disasters such as floods, typhoons, and damage to agriculture may affect the timeliness of deliveries in the upstream supply chain. Wistron therefore requires our suppliers to deploy flexible delivery capabilities and provide multiple shipment points for selection.

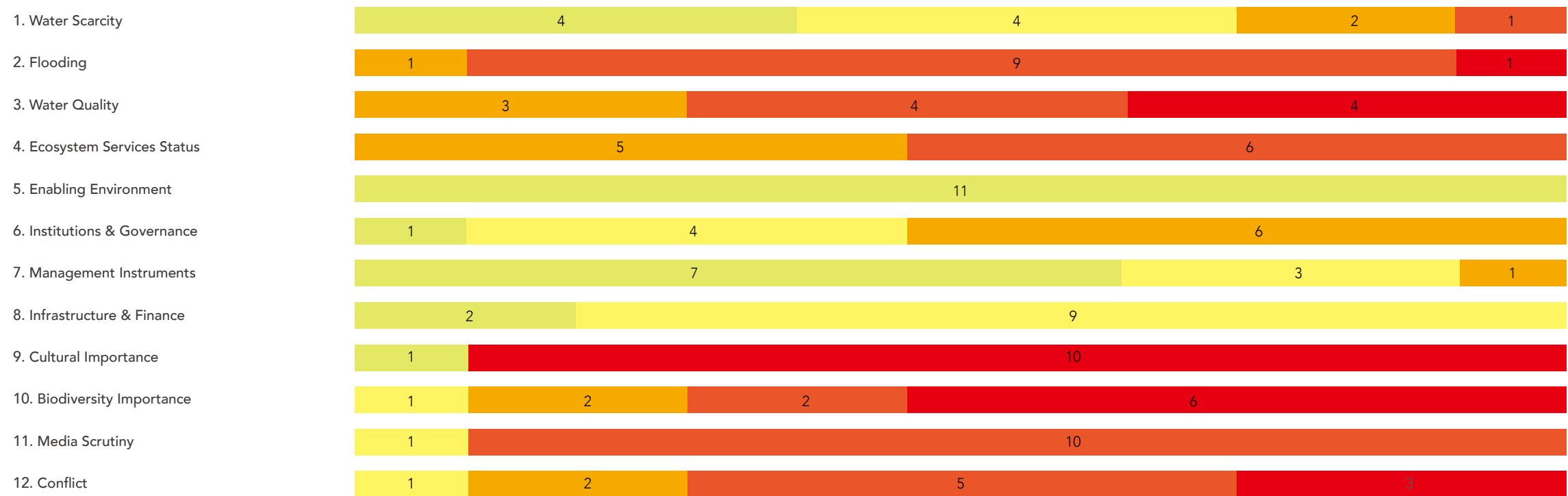
Climate Risk Scenario Analysis

| Type | Scenario Name | Timeline | Assumed Parameters | Analysis Results | | |
|------------|--------------------------------|--|--|---|---|--|
| | | | | Upstream (Supply Chain) | Wistron | Downstream (Customers) |
| Transition | SBTi 1.5°C | 2021 ~ 2030 | Annual carbon reductions reached 4.2% (Scopes 1+2). Wistron will achieve 100% green energy by 2030 | The needs of industry transformations will drive low carbon investments, which will in turn increase operating costs. Companies who are unable to adopt low carbon transformations will lose their competitive advantage. | According to international low carbon transformation trends and statutory and policy pressures, Wistron has stipulated the 80% green energy target for 2025 and 100% for 2030. Assuming the annual energy usage growth is 5% due to operational growth, the energy usage of the Group will increase by 1.5 times by 2030 compared to 2021. Therefore, the investments will be increased to accelerate energy transformations and increase green energy usage. | In response to sustainable transformations, customers will place more importance on green manufacturing for their products. More renewable energy requirements will be placed on upstream suppliers. |
| | IEA 2° C | 2021 ~ 2030 | Carbon price:80-100 USD / ton CO ₂ e | High carbon emission and high energy usage suppliers will continue to face stricter laws and regulations. Operating expenses are expected to increase and they may be passed to downstream customers. | In response to the continued expansion of operations and sales growth in recent years, we are considering the impacts of energy conservation, innovation, and other factors. Assuming the Group's annual carbon emission growth rate is 5%, carbon emissions will increase by 1.5 times by 2030 compared to 2021. Therefore, the Company is actively introducing carbon reduction projects and innovative technologies in order to reduce carbon risks. | As the international community begins to introduce carbon taxes, the market share of low carbon/green products will gradually increase their market share and become the mainstream in the market. We expect to have more opportunities to work with upstream suppliers to develop green products and services. In terms of product specifications, more requirements related to low-carbon and circular economy will also be established. |
| | IEA below 2° C | 2021 ~ 2030 | Carbon price:90-120 USD / ton CO ₂ e | | | |
| | IEA Net Zero Emissions by 2050 | 2040 ~ 2050 | Carbon price:160-200 USD / ton CO ₂ e | | | |
| Physical | RCP 6.0 | 2075 ~ 2099 | Average annual temperature change is +0.95°C to +3.45°C | High temperature environments will increase work safety risks. The work environments of suppliers will become a key audit item to ensure the human rights of laborers | Days of extreme heat have increased to over 90 days in Taiwan, which may cause production interruptions and revenue loss (around one quarter) | Extreme temperatures will increase energy consumption and lead to increased carbon emissions. |
| | RCP 2.6/ RCP 8.5 | Middle of the century (2046 to 2065) and end of the century (2081 to 2100) | Longest consecutive rainless days in a year: The base period of Taipei City is (1986 to 2005) 28 days. The base period of Hsinchu County is (1986 -2005) 39.5 days | More frequent seasonal droughts will impact suppliers whose processes are water-consuming and may cause supply delays or suspensions. | Operating headquarters in Taiwan and main manufacturing sites: The fluctuation rate of Taipei City is 3.1%. The fluctuation rate of Hsinchu County is 5.6%. The drought problem in Hsinchu County will become more serious | Supply chain disruptions caused by severe droughts will impact the delivery schedule for downstream customers, thereby affecting the product revenue. |
| | RCP 8.5 | Middle of the century (2039 ~ 2065) | For the 95th percentile of highest accumulated rainfall during extreme rains (region average), the level during the regional base period (1979 to 2008) in the Hsinchu Plant is 385mm. It is expected to rise to 444mm by the middle of the century. | Flooding caused by short-term, extreme rainfall will impact the science park in the Hsinchu area. The Hsinchu Science Park is an important manufacturing site for the electronics industry in Taiwan. Therefore, the flooding may cause delayed deliveries and risk of contract breaches in the supply chain. | The flooding occurrence probability analysis for global warming shows the changes to the probability of flooding above 0.5m. The changes between the base period to the middle of the century show significant increase. | Severe flooding will cause transportation disruptions and problems with logistics. It may cause delayed deliveries by customers, leading to expected revenue from products and services being impacted. |

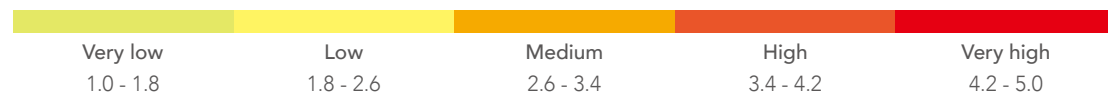
Water Risk Analysis of Global Major Plants

According to the statistics of the United Nations Environment Program (UNEP), most of the impacts including natural disasters caused by climate change are manifested within the hydrological cycle, and it is estimated that the frequency and scale of these impacts will gradually increase in the future. More than 90% of climate change impacts are related to "water", including droughts, floods and tropical storms, etc., which will have significant impacts on the society and the economy. This year's water risk analysis was conducted specifically for major manufacturing plants around the world in response to extreme climate threats. The water risk analysis tools and database (WWF Water Risk Filter) established by the World Wide Fund for Nature are used to carry out risk assessment of each plant. Taking 2020 as the base year, the assessment level includes physical, regulatory and reputational risks.

The Number of Plants of Each Risk Level Under Each Risk Type:



Correspondence Between Risk Level and Risk Score:



Type of Risk

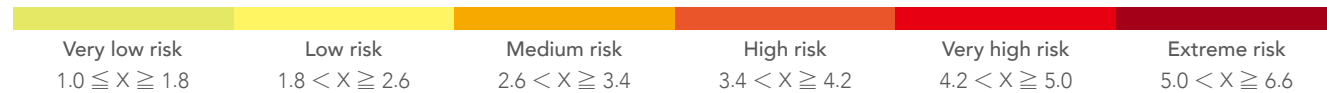
| | |
|---|---|
|  <h2 style="margin: 0;">Physical Risk</h2> | <ul style="list-style-type: none"> Water Scarcity Flooding Water Quality Ecosystem Services Status |
|  <h2 style="margin: 0;">Regulatory Risk</h2> | <ul style="list-style-type: none"> Enabling Environment Institutions & Governance Management Instruments Infrastructure & Finance |
|  <h2 style="margin: 0;">Reputational Risk</h2> | <ul style="list-style-type: none"> Cultural Importance Biodiversity Importance Media Scrutiny Conflict |



As far as the current situation is concerned, most plants around the world have a relatively high degree of exposure in the field of physical risks and reputational risks caused by water risks, as can be seen from the assessment results of the base year. We also further assess the degree of water risk impact caused by future climate change to grasp the medium- and long-term risk change trend. The formulation of enterprise risk management strategy and the basis of risk response plan can become the consideration of future global operation layout and business strategy in addition to the current routine operation management mechanism. In this scenario analysis, the time scale covers the mid-term (2030) and long-term (2050). Scenarios include three types of scenarios: optimistic, current situation trend, and pessimistic. Scoring is carried out for Wistron's 11 major global manufacturing plants according to 6 risk levels:

| | Physical Risk | | | Regulatory Risk | | | Reputational Risk | | |
|----------------------|--------------------------|-----------------------------|---------------------------|--------------------------|-----------------------------|---------------------------|--------------------------|-----------------------------|---------------------------|
| | 2030 Optimistic Scenario | 2030 Current Trend Scenario | 2030 Pessimistic Scenario | 2030 Optimistic Scenario | 2030 Current Trend Scenario | 2030 Pessimistic Scenario | 2030 Optimistic Scenario | 2030 Current Trend Scenario | 2030 Pessimistic Scenario |
| Chengdu Plant(WCD) | 3.53 | 3.57 | 3.73 | 1.78 | 2.29 | 2.59 | 3.95 | 3.95 | 3.95 |
| Chongqing Plant(WCQ) | 3 | 3.1 | 3.24 | 1.78 | 2.29 | 2.59 | 3.93 | 3.95 | 3.95 |
| Czechia Plant(WCZ) | 3.46 | 3.46 | 3.53 | 1.3 | 1.52 | 1.57 | 2.67 | 2.67 | 2.67 |
| Xinan Plant(WIH) | 2.63 | 2.88 | 2.9 | 1.98 | 2.06 | 1.85 | 4.5 | 4.5 | 4.5 |
| Hukou Plant(WIHK) | 2.63 | 2.88 | 2.9 | 1.98 | 2.06 | 1.85 | 4.5 | 4.5 | 4.5 |
| Kunshan Plant(WKS) | 3.91 | 4.08 | 4.28 | 1.89 | 2.4 | 2.7 | 4.25 | 4.27 | 4.27 |
| Mexico Plant(WMX) | 4.25 | 4.44 | 4.59 | 2.07 | 2.32 | 2.16 | 3.84 | 3.82 | 3.82 |
| Malaysia Plant(WMY) | 2.83 | 2.91 | 2.98 | 2.34 | 2.92 | 3.23 | 3.69 | 3.67 | 3.67 |
| Kunshan Opt(WOK) | 3.91 | 4.08 | 4.28 | 1.89 | 2.4 | 2.7 | 4.25 | 4.27 | 4.27 |
| Taizhou Plant(WTZ) | 4.25 | 4.34 | 4.59 | 1.78 | 2.29 | 2.59 | 4.23 | 4.27 | 4.27 |
| Zhongshan Plant(WZS) | 3.42 | 3.56 | 3.76 | 1.85 | 2.37 | 2.67 | 4.55 | 4.55 | 4.55 |

| | Physical Risk | | | Regulatory Risk | | | Reputational Risk | | |
|-------------------------------|--------------------------|-----------------------------|---------------------------|--------------------------|-----------------------------|---------------------------|--------------------------|-----------------------------|---------------------------|
| | 2050 Optimistic Scenario | 2050 Current Trend Scenario | 2050 Pessimistic Scenario | 2050 Optimistic Scenario | 2050 Current Trend Scenario | 2050 Pessimistic Scenario | 2050 Optimistic Scenario | 2050 Current Trend Scenario | 2050 Pessimistic Scenario |
| Chengdu Plant(WCD) | 3.51 | 3.79 | 3.98 | 1.52 | 2.79 | 3.59 | 4.01 | 4.01 | 4.01 |
| Chongqing Plant(WCQ) | 2.89 | 3.14 | 3.47 | 1.76 | 2.79 | 3.59 | 3.93 | 3.93 | 3.93 |
| Czechia Plant(WCZ) | 3.52 | 3.54 | 3.61 | 1.3 | 1.82 | 2.02 | 2.73 | 2.73 | 2.73 |
| Xinan Plant(WIH) | 2.79 | 3.18 | 3.16 | 1.78 | 1.98 | 3.7 | 4.5 | 4.5 | 4.5 |
| Hukou Plant(WIHK) | 2.79 | 3.18 | 3.16 | 1.78 | 1.98 | 3.7 | 4.5 | 4.5 | 4.5 |
| Kunshan Plant(WKS) | 3.81 | 4.03 | 4.42 | 1.54 | 1.98 | 3.7 | 4.25 | 4.27 | 4.27 |
| Mexico Plant(WMX) | 4.14 | 4.42 | 4.54 | 1.65 | 2.32 | 1.88 | 3.88 | 3.9 | 3.9 |
| Malaysia Plant(WMY) | 3.13 | 3.42 | 3.4 | 1.92 | 3.42 | 4.22 | 3.69 | 3.69 | 3.69 |
| Wei Shih Ching Opt Plant(WOK) | 3.81 | 4.03 | 4.42 | 1.54 | 1.98 | 3.7 | 4.25 | 4.27 | 4.27 |
| Taizhou Plant(WTZ) | 4.13 | 4.59 | 4.86 | 1.52 | 1.87 | 3.59 | 4.25 | 4.27 | 4.33 |
| Zhongshan Plant(WZS) | 3.34 | 3.68 | 4.05 | 1.52 | 1.95 | 3.67 | 4.55 | 4.55 | 4.55 |



Types of Scenario Analysis

| | Optimistic | Current Trends | Pessimistic |
|--|--------------------------------------|--|----------------------------------|
| Climate Aspects | Moderate Emissions RCP2.6/ RCP4.5 | Intermediate Emissions RCP4.5/ RCP6.0 | High Emissions RCP6.0/ RCP8.5 |
| Socio-Economic Aspects, Extended Towards Water Availability and Use | Sustainability SSP1 | Middle of the Road SSP2 | Regional Rivalry SSP3 |

Wistron implements risk assessment and public disclosure so that stakeholders can evaluate the relevant exposure status of Wistron's business activities. In addition to the implementation of information transparency to improve the quality of corporate governance, Wistron's internal risk authorities and responsible units regularly monitor and report key risk indicators (KRI) according to the risk assessment results under the enterprise risk management mechanism (ERM) in compliance with norms such as "Risk Management Policies and Procedures" and program documents such as risk management manuals, etc. Also, the board of directors serves as the ultimate supervisory unit.

Plants around the world face risks of varying sizes in terms of three major aspects such as physics, regulation and reputation, which can be learned from the results of this water risk assessment. In particular, physical and reputational risks need to be properly addressed due to the high degree of exposure. In the future, each relevant risk authority and responsible unit will develop a risk response plan tailored to local conditions, depending on the type and degree of exposure of each plant. Relevant risk adjustment measures will be gradually implemented to meet the challenges brought about by climate change.

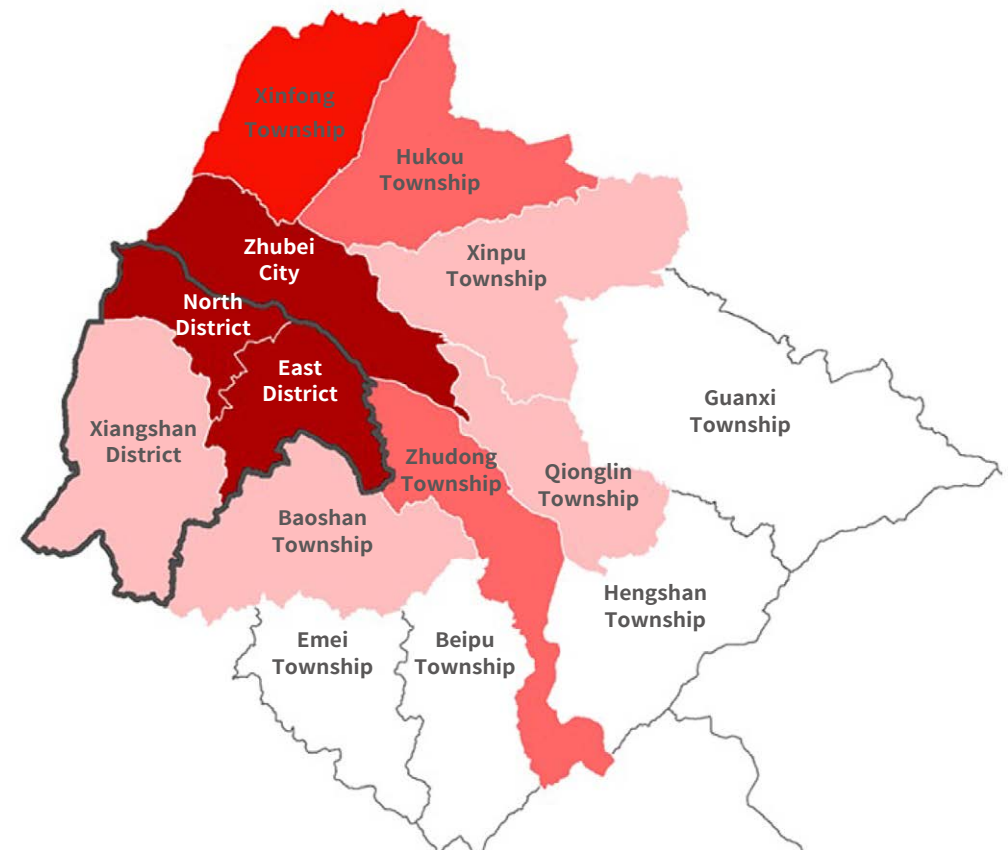
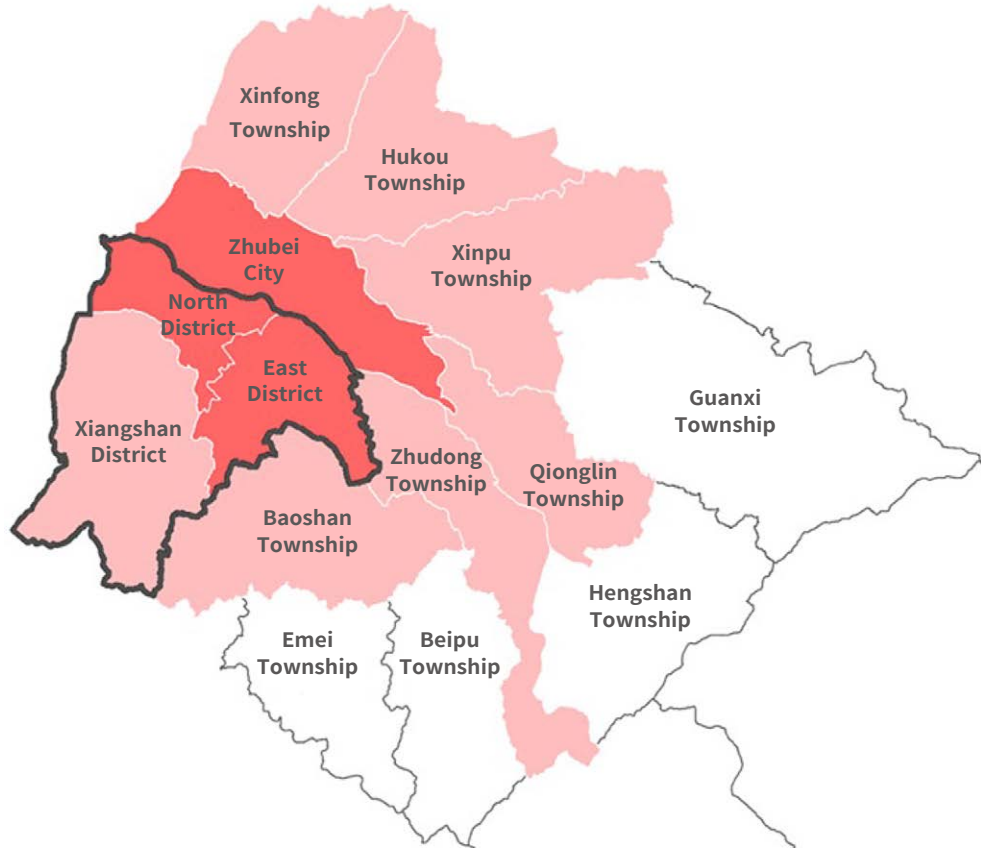
Adaptation Plan to Physical Risks

| Physical Natural Disasters | Current Situation | Changes to the Return Period | | Overall Adaptation Plan for the Group | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----------------------------|--|---|---------|--|-----|------|-----|-----|-----|-----|-----|------|----|------|----------|--|-----|------|-----|-----|-----|-----|-----|------|----|------|--|---------|--|-----|------|-----|------|-----|-----|-----|-----|----|-----|----------|--|-----|------|-----|------|-----|------|-----|-----|----|------|---|
| High Temperatures | The average temperature of the Hsinchu Plant in Taiwan was 22.39°C in 2018. | Changes to the 10 year return period: The temperature increased to 23.3°C (RCP8.5) The temperature increased to 23.62°C (RCP2.6) | | With the expected annual average temperature increase, in extreme high-temperature situations, outdoor operations will be temporarily suspended if necessary or in compliance with regulations. Indoor temperatures will be regulated through the use of air conditioning systems, and proactive efforts will be made to adopt green building designs to maximize efficiency. The newly built Vietnam plant was awarded the LEED v4 Building Design and Construction: New Construction and Major Renovation Silver certification by the US Green Building Council (USGBC) in 2022. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Drought | Longest consecutive rainless days in a year during the base period is 39.5 for the Hsinchu Plant in Taiwan. | Average change at the middle of the century (%) <table border="1"> <thead> <tr> <th colspan="2">RCP 2.6</th> </tr> </thead> <tbody> <tr><td>95%</td><td>14.7</td></tr> <tr><td>75%</td><td>6.1</td></tr> <tr><td>50%</td><td>2.2</td></tr> <tr><td>25%</td><td>-0.3</td></tr> <tr><td>5%</td><td>-5.9</td></tr> </tbody> </table> Average change at the end of the century (%) <table border="1"> <thead> <tr> <th colspan="2">RCP 2.6</th> </tr> </thead> <tbody> <tr><td>95%</td><td>14.8</td></tr> <tr><td>75%</td><td>7.9</td></tr> <tr><td>50%</td><td>2.4</td></tr> <tr><td>25%</td><td>-1.2</td></tr> <tr><td>5%</td><td>-6.9</td></tr> </tbody> </table> | RCP 2.6 | | 95% | 14.7 | 75% | 6.1 | 50% | 2.2 | 25% | -0.3 | 5% | -5.9 | RCP 2.6 | | 95% | 14.8 | 75% | 7.9 | 50% | 2.4 | 25% | -1.2 | 5% | -6.9 | Average change at the middle of the century (%) <table border="1"> <thead> <tr> <th colspan="2">RCP 8.5</th> </tr> </thead> <tbody> <tr><td>95%</td><td>18.1</td></tr> <tr><td>75%</td><td>13.5</td></tr> <tr><td>50%</td><td>5.6</td></tr> <tr><td>25%</td><td>0.6</td></tr> <tr><td>5%</td><td>-8</td></tr> </tbody> </table> Average change at the end of the century (%) <table border="1"> <thead> <tr> <th colspan="2">RCP 8.5</th> </tr> </thead> <tbody> <tr><td>95%</td><td>29.6</td></tr> <tr><td>75%</td><td>22.6</td></tr> <tr><td>50%</td><td>14.8</td></tr> <tr><td>25%</td><td>4.7</td></tr> <tr><td>5%</td><td>-7.4</td></tr> </tbody> </table> | RCP 8.5 | | 95% | 18.1 | 75% | 13.5 | 50% | 5.6 | 25% | 0.6 | 5% | -8 | RCP 8.5 | | 95% | 29.6 | 75% | 22.6 | 50% | 14.8 | 25% | 4.7 | 5% | -7.4 | The impacts of seasonal droughts are expected to become more severe with the continued effects of climate change. While Wistron's main production processes are not heavily rely on water resources, the company is committed to fulfilling its corporate citizenship responsibilities. It will continue to enhance water efficiency, setting short, medium, and long-term goals integrated into routine performance evaluations. Additionally, in the planning of new factory sites, Wistron will establish rainwater harvesting systems and employ various management measures to effectively reduce water consumption per unit of revenue. |
| RCP 2.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 95% | 14.7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 75% | 6.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50% | 2.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 25% | -0.3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5% | -5.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RCP 2.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 95% | 14.8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 75% | 7.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50% | 2.4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 25% | -1.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5% | -6.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RCP 8.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 95% | 18.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 75% | 13.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50% | 5.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 25% | 0.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5% | -8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RCP 8.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 95% | 29.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 75% | 22.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50% | 14.8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 25% | 4.7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5% | -7.4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Floods | According to the base period (1979 to 2003) data, Hsinan Plant in Hsinchu Science Park, the major manufacturing sites in Taiwan, is situated in a level 4 (level 5 is the highest level of risk) vulnerability area for flooding (combined evaluation of danger, vulnerability, and exposure). | Rainstorm changes in the next 5 days under RCP 4.5 <table border="1"> <thead> <tr> <th colspan="2">5 years</th> </tr> </thead> <tbody> <tr><td>95%</td><td>51</td></tr> <tr><td>75%</td><td>45</td></tr> <tr><td>50%</td><td>29</td></tr> <tr><td>25%</td><td>9</td></tr> <tr><td>5%</td><td>1</td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">25 years</th> </tr> </thead> <tbody> <tr><td>95%</td><td>85</td></tr> <tr><td>75%</td><td>51</td></tr> <tr><td>50%</td><td>41</td></tr> <tr><td>25%</td><td>12</td></tr> <tr><td>5%</td><td>-5</td></tr> </tbody> </table> | 5 years | | 95% | 51 | 75% | 45 | 50% | 29 | 25% | 9 | 5% | 1 | 25 years | | 95% | 85 | 75% | 51 | 50% | 41 | 25% | 12 | 5% | -5 | Rainstorm changes in the next 5 days under RCP 8.5 <table border="1"> <thead> <tr> <th colspan="2">5 years</th> </tr> </thead> <tbody> <tr><td>95%</td><td>57</td></tr> <tr><td>75%</td><td>47</td></tr> <tr><td>50%</td><td>29</td></tr> <tr><td>25%</td><td>11</td></tr> <tr><td>5%</td><td>-11</td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">25 years</th> </tr> </thead> <tbody> <tr><td>95%</td><td>84</td></tr> <tr><td>75%</td><td>49</td></tr> <tr><td>50%</td><td>38</td></tr> <tr><td>25%</td><td>19</td></tr> <tr><td>5%</td><td>-5</td></tr> </tbody> </table> | 5 years | | 95% | 57 | 75% | 47 | 50% | 29 | 25% | 11 | 5% | -11 | 25 years | | 95% | 84 | 75% | 49 | 50% | 38 | 25% | 19 | 5% | -5 | Flood prevention facilities and designs have been reinforced in every operating location. Alarm and reporting mechanisms have been established to protect employee safety and reduce asset loss. Adaptation plans for specific assets or sites: Regarding the newly constructed operating locations, the 24 hour rainfall flooding potential for the local 100 year return period is used for analysis. Appropriate drainage and flood prevention facilities are reviewed and emergency response plans (including typhoon flooding protection plant) are formulated for the various disasters (including typhoons and flooding), in order to reduce the negative impact of potential flooding in the next hundred years. In terms of design, 1. Install plant trenches, water permeable surfaces, and other low water impact facilities to reduce water flow during rain storms. 2. Reasonable rain drainage pipe diameters and drainage gradients are installed according to the calculations of the 24 hour rain water flooding potential during the 100 year return period, in order to prevent ground flooding at the foundation. 3. Increase the height of the foundation and the first floor of buildings to prevent flood water filling the foundation. Regarding the emergency response measures: (1) Planned to install rainwater collection systems and rainwater recycling: pools, in order to manage and reuse rainwater. (2) Installed flood gates (panels) to prevent flood water entering the underground spaces. (3) Stipulated the water pumping plan. The water pumping equipment is sufficient to drain flood water during continuous rain storms. |
| 5 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 95% | 51 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 75% | 45 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50% | 29 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 25% | 9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5% | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 25 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 95% | 85 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 75% | 51 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50% | 41 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 25% | 12 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5% | -5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 95% | 57 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 75% | 47 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50% | 29 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 25% | 11 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5% | -11 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 25 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 95% | 84 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 75% | 49 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50% | 38 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 25% | 19 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5% | -5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Risk Graph for Flooding Due to Climate Change in the Hsinchu Plant (East District of Hsinchu City)

Base Period of Risk(1979-2003)

Future Estimates of Risk(2075-2099)



Data Sources: National Science and Technology Center for Disaster Reduction

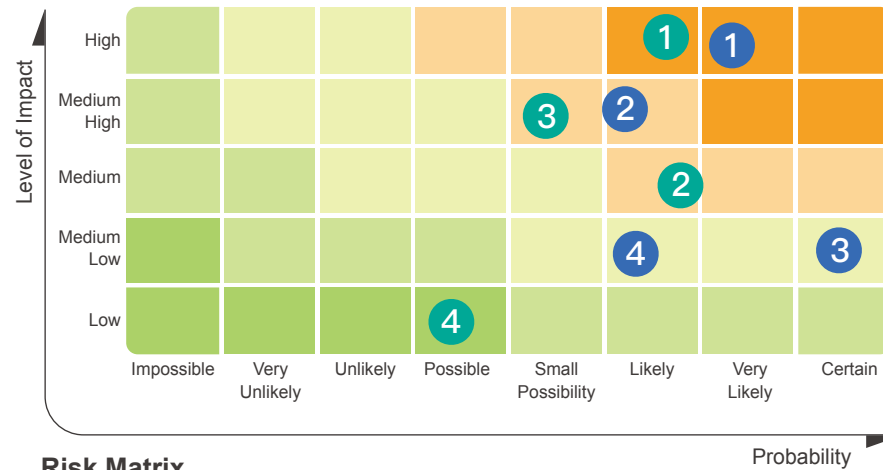
Data Sources: National Science and Technology Center for Disaster Reduction



3.2.3 Identification of Climate Risks and Opportunities

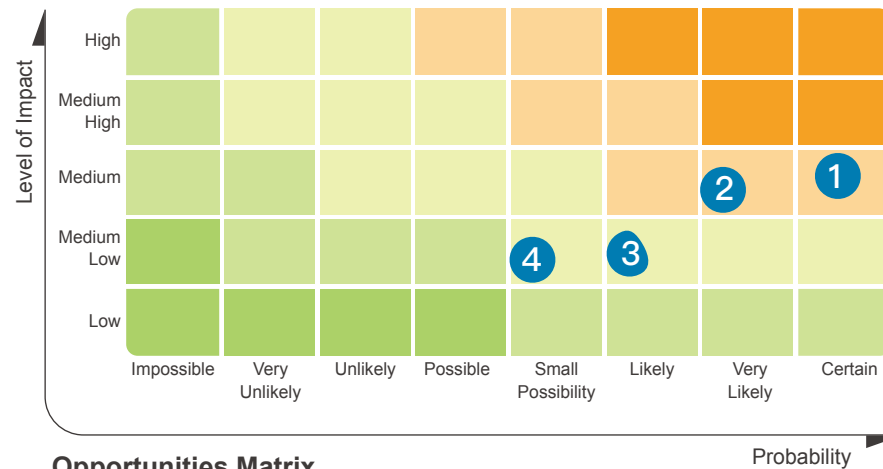
Climate-related risks and opportunities have been integrated into Wistron's enterprise risk management (Enterprise Risk Management, ERM) plans. The Company identifies material risks for management based on ERM survey results. Management measures include verifying whether risks can be averted (where applicable) or using mitigation measures to control risks. The Company has adopted the TCFD framework and referenced the risk items in the CDP climate change and water security questionnaires. Each year across the world Wistron identifies plant-specific transition risks and physical risks based on the location of plant business operations. All results of identification are compiled by the head office for an assessment of the scale and scope of the impact across the world. The head office then establishes related strategies and takes response actions. The Company has adopted the ERM risk management procedures and uses a risk map to evaluate the possibility of the occurrence of various potential risks and emerging risks and the extent of damage after they occur. In the timeline from 2021 to the end of this century, various short, medium and long-term risks (short-term: 1-3 years, medium-term: 3-5 years, long-term: 5-10 years) and opportunities are used to assess the degree of potential threats may be caused towards the Company's future operations (including the upstream and downstream value chain as well as its own operational scope) based on factors such as asset lifespan, potential climate risk, industry sectors and regions of operation. Risk and opportunity ratings are evaluated and risk and opportunity priorities are defined, as well as a risk and opportunity matrix map is presented. Analyzing the probability of occurrence and the level of impact is used to make judgements regarding risks and opportunities. The results are classified into low-, medium-, and high-risk ratings. Five levels of impact are determined by the amount of monetary losses (extremely minor, minor, moderate, severe, and extremely severe). Risks classified as high or moderate are listed as main risks for which preventive measures and improvement plans must be established.

| Types of climate-related risk included in risk assessment | |
|---|-------------------------|
| • Current Regulation | • Market Risk |
| • Emerging Regulation | • Reputational Risk |
| • Technology Risk | • Acute Physical Risk |
| • Legal Risk | • Chronic Physical Risk |



Risk Matrix

- Transition Risks**
 - 1 Development of renewable energy regulations
 - 2 Demand for low-carbon products and services
 - 3 Mandatory filing
 - 4 Investment in new technology
- Physical Risks**
 - 1 Typhoons (acute)
 - 2 Floods (acute)
 - 3 Uncertainties in physical risks
 - 4 Rise in average temperature (chronic)



Opportunities Matrix

- Climate Change Opportunities**
 - 1 Seek new business opportunities
 - 2 Energy-saving buildings
 - 3 Low-carbon energy
 - 4 Energy efficiency improvement

Climate Change Financial Impact Analysis (Risks)

| Climate Change Risks | Financial Impacts | Response Measures |
|---|---|---|
| Regulatory developments in renewable energy demand and climate risk | Increase in operating costs (e.g., higher compliance cost or increase in renewable energy related cost expenditure and management expenses) The 100% renewable energy target is expected to be achieved by 2030. The fee for the green electricity certificate will increase the annual cost by NT\$300-600 million. The annual carbon fee cost due to regulation is: 1. About USD 40-50 million in 2030 (IEA 2° C scenario) 2. About USD 50-60 million in 2030 (IEA below 2° C scenario) 3. About USD 240-310 million in 2050 (IEA NZE scenario) | Assessed in the global market, renewable energy is obtained in multiple ways to achieve the vision of energy transformation and green manufacturing. In 2022, more than 260 million kilowatt-hours of renewable energy certificates were purchased, and the long-term goal of increasing the utilization rate of renewable energy up to 100% was set. |
| Increase in demand for low-carbon products and services | Decrease in product R&D expenses in operating costs, and increase in procurement expenses | 1.Help customers obtain various environmental protection labels such as Energy Star, EPEAT, TCO, Taiwan Green Mark, and China Environmental Labelling. In 2022, the company's products that assist brand customers to obtain various environmental protection labels account for 85.07% of hardware revenue. All product lines are 100% in compliance with customer requirements, environmental protection laws and regulations, energy consumption labels and safety regulations in various regions. 2.The sustainable supply chain management mechanism is established to ensure the transparency of the carbon footprint of products or services, and the reduction measures are carried out. |
| Mandatory reporting of carbon emissions | Increase operating costs | The Company established a comprehensive greenhouse gas list and inventory system as well as methodology for all manufacturing sites across the world. We implement greenhouse gas inventory every year and pass third-party verification from an impartial third party. |
| Demand for new low-carbon technologies | Increase in operating costs (e.g., higher R&D cost or increase in patent licensing expenses) | 1.The innovation culture in the organization is stimulated, and the patent and technology layout is continuously optimized to enhance the competitiveness. The ratio of R&D personnel to employees has continued to increase, reaching 13.4% in 2022; 414 patents and 34 green product patents were obtained in 2022. 2.Since 2022, Wistron has been recognized by Top 100 Global Innovators™ by Clarivate for two consecutive years. |
| Drought | Impact on production and loss of operating revenue The loss in operating revenue due to the severe drought caused by the suspension of production is about NT\$1.8 billion to 3 billion (RCP 8.5) on the premise that the transfer of manufacturing capacity is not taken. | The new sites of plants are enhanced with planned rainwater recovery systems and water monitoring system. Also, existing plants cooperate with local water suppliers. A special water supply mechanism was activated to maintain the operation of the plant during the drought. The water recovery rate is continuously improved and short, medium and long-term goals are set. These are included in the annual performance appraisal to comprehensively improve operational resilience. |
| Typhoons | Impact on production and loss of operating revenue | In the event of a typhoon, the Company monitors alerts and related information on whether employees should work or suspend work. If work is not suspended, the Company provides vehicles, transportation subsidies, or other necessary assistance will be provided to ensure the safety of employees. |
| Floods | Impact on production and loss of operating revenue | The foundations of existing plants were elevated and drainage facilities were built before construction to prevent losses caused by floods. "Natural disaster evaluation" was included in siting procedures for new sites. Relevant flood control facilities are also planned to enhance the disaster resilience of operation bases. |
| Uncertainty of physical risks in climate change | Increase operating costs and impact operating revenue | 1.Wistron responds to the Paris Agreement to address the challenge of global warming. Over the years, the Company complies with the SBT 1.5°C carbon emissions reduction methodology by setting annual targets for absolute greenhouse gas reduction starting from 2020, in order to achieve the long-term goal of carbon neutrality 2.The total emission of greenhouse gases (Scope 1+2) was reduced by 22% compared with the previous year (market benchmark). |
| Rise in average temperature | Increase operating costs (e.g., increase in water and electricity charges) | Wistron's energy conservation efforts encompass six major categories including the air conditioning system, air compressor system, green lighting, management, production, and others. In 2022, the total electricity saving was about 14,428,530 kWh. A total of approximately 10,635.76metric tons of carbon emissions could be reduced. Operating costs are reduced, while resources are actively invested in reducing the carbon footprint of operations. |

Climate Change Financial Impact Analysis (Opportunities)

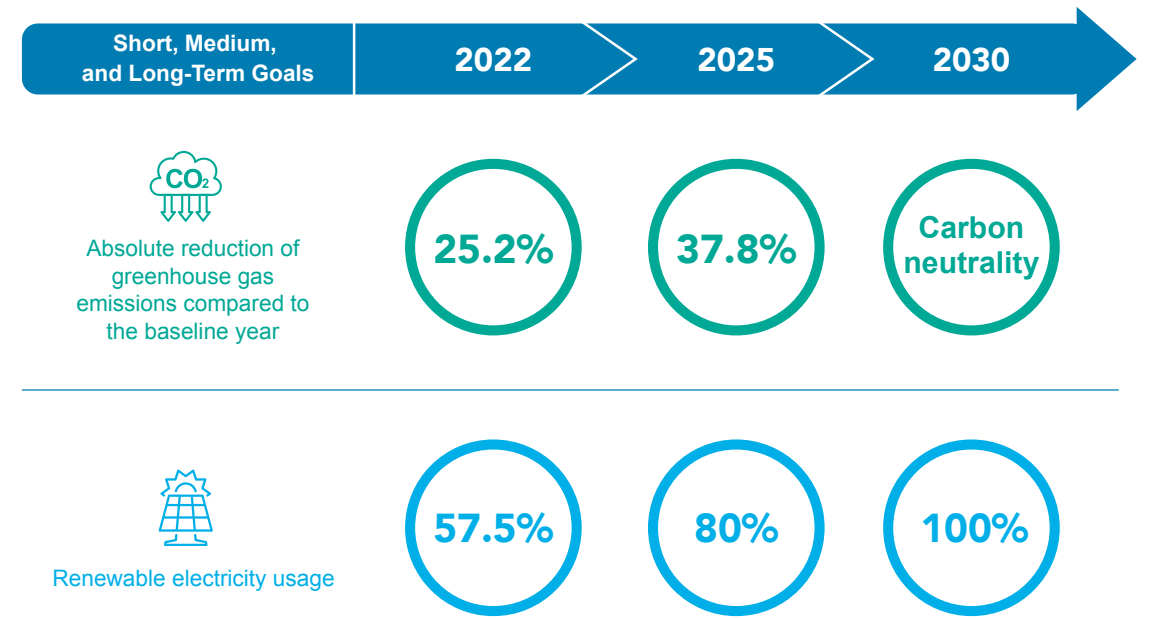
| Climate Change Opportunities | Financial Impacts | Response Measures |
|---|---|---|
| New business opportunities for the low-carbon economy are being sought. | Increase revenue from energy-saving green products | <ol style="list-style-type: none"> Green design thinking is introduced into product development, and harmful substances are avoided to reduce the energy consumption during product manufacturing. By 2022, all product lines have attained 100% compliance with Waste Electrical and Electronic Equipment Directive (WEEE) regulations. In 2022, the company's products that assist brand customers to obtain various environmental protection labels account for 85.07% of hardware revenue. In 2022, Wistron's products that meet the Energy Star standard saved 580,048,154 (kwh) and reduced 295,244,510 (kgCO₂e) annually. Product age is considered, and the energy saving benefit of the product is 3,590,806,033 (kwh) with a reduction of 1,827,720,271 (KgCO₂e). Green resource business is developed. Electronic product recycling and recycled plastics are focused on refining. In this way, a viable circular economy model is actively established. In 2022, the products shipped by Wistron use post-consumer recycled plastics (PCR), accounting for 80.3% of hardware product revenue with an increase of 1.2% from the previous year. |
| Energy-saving and carbon-reducing solutions | Reduce operating costs | <ol style="list-style-type: none"> All plants around the world formulate corresponding appropriate measures according to the actual situation of different locations. Various types of energy saving and carbon reduction projects have been launched to reduce operating expenses. For example, Wistron's Zhongshan plant adopts a central nitrogen supply system to improve efficiency. The annual power saving is estimated to reach 2.47 million kWh to save about RMB1.62 million in electricity bills. |
| Low carbon manufacturing | Increase continuously the use of low-carbon renewable energy to avoid carbon taxes and meet customer needs. | In 2022, 260 million kWh of renewable energy certificates were purchased. Solar power is actively expanded to match the plants. The proportion of renewable energy has reached 57% of our total energy consumption, and renewable electricity accounted for 63.02% of our total renewable energy, and the goal is to increase the use of renewable energy to 100% year by year. |
| | Increase in operating revenue | We continue to increase the proportion of renewable energy production lines to 100% in our global operating sites by purchasing green energy certificates, directly purchasing green energy, and other measures to meet the market's demand for low-carbon manufacturing. |
| Energy efficiency improvement | Reduce energy costs | The Company has established an energy project team which regularly inspects energy management conditions in plants and the results of energy conservation projects and shares the experience. Wistron's energy conservation efforts encompass six major categories including the air conditioning system, air compressor system, green lighting, management, production, and others. As of the end of 2022, the Company saved a total of 14,428,530 kWh of electricity, which reduced carbon emissions by 10,635.76 tons. In 2022, the unit revenue electricity consumption was 481.64 (degrees/billion NT dollars). Energy performance indicators increased by about 4.7% compared with the previous year. |





3.2.4 Climate Goals

In response to the IPCC Special Report on Global Warming of 1.5° C, Wistron has decided to take more proactive actions since 2020. Based on the Science-based Targets initiative (SBTi), using 2016 as the base year, the company aims to achieve an annual absolute reduction of 4.2% in greenhouse gas emissions.. The short-term goal was achieving an absolute greenhouse gas reduction of 25.2% by 2022. The medium-term goal is to reduce absolute greenhouse gas emissions by 37.8% by 2025 and the long-term goal is to achieve carbon neutrality by 2030, demonstrating our commitment to mitigating and adapting to climate change. Furthermore, in response to the international energy transition and the trend of low-carbon manufacturing, Wistron actively assists its supply chain partners in setting science-based targets to promote the entire value chain towards net-zero. Additionally, taking recommendations from science-based targets, Wistron has set short, medium, and long-term goals for renewable energy usage. The targets for renewable energy usage in 2022, 2025, and 2030 are set at 57.5%, 80%, and 100% respectively.. Our progress towards these goals has been on track and steadily developing.



Wistron Climate Change Statement

In active pursuit of decarbonization, Wistron responds to Paris Agreement and commits to limiting the temperature increase to 1.5° C above pre-industrial levels. In December 2021, Wistron announced its goal to achieve carbon neutrality by 2030. Additionally, Wistron commits to adopting the Science-based Targets initiative (SBTi) and will gradually implement net-zero actions.

3.3 Greenhouse Gas Emissions and Energy Management

3.3.1 Energy Usage

Electricity is the main form of energy consumption for Wistron. The remaining energy consumption consists of low amounts of fossil fuel usage. Therefore, Wistron has increased energy efficiency and renewable energy ratio as its energy management strategy. Wistron introduced the ISO 50001 Energy Management System to implement systematic management of energy. Through the effective operation of the management system and the real-time energy dashboard, the Company identifies areas with high energy consumption for analysis. We use analysis results to set up energy projects. The Company regularly convenes energy project meetings and follows up on the implementation progress and results. We continue to improve energy efficiency through the exchange of information between the plants.

Energy Usage

| Energy | | Unit | 2019 | 2020 | 2021 | 2022 |
|---|--|---------------|----------------|----------------|----------------|----------------|
| Electricity | Self-generation and self-consumption of renewable energy | kWh | 2,383,895.00 | 2,393,900.79 | 6,889,549.45 | 9,283,177.44 |
| | | GJ | 8,582.02 | 8,618.04 | 24,802.38 | 33,419.44 |
| | Purchased renewable energy | kWh | - | 188,690,000.00 | 202,817,000.00 | 267,372,000.00 |
| | | GJ | - | 679,284.00 | 730,141.20 | 962,539.20 |
| | Purchased non-renewable energy | kWh | 505,325,225.95 | 284,263,177.75 | 187,514,768.52 | 162,311,497.10 |
| | | GJ | 1,819,170.81 | 1,023,347.44 | 675,053.17 | 584,321.39 |
| Heating | kWh | 583,225.00 | 920,347.22 | 1,299,377.78 | 1,065,600.00 | |
| | GJ | 2,099.61 | 3,313.25 | 4,677.76 | 3,836.16 | |
| Diesel | kWh | 3,222,292.85 | 155,102.78 | 1,174,909.65 | 3,531,294.35 | |
| | GJ | 11,600.25 | 558.37 | 4,229.67 | 12,712.66 | |
| Gasoline | kWh | 4,133,091.84 | 3,826,211.35 | 3,315,532.56 | 2,863,679.51 | |
| | GJ | 14,879.13 | 13,774.36 | 11,935.92 | 10,309.25 | |
| Natural gas | kWh | 34,996,888.15 | 34,838,471.71 | 29,994,111.16 | 33,869,128.25 | |
| | GJ | 125,988.80 | 125,418.50 | 107,978.80 | 121,928.86 | |
| Liquefied petroleum gas | kWh | 358,545.03 | 502,668.73 | 529,856.82 | 1,309.15 | |
| | GJ | 1,290.76 | 1,809.61 | 1,907.48 | 4.71 | |
| Cooling | kWh | - | - | - | 3,436,463.37 | |
| | GJ | - | - | - | 12,371.27 | |
| Total non-renewable energy consumption | | MWh | 548,619.27 | 324,505.98 | 223,828.56 | 207,078.97 |
| Total renewable energy consumption | | MWh | 2,383.90 | 191,083.90 | 209,706.55 | 276,655.18 |
| Percentage of renewable energy in total energy consumption | | % | 0.43 | 37.06 | 48.37 | 57.19 |

Energy Performance Indicators

| Performance Indicators | Unit | 2019 | 2020 | 2021 | 2022 |
|---|------------------|--------|--------|--------|--------|
| Unit revenue electricity consumption | MWh/NT\$ billion | 609.09 | 595.05 | 505.42 | 481.64 |
| Percentage of renewable energy in electricity consumption | % | 0.47 | 40.20 | 52.79 | 63.02 |

Note:

1. Calculated based on the electricity consumption of Wistron's major manufacturing plants worldwide / the revenue of the plants
2. Percentage of renewable energy in electricity consumption : (Self-generation and self-consumption of renewable energy + Purchased renewable energy) / total electricity consumption
3. Energy consumption outside of the organization is 301,608.31 GJ



Wistron promotes digitalization and AI intelligent application management to help corporate sustainability operations, moving towards the goal of carbon neutral in 2030.

In order to achieve the goals formulated by the corporate sustainability report, Wistron has established an energy management system called ECO-SSOT. This platform integrates the real-time energy information from Wistron's global factories, including water, electricity, carbon emissions, renewable energy use and waste, and other multi-dimensional environmental indicators. Also, it is presented using a visual panel, allowing managers to quickly grasp the energy usage status of each plant. With the assistance of digital management, each plant effectively arranges energy-saving measures and quantifies the actual benefits brought by the measures to achieve closed-loop management.

In addition, the platform found AI smart applications that can be implemented with the goal of carbon reduction:

In addition, the platform found AI smart applications that can be implemented with the goal of carbon reduction:

- Project 1: The power consumption benchmark of the plants was established by using the impact factor to quantify the power saving benefits of each plant;
- Project 2: Evaluation on quantification of air compressor replacement ROI benefits;
- Project 3: The recommendation of the best maintenance cycle for air compressors allows plants to be managed with AI recommended data. In addition, replacement and maintenance of air compressors in a timely manner can achieve the results of carbon reduction.

In the future, Wistron will be committed to more decarbonization-targeted issues. With the assistance of digital management and AI, we strongly hope to achieve the goal of carbon neutrality by 2030.

Digital management - various energy indicators of Wistron's global plants



AI intelligent application - the best maintenance cycle of air compressors as an example



3.3.2 Greenhouse Gas Emissions

With the challenges caused by global climate change, enterprises must reduce greenhouse gas emissions during operations to mitigate the negative impact on the climate. Wistron implements greenhouse gas inventory in accordance with ISO 14064-1 every year. We also appoint a third-party impartial inspection institution to conduct verification in order to rigorously monitor greenhouse gas emission sources and volume in all plants. In response to the requirements of the Science Based Targets initiative (SBTi), the evaluation plan for Scope 3 Greenhouse Gas Emissions was implemented. The aim was to include broader upstream and downstream indirect emissions into our own greenhouse gas reduction scope. We hope to utilize Wistron's influence and work towards the target of 1.5°C of the Paris Agreement together with the world.

Scope 1 and Scope 2 Greenhouse Gas Emissions Greenhouse Gas Emissions (tCO₂e)

| Scope Category | | 2019 | 2020 | 2021 | 2022 |
|-----------------------------|-----------------------|-------------------|-------------------|-------------------|-------------------|
| Scope 1 | Stationary combustion | 7,622.77 | 6,993.68 | 5,777.74 | 7,752.60 |
| | Mobile combustion | 1,095.90 | 1,075.48 | 861.94 | 878.46 |
| | Processes emissions | 0.25 | 4.75 | 57.80 | 21.00 |
| | Fugitive emissions | 19,351.94 | 15,375.89 | 13,375.41 | 10,876.22 |
| Subtotal | | 28,070.86 | 23,449.79 | 20,072.89 | 19,528.28 |
| Scope 2 | Local base | 400,583.72 | 357,010.93 | 287,909.87 | 303,653.21 |
| | Market base | 400,583.72 | 206,972.43 | 125,696.18 | 94,609.58 |
| Total of Scope 1 + 2 | Local base | 428,654.57 | 380,460.73 | 307,982.76 | 323,181.49 |
| | Market base | 428,654.57 | 230,422.23 | 145,769.07 | 114,137.87 |

Note1 :The emissions from the biogenic combustion is 0.09 tCO₂e.

Note2 :The indirect emissions from imported electricity are adjusted to the indirect emissions from imported energy of category 2, so the emissions of the 2020 and 2021 are revised simultaneously in the calculation of the market base.

Note3 :Wistron has no direct emissions and removal-related emissions from Land Use, Land Use Change and Forestry, LULUCF.

Note4 :The electricity emission coefficients cited include the electricity emission coefficient of 0.509 kg CO₂e /kWh for Taiwan in 2021. The emission coefficients of Mainland China's regional power grid in 2019 were 0.7921 kg CO₂e /kWh in Eastern China, 0.8587 kg CO₂e /kWh in Central China, and 0.8042 kg CO₂e /kWh in Southern China; The electricity emission coefficient of 0.39 kg CO₂e /kWh for Czech in 2021; The electricity emission coefficient of 0.423 kg CO₂e /kWh for Mexico in 2021; The electricity emission coefficient of 0.78 kg CO₂e /kWh for Malaysia in 2019.

Scope 1 + 2 Greenhouse Gas Emission Types (tCO₂e)

| Type | 2019 | 2020 | 2021 | 2022 |
|------------------|-------------------|-------------------|-------------------|-------------------|
| CO ₂ | 409,252.50 | 365,036.32 | 294,470.89 | 312,226.86 |
| CH ₄ | 12,979.98 | 13,088.97 | 9,023.87 | 7,766.86 |
| N ₂ O | 38.54 | 36.76 | 50.43 | 38.53 |
| NF ₃ | - | - | - | - |
| HFC | 6,383.55 | 2,298.68 | 4,437.57 | 3,149.24 |
| PFC | - | - | - | - |
| SF ₆ | - | - | - | - |
| Total | 428,654.57 | 380,460.73 | 307,982.76 | 323,181.49 |

Greenhouse Gas Emissions Performance Indicators (kilotons of CO₂e / NT\$ billion)

| Performance Indicators | | 2019 | 2020 | 2021 | 2022 |
|----------------------------|-------------|------|------|------|------|
| Emissions per unit-revenue | Local base | 0.51 | 0.48 | 0.39 | 0.35 |
| | Market base | 0.51 | 0.29 | 0.19 | 0.13 |

Note1 :Greenhouse gas emission intensity and target: Calculated based on the greenhouse gas emissions/plant revenue of Wistron's global manufacturing plants.

Note2 :Only Category 1 and Category 2 greenhouse gas emissions were calculated.

Scope 3 Greenhouse Gas Emissions

Wistron has started a comprehensive inventory and assessment of greenhouse gas emissions of scope 3 in order to grasp the emission contributions of its own operations and various activities between upstream and downstream. These also provide many potential opportunities for Wistron to negotiate with suppliers and customers. From the results of the inventory, it can be easily seen that the upstream is focused on purchasing products and services, while the downstream is focused on investment behavior.

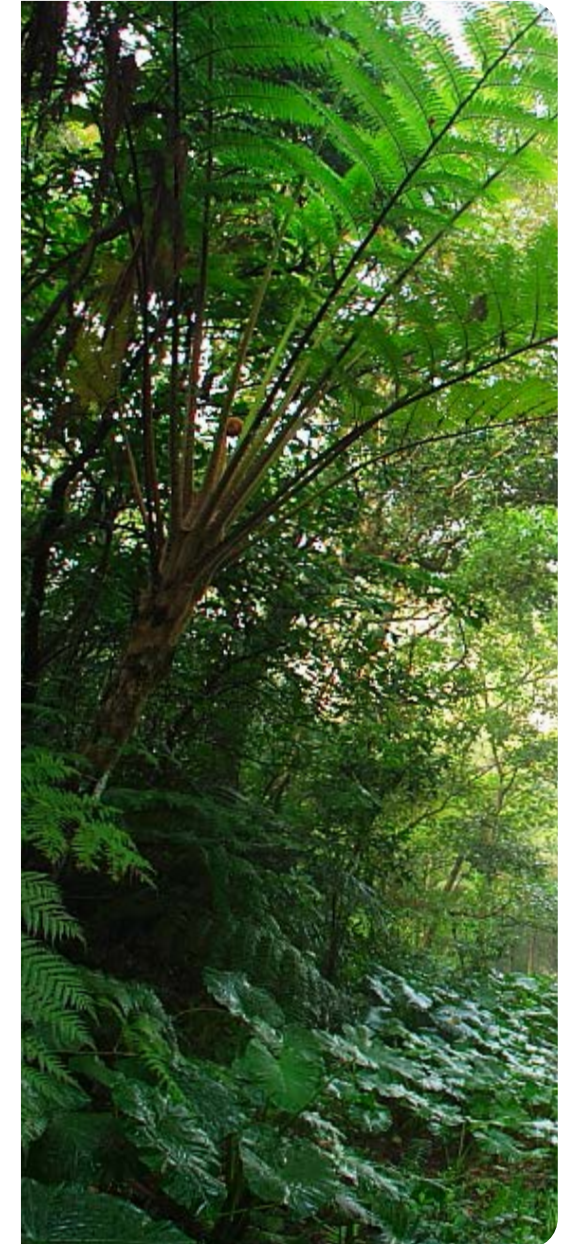
Wistron has used the Scope 3 inventory to strengthen supply chain management for new opportunities to develop lower carbon electronic parts with our suppliers. Regarding the energy use of downstream customers' products, we will also strengthen the energy efficiency of products with customers. Therefore, Wistron can work with upstream and downstream together to reduce greenhouse gas emissions and expand the influence of climate strategies. In the end, we will be able to achieve the vision of building an overall low-carbon supply chain.

Scope 3 Greenhouse Gas Emissions (tCO_{2e})

| Scope 3 Emission Sources | 2019 | 2020 | 2021 | 2022 |
|--|------------------|-------------------|----------------------|----------------------|
| Purchased Goods and Services | 0 | 0 | 14,049,499.30 | 8,481,121.25 |
| Capital Goods | 0 | 0 | 142,632.13 | 188,089.07 |
| Fuel- and energy related activities | 0 | 0 | 76,107.22 | 110,060.82 |
| Upstream transportation and distribution | 17,245.75 | 8,544.14 | 21,134.68 | 4,483.60 |
| Waste generated in operations | 0 | 0 | 4,215.71 | 4,960.22 |
| Business travel | 5,745.52 | 1,000.76 | 1,027.22 | 3,696.16 |
| Employee commuting | 0 | 0 | 18,156.21 | 24,917.29 |
| Upstream leased assets | 0 | 0 | 5,666.65 | 11,695.49 |
| Downstream transportation and distribution | 51,940.01 | 111,455.11 | 278,700.73 | 97,348.43 |
| Processing of sold products | 0 | 0 | - | - |
| Use of sold products | 0 | 0 | - | - |
| End-of-life treatment of sold products | 0 | 0 | - | - |
| Downstream leased assets | 0 | 1.47 | 20,206.67 | 25,664.55 |
| Franchises | 0 | 0 | - | - |
| Investment | 0 | 0 | 1,523,696.41 | 2,147,023.02 |
| Total | 74,931.28 | 121,001.48 | 16,141,042.93 | 11,099,059.90 |

Note1 :Since Wistron has no relevant control rights, the categories of product processing, use and final disposal were not included in the scope of the investigation and disclosure;

Note2 :Because Wistron is a B2B company and has no franchise-related activities, no investigation and disclosure was conducted.



3.3.3 Reduction Actions and Results

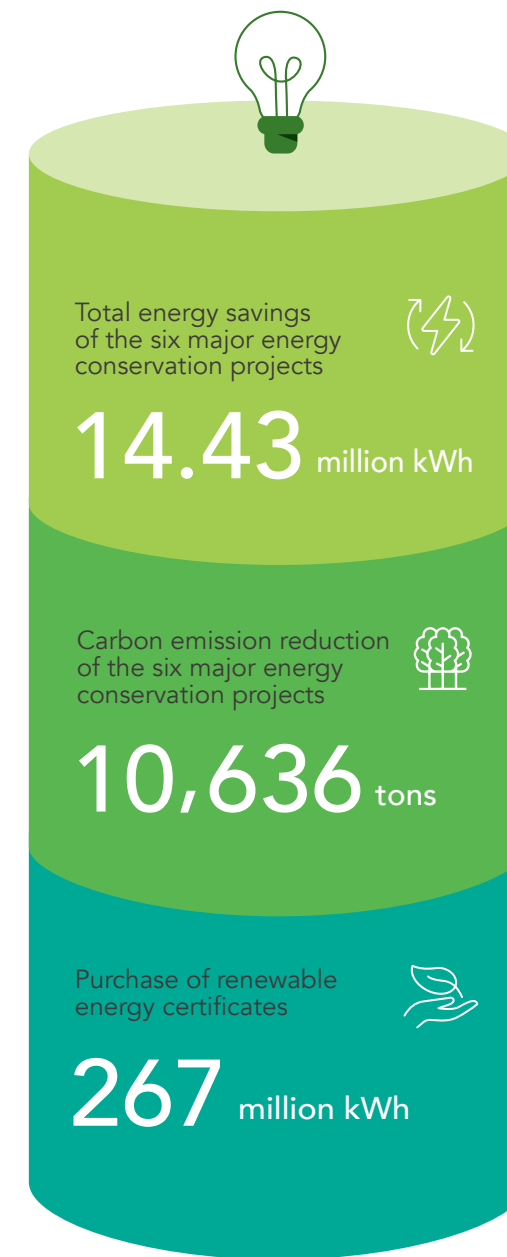
Wistron uses "energy efficiency improvements" and "energy transformations" to implement reduction actions. To ensure the implementation of energy management and energy conservation projects, Wistron has set up the Energy Project Teams in all plants composed of units responsible for plant engineering affairs or related matters. They convene regular energy management meetings and review the current state of energy and project implementation progress in the plants. The plants also share information on the effectiveness and experience in each project with each other.

Improvement of Energy Efficiency

Wistron's energy conservation efforts encompass six major categories including the air conditioning system, air compressor system, green lighting, management, production, and others. As of the end of 2022, the Company saved a total of 14,428,530 kWh of electricity, which reduced carbon emissions by 10,635.76 tons. If we use the carbon dioxide absorption volume of the Daan Forest Park in Taipei of 389 tons per year (calculation based on data from the Bureau of Energy, Ministry of Economic Affairs), the carbon reduction was equivalent to the annual CO₂ absorption volume of 27 Daan Forest Parks.

2022 Energy Conservation Results

| Reduction Type | Main Implemented Project | Annual Energy Savings (MWh) | Annual Energy Savings (GJ) | Greenhouse Gas Emissions (tCO ₂ e) |
|---|--|-----------------------------|----------------------------|---|
| Air conditioning system | Improvement of equipment efficiency (ice machines and water pumps were replaced with energy-efficient equipment) Introduction of intelligent frequency conversion (upgrade of intelligent control system) | 3,470.66 | 12,494.36 | 2,559.89 |
| Air compression system | Replacement of old equipment (air compression equipment was replaced by centralized nitrogen supply) Introduction of intelligent group control (Introduction of intelligent group control system) | 3,011.41 | 11,131.87 | 2,437.88 |
| Green lighting | Intelligent lighting system (introduction of more energy-saving LED lamps) | 2,110.19 | 7,596.68 | 983.75 |
| Management | Optimal integration of temperature control and idle space | 1,658.25 | 5,969.72 | 1,307.51 |
| Manufacturing | Optimized production, improved production equipment efficiency, and introduced smart monitoring and management Introduction of smart reflow exhaust control system | 800.05 | 2,880.18 | 655.69 |
| Others | Reduction of useless power consumption and expansion of solar power generation equipment | 3,377.97 | 12,160.68 | 2,691.04 |
| Subtotal | | 14,428.53 | 52,233.49 | 10,635.76 |
| Purchase of renewable energy certificates | | - | - | 209,860.11 |
| Total | | - | - | 220,495.87 |



Energy Transition

Extreme weather has become the new normal. Major international companies have joined the 100% renewable energy, RE100, initiative to support the use of renewable energy to reduce carbon emissions and slow down global warming. Wistron responded to international renewable energy trends by purchasing 267 million kWh of Renewable Energy Certificates in 2022 to actively increase the use of renewable energy in plants around the world, and offset market-based greenhouse gas emissions. Apart from purchasing renewable energy certificates, Wistron is actively expanding solar power generation in operating locations around the world to utilize idle space. We continue to strengthen our partnerships with local renewable energy providers, in order to implement the ideas of energy transformation and green manufacturing in our corporate operations.



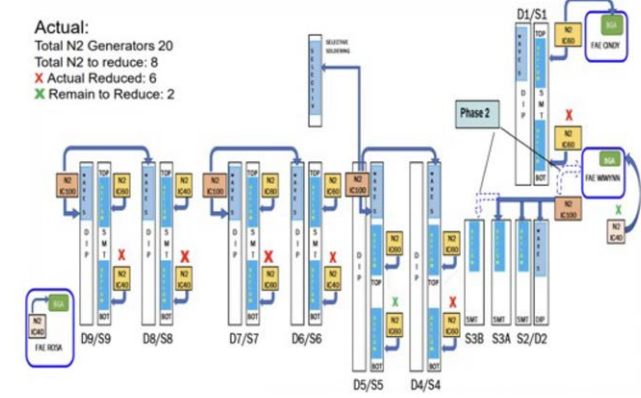
Spotlight 1 The transformation of energy sources has been accelerated, with the goal of fully replacing conventional vehicles with electric official vehicles.

In response to local incentive policies such as charging subsidies, road taxes and parking subsidies, the Czech plant has purchased a Skoda electric vehicle for official use in 2022. This initiative aims to reduce air pollution and gasoline consumption. This measure not only reduced 0.80707 tons-CO₂e equivalent (CO₂e) emissions, but also saved about NT\$36,000 in expenses for the plant. The Czech factory will gradually replace official vehicles in the future to achieve the dual benefits of carbon reduction and cost savings.



Spotlight 2 Energy saving measures for nitrogen supply machines

Zhongshan plant adopts a central nitrogen supply system to improve the efficiency of nitrogen production to replace multiple nitrogen supply machines at the side of the reflow soldering lines. This reduces the requirements of air compression and the reduction in energy consumption. In addition, the equipment units were installed outside the production area to avoid noise directly disturbing the workers, and it could also greatly improve the quality of the working environment and free up the floor space around the reflow soldering lines. After reducing multiple heat-generating facilities in the production area, the air-conditioning load was also relieved. It is estimated that the annual energy saving introduced will reach 2.47 million kWh, which can save RMB1.62 million in electricity costs. It will be extended to other plants for evaluation and implementation. The Mexican plant evaluated that the nitrogen produced in the plant can be used for different reflow soldering ovens. Therefore, the entire plant was able to shut down 8 nitrogen generators and indirectly shut down 2 air compressors through pipeline optimization and control. This saved up to 14,000 kWh of electricity per day, and it reduced energy consumption by 10%.



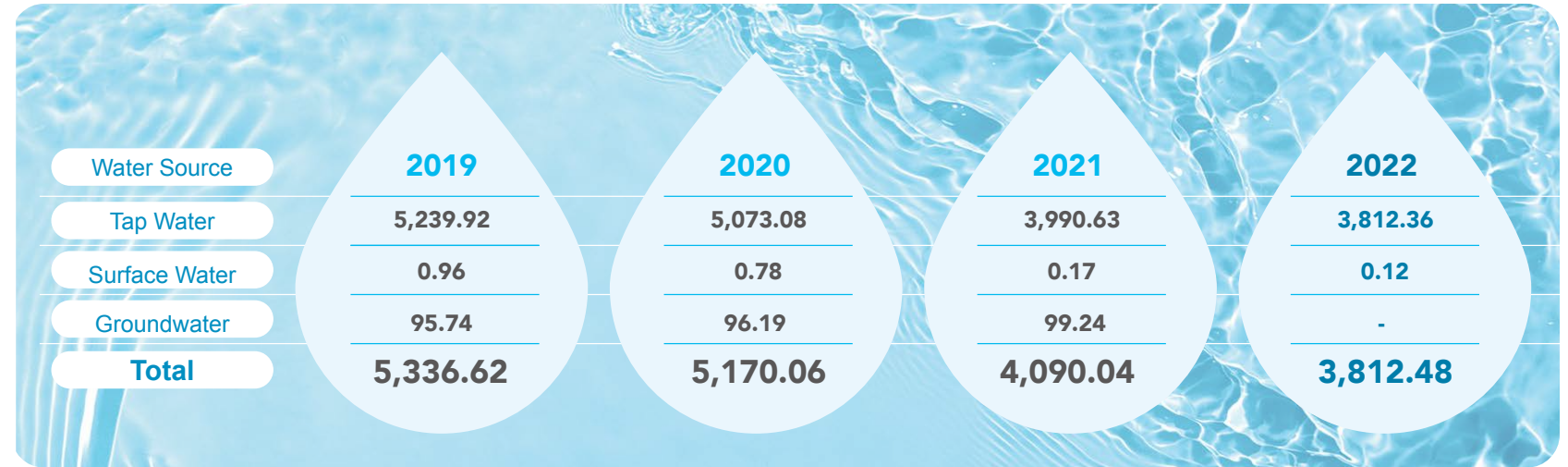
3.4 Alleviating Environmental Impact

3.4.1 Water Resource Management

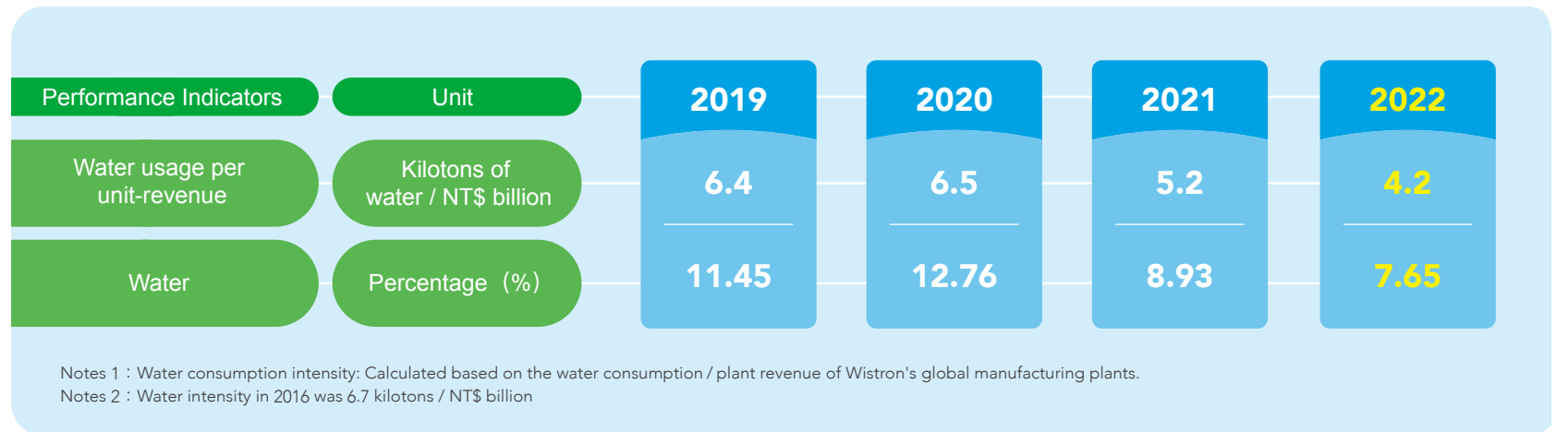
Wistron's production processes mainly consist of product assembly which does not involve the use of a great amount of water. Most of the water demand is for domestic use and plant equipment such as kitchens and cooling towers. After Wistron's evaluation, the source of water for each plant and each office is tap water. It does not cause obvious environmental impact on water resources and the ecological environment of water sources. Nevertheless, Wistron still actively collects water consumption data and regularly monitors water quality and consumption conditions. We organize water conservation campaigns from time to time for the purpose of protecting water resources.

Wistron's management of water resources can be divided into "implementation of water resource management and day-to-day water conservation" and "implementation of water recycling and wastewater management." We conduct an inventory of high-risk areas for water resources based on an evaluation of the water stress indicators of our global operations. We then implement preventive measures based on the water resource management strategy. Dedicated units in different plants are responsible for water resource management, plan formulation and implementation, regular monitoring, resolution of irregularities, data analysis, and continuous improvements. Wistron is committed to rigorous compliance with the national regulations on water resources, reasonable use of water resources, prioritized selection of water conservation equipment, and use of energy conservation panels to monitor the consumption of water resources and improve water use efficiency. Wistron's water use target in 2022: Reduce water consumption intensity by 10% compared to 2016 and implement more ambitious goals for 2023, 2025, and 2030, and continuous tracking to disclose the water saving performance of each year.

Water Usage (million liters)



Water Usage Performance Indicators



Water Stress Index

Wistron uses WRI Aqueduct tools to analyze water stress index of global operations. We evaluate the risk ratings of water resources to set up management and recycling equipment in advance. In addition, we also disclose the water sources, water bodies receiving the effluent, wastewater treatment unit, and water quality data to ensure compliance with effluent quality standards in local regulations.

Water Stress Index

| Item | Neihu Headquarters Xizhi Office | Hsinchu Plant | Kunshan Plant | Kunshan Opt Plant | Taizhou Plant | Zhongshan Plant | Chengdu Plant | Chongqing Plant | Mexico Plant | Czechia Plant | Malaysia Plant |
|-------------------------------|--|---|--|--|--|---|--|--|--|-------------------------------|---|
| Water stress index | Medium low | Medium low | High | High | Medium high | Medium high | Medium low | Medium low | Medium high | Medium low | Medium low |
| Water source | Feitsui Reservoir Xinshan Reservoir | Baoshan Reservoir | Water drawn from the Yangtze River | Water drawn from the Yangtze River | Water drawn from the Yangtze River | Xijiang River | Min River | Jialing River | Hueco Bolson Aquifer Mesilla / Conejos-Medanos Basin | Vir Reservoir | Sg. Selangor / Sg. Langat river basins |
| Water body receiving effluent | Keelung River Tamsui River | Keya Creek | Wusong River | Wusong River | Yinjiang River | Shiqi River Hengmen Waterway | Fuhe River | Houhe River | Use in agricultural irrigation | SVRATKA River | Klang River |
| Wastewater treatment unit | Neihu Sewage Treatment Plant Dihua Sewage Treatment Plant | Hsinchu Science Park Sewage Treatment Plant | Kunshan Development Zone Kuncheng Precision Water Purification Co., Ltd. | Precision Machinery Industrial Park Sewage Treatment Plant | Taizhou Chengnan Wastewater Treatment Plant No.2 | Zhenjiashan Sewage Treatment Plant Linhai Industrial Park Wastewater Treatment Plant | Huayang Wastewater Treatment Plant No. 2 | Yubei District Chengbei Wastewater Treatment Plant | Valle de Juarez water treatment plant | Brno water and sewerage plant | Indah Water Konsortium Sewage Treatment Plant |
| Effluent Quality | PH | 6 ~ 9 | 5 ~ 9 | 6.5 ~ 9.5 | 6.5 ~ 9.5 | 6 ~ 9 | 6 ~ 9 | 6 ~ 9 | 6 ~ 9 | 6 ~ 9 | 5.5 ~ 9 |
| | SS (mg / l) | 30 ~ 50 | 300 | 400 | 400 | 400 | 400 | 400 | 400 | 180 | 550 |
| | COD (mg / l) | 100 ~ 150 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 220 | 1,200 |

Note1: The water stress indicator is calculated based on Aqueduct tools:<https://www.wri.org/aqueduct>

Note 2: Effluent quality is taken from the local regulations of each plant.

Multiple stages of Wistron's manufacturing process is product assembly. Most processes do not require water and do not produce waste water. Only Taizhou Plant and Kunshan Opt Plant require the use of water and they have set up wastewater treatment plants. They implement real-time online monitoring to immediately respond to any anomalies. The industrial sewage generated by the Zhongshan Opt Park is directly handed over to a third-party sewage treatment company for treatment. The sewage and wastewater in other plants mainly consist of domestic sewage of employees. The domestic sewage is collected through the pipelines of the park and delivered through the sewage system to the wastewater treatment plant for processing and discharge. It is not directly discharged to natural bodies of water. To monitor the effluent quality, Wistron regularly inspects the water quality to ensure that the effluent meets regulatory requirements and does not affect the ecological environment of natural water bodies and habitats. Wistron implements the ISO 14001 Environmental Management System to ensure that the wastewater and sewage management meets effluent specifications in regulations. The Company systematically manages related environmental issues. By 2022, Wistron has attained zero effluent leaks and zero environmental complaints.



3.4.2 Air Pollution Control

The gas emissions in Wistron's production process consist mostly of hot air and tin fumes. They also contain volatile organic compounds (VOCs) from the isopropyl alcohol used for cleaning. According to internal standard procedures, the gas is concentrated and collected in the ducts for the waste gas treatment equipment to absorb before emissions. The Company passes regular waste gas sampling inspections to ensure compliance with regulatory requirements.

The used isopropanol waste liquid is uniformly stored in a specific area, and then handed over to an external qualified processor for cleaning and transportation. Wistron implements inventory and management of substances that contain VOCs to ensure that operators of all positions are equipped with personal protection equipment (PPE) and related ventilation devices in the usage and storage process. These measures ensure health and safety for personnel while reducing the potential negative impact of VOCs on the environment. Nitrogen oxides (NOx) and sulfur oxides (SOx) are only emitted in Wistron Plants when generators are used and fuel is incinerated in the process. The generators are only activated in the event of emergencies (e.g., power outages) and are not regular sources of emissions. Therefore, they are not listed as the main sources of emissions.

Emissions of Volatile Organic Gases (tons)

| Categories | 2019 | 2020 | 2021 | 2022 |
|---|------------|------------|---------------|---------------|
| Isopropyl alcohol | 94.92 | 90.83 | 72.32 | 147.95 |
| Ethanol | 62.5 | 22.8 | 63.43 | 59.37 |
| Ethylene glycol monobutyl ether | 7.1 | 5.9 | 7.81 | 14.80 |
| Ethanolamine | 3.9 | 3.3 | 1.48 | 3.38 |
| Others (those that account for < 1% of total) | 13.3 | 7.5 | 7.54 | 9.64 |
| Total | 182 | 130 | 152.59 | 235.15 |

3.4.3 Waste Management

Wistron is committed not to use banned substances or materials and actively promotes waste reduction, recycling, and reuse. The Company rigorously and carefully selects materials and suppliers and continues to implement technical improvement or seek environmentally friendly materials. We abide by environmental and customer regulations related to our activities, products, and services to attain, or even exceed set goals.

Wistron's waste management methods includes "Continuous implementation of waste classification and waste reduction" and "Enhancement of waste recycling and reuse". We comprehensively evaluate and check the generation and flow of waste and toxic substances through good waste and hazardous substance management. The output of waste is minimized as much as possible, and waste is reduced by recycling. Positive management of waste and hazardous substances can help reduce the impact and burden of the environment. We can also create niches in business operations with improved material usage rate and lowered operating costs, which help the Company attain sustainability.

Waste Management Performance Indicators

| Performance Indicators | Unit | 2019 | 2020 | 2021 | 2022 |
|---|--|--------|--------|--------|--------|
| Waste output per unit-revenue | kilotons of waste output/ NT\$ billion | 0.05 | 0.05 | 0.05 | 0.04 |
| Non-hazardous waste output per unit-revenue | kilotons of waste output/ NT\$ billion | 0.0508 | 0.0515 | 0.0487 | 0.0429 |
| Hazardous waste output per unit-revenue | kilotons of waste output/ NT\$ billion | 0.0015 | 0.0013 | 0.0013 | 0.0013 |

Note: The waste intensity in 2018 was 0.051 kilotons / NT\$ billion

Amount of Waste Generated (tons)

| Categories | 2019 | 2020 | 2021 | 2022 | |
|---------------|--|-----------|-----------|-----------|-----------|
| Non-hazardous | a.Reuse | - | 215.67 | 238.07 | 232.67 |
| | b.Recycle | 38,180.84 | 37,613.77 | 35,533.31 | 35,626.81 |
| | c.Replaced with alternative raw materials | - | - | - | - |
| | d.Landfill | 370.70 | 373.00 | 562.67 | 937.72 |
| | e.Incinerate (with energy recovery) | - | 272.76 | 1,670.37 | 2,300.53 |
| | f.Incinerate (without energy recovery) | 3,760.48 | 2,666.89 | 255.31 | - |
| Subtotal | 42,312.01 | 41,142.08 | 38,259.73 | 39,097.73 | |
| Hazardous | g.Temporary storage | - | - | - | - |
| | h.Transported to external treatment facilities | 1,208.83 | 1,001.90 | 1,043.50 | 1,205.56 |
| | Subtotal | 1,208.83 | 1,001.90 | 1,043.50 | 1,205.56 |
| Total | Total waste disposed(d.+e.+f.+g.+h.) | 5,340.01 | 4,314.55 | 3,531.85 | 4,443.81 |
| | Total waste recycled/ reused (a.+b.+c.) | 38,180.84 | 37,829.43 | 35,771.38 | 35,859.48 |

Recycle / Reuse



35,859.48 tons

Waste Reduction

Wistron implements reduction at the source with resource classification and recycling plans, with recycling areas established in the plants and offices to reduce waste. We define recyclable waste generated in plant areas in accordance with regulations, including waste metal, packaging materials, plastic, paper, and batteries. We set up recycling areas in all plants and offices to collect these materials and appoint external recycling companies for clean-up and disposal.

Through waste classification and recycling, we have reduced operating costs by reducing waste disposal fees while meeting international waste reduction trends. Apart from recyclable waste, other special waste generated in the manufacturing process such as chemical solvents (isopropyl alcohol, fluxes, thinners, etc.), lubricating oil, solder paste, and dross are temporarily stored in special storage areas after classification and labeling and delivered to qualified waste disposal companies authorized by government institutions for processing. To monitor the final destination of the waste, Wistron also creates audit plans for waste disposal companies and performs regular audits.

To reduce waste more effectively, Wistron has changed the waste treatment target to "waste intensity reduction" starting from 2021. We use 2018 as the baseline year and set a target for reducing waste generation intensity (unit revenue waste generation) by 2% each year, which means a 6% reduction in 2023, a 10% reduction in 2025, and a 20% reduction in 2030. In addition, the UL2799 waste zero landfill certification mechanism will be introduced in all major manufacturing plants from 2022. It aims to find out the waste reduction plan and the best resource utilization plan to realize a virtuous resource cycle.

Waste Recycling Rate (%)

| Item | | 2019 | 2020 | 2021 | 2022 |
|---------------|---|--------------|--------------|--------------|--------------|
| Non-hazardous | Reuse | 0.0% | 0.5% | 0.6% | 0.6% |
| | Recycle | 87.7% | 89.3% | 90.4% | 88.4% |
| | Replaced with alternative raw materials | 0.0% | 0.0% | 0.0% | 0.0% |
| | Incinerate (with energy recovery) | 0.0% | 0.6% | 4.3% | 5.7% |
| Total | | 87.7% | 90.4% | 95.3% | 94.7% |



Recycling has been strengthened, and the UL 2799 zero waste to landfill certification mechanism has been introduced. Chongqing Plant and Zhongshan Plant awarded Gold-Level certification.

Starting from 2022, Wistron has implemented the UL 2799 zero waste to landfill certification mechanism in Hsinchu plant, Chongqing plant, Chengdu plant, and Zhongshan plant. Moreover, it is required that the flow of waste in the plant be managed, inspected and audited for compliance. It is necessary to confirm that all wastes have undergone transformation processes such as recycling, reuse, and energy usage, so as to avoid waste of heat energy after landfill treatment and incineration. Once the waste diversion rate reaches at least 90%, the certification can be successfully obtained.

Through the introduction of the UL 2799 zero waste to landfill certification mechanism, the waste conversion rate of Wistron's factories has reached over 99%. In this way, not only the output and conversion rate of waste in the plant can be grasped, but also the management of waste processors can be strengthened. In addition, waste reduction plans and resource utilization optimal solutions were found through this certification diagnosis and evaluation, resulting in a reduction of the energy recovery rate after incineration to 9%, in order to improve Wistron waste management through certification. In the future, we will move towards the goals, including clean production, the continuous promotion and horizontal expansion of waste reduction measures to all plants around the world, the realization of a virtuous resource cycle, and the achievement of comprehensive waste recycling.



VALIDATED

- WISTRON INFOCOMM (CHONGQING) CO., LTD. HAS ACHIEVED ZERO WASTE TO LANDFILL GOLD OPERATIONS, 99% DIVERSION, WITH 9% THERMAL PROCESSING WITH ENERGY RECOVERY

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UL 2799A

GOLD

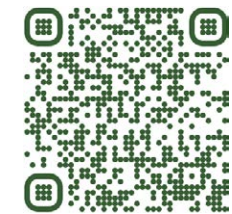


VALIDATED

- WISTRON HWA-NAN OPERATIONS HAS ACHIEVED ZERO WASTE TO LANDFILL GOLD OPERATIONS, 99% DIVERSION, WITH 8% THERMAL PROCESSING WITH ENERGY RECOVERY

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UL 2799A

GOLD



Wistron Global Site Biodiversity Risk Assessment

3.5 Nature and Biodiversity

In recent years, most stakeholders have focused on issues associated with climate-related risks, while "Biodiversity Loss" has gradually become one of the most impactful and influential topics of interest. None of Wistron's global manufacturing sites and office areas are located in environmentally protected, biologically rich and diverse areas, or restored habitats. There is no natural forest land such as rare plants, or trees within the boundaries of the company's sites. There are also no endangered species listed in the Red List of Threatened Species of the International Union for Conservation of Nature (IUCN) and National Conservation List. Meanwhile, we conduct environmental impact assessments in accordance with local environmental protection regulations to avoid damaging biodiversity conservation from our operating activities. The eco-friendly technologies are adopted to actively reduce pollution as we strictly abide by environmental protection regulations, and the inspection measures are taken on a yearly basis to ensure that wastewater, waste gas, waste disposal, and noise emissions comply with regulatory requirements. In Taiwan, we continue to carry out projects related to the protection of the natural ecosystem through Wistron Foundation.

Wistron promises to undertake the responsibility of mitigating the impact on the overall ecological environment. Therefore, we promote nature and biodiversity conservation and no-deforestation plans through continuous improvement of our activities, products and services. For this reason, starting from inside the company, we strongly advocate the elimination of deforestation in the value chain and all manufacturing sites. Additionally, we map out the steps starting with avoidance, minimalization, restoration and Biodiversity offsets, and then introduce Nature-based Solutions (NbS) to eventually reach the common goals of No Net Loss and Net Positive Impact.

We hope to respond more actively to the Global Goal for Nature, and keep abreast of the subsequent development of the biodiversity-related issues. Therefore, through a series of engagements and information exchange with domestic industries, official academics, and research units, we continue to pay attention to the ecological environment, respect the ecological balance, and protect endangered species. At the ESG Committee meeting in December 2022, Wistron proposed to participate in the "Taiwan Nature Positive Initiative" launched by BCSD-Taiwan (Business Council for Sustainable Development). It is expected to introduce the international organizations' tools and resources provided by WBCSD (World Business Council for Sustainable Development) to examine the status quo of the Company's ability to respond to issues regarding nature. We plan to construct a set of evaluation methods and indicators measuring the degree of dependency and impact on nature as well as biodiversity conservation in 2023. In this regard, it will facilitate the formulation of our work goals in the field of biodiversity and thus eventually contribute to Nature Positive in 2050.

4

Social Inclusion



4.1 Talent Attraction and Retention

- Global Talent Recruitment
- Inclusion and Diversity
- Talent Retention

4.2 Human Capital Development

- Global Talent Development Policy
- Key Strategic Talent Development

4.3 Human Rights Management

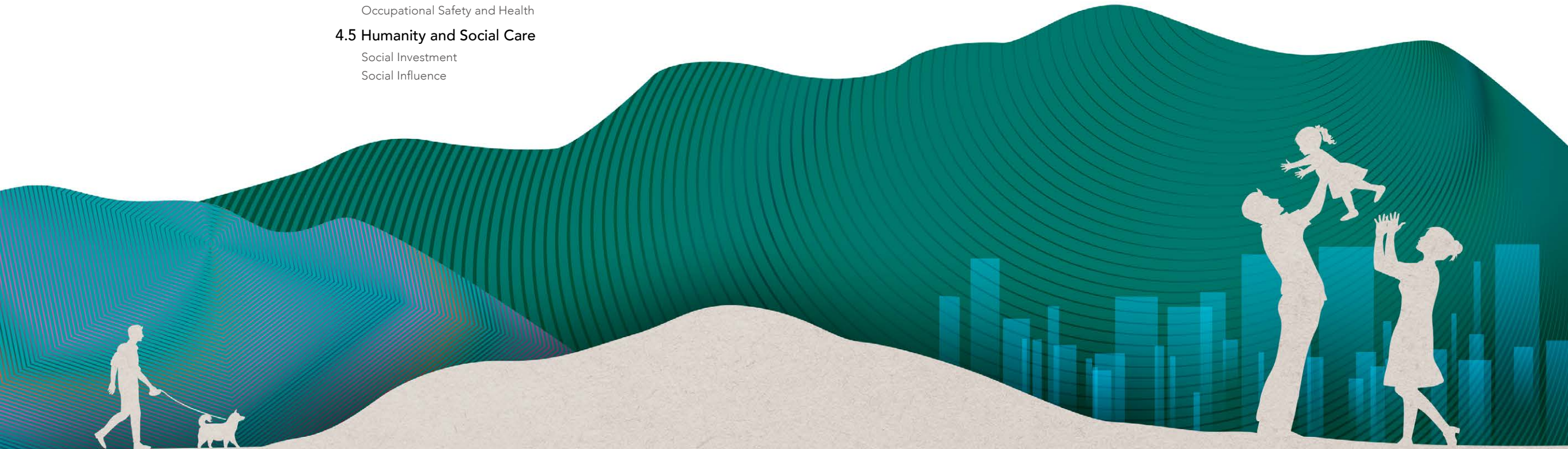
- Human Rights Due Diligence
- Human Rights Risks and Material Issues
- Open Communication Channels

4.4 Workplace Health and Safety

- Employee Care and Benefits
- Occupational Safety and Health

4.5 Humanity and Social Care

- Social Investment
- Social Influence



Management Approach

| Topics | Strategies | 2022 Targets | 2022 Results | Progress Signal | 2023 Targets | 2025 Targets | 2030 Targets |
|---------------------------------|---|--|--|-----------------|--|--|---|
| Human Rights | Implement the company's human rights policy | 0 case | 0 case | ● | 0 case | 0 case | 0 case |
| | Satisfy legal compliance | | | | | | |
| Occupational Safety and Health | Value employees' health and safety and commit to providing a safe work environment | Incident rate per thousand persons <1.8 | Incident rate per thousand persons 1.53 | ● | Incident rate per thousand persons < 1.15 Note: 1. Excluding off-site traffic accidents 2. Expansion of the scope | Incident rate per thousand persons < 1.03 Note: 1. Excluding off-site traffic accidents 2. Expansion of the scope | Incident rate per thousand persons < 0.8 Note: 1. Excluding off-site traffic accidents 2. Expansion of the scope |
| Talent Attraction and Retention | Create a quality work environment and increase employee retention | Global IDL employee turnover rate <15.5% | Global IDL employee turnover rate 14.18% | ● | Global IDL employee turnover rate <15.5% | Global IDL employee turnover rate <15% | Global IDL employee turnover rate < 12% |
| Human Capital Development | Promote corporate digital transformation and create organizational competitive advantages | Cumulative cultivation of key digital talents > 908 people | Cumulative cultivation of key digital talents 982 people (108% achievement rate) | ● | Cumulative cultivation of key digital talents > 1,300 people | Cumulative cultivation of key digital talents > 1,800 people | Cumulative cultivation of key digital talents > 3,000 people |
| | | Average training hours for Taiwan headquarter management positions > 18 hrs | Average training hours for Taiwan headquarter management positions 22.2 hrs | ● | Average training hours for Taiwan headquarter management positions > 18 hrs | Average training hours for Taiwan headquarter management positions > 18 hrs | Average training hours for Taiwan headquarter management positions > 20 hrs |
| Social Engagement and Care | Environment and humanity / social care | A total of NT\$200 million in social engagement investments (including NT\$34 million from foundation) | A total of NT\$240 million in social engagement investments (including NT\$45 million from foundation) | ● | A total of NT\$220 million in social engagement investments (including NT\$45 million from foundation) | A total of NT\$240 million in social engagement investments (including NT\$45 million from foundation) | A total of NT\$250 million in social engagement investments |
| | Enhance diverse collaboration on technology | Industry government institute collaboration projects: 20 cases | Industry government institute collaboration projects: 21 cases | ● | Industry government institute collaboration projects: 22 cases | Industry government institute collaboration projects: 25 cases | Industry government institute collaboration projects: 30 cases |

Note: The progress light of ● green light is 95% and above; ● yellow light is 90%~95%; ● red light is 90% and less.

4.1 Talent Attraction and Retention

In 2022, Wistron's Kunshan plant and Malaysia plant won the "Best Companies to Work for in Asia 2022" issued by "HR Asia", giving us a landmark affirmation. Wistron takes "Happy Work and Happy Life" and "WiCare Enjoy the work" as the core of the focus axis to continuously improve diversity, equity and inclusion in the workplace.

4.1.1 Global Talent Recruitment

Attract Global Talent

Wistron has formulated a diverse recruitment plan to attract outstanding professionals from all areas. We recruit potential talents and enhance industrial competitiveness through different platforms including job search platforms, social media, campus talent recruitment activities, industry-university cooperation and internships, and talent hunting consultants. In 2022, there were a total of 84,044 new employees, mainly male and non-managerial employees under age 30. In 2022, the Company was affected by the impact of the pandemic so as the global manpower layout was adjusted accordingly. Wistron adheres to the sustainable operation and the enhancement of competitiveness as the operation direction to integrate regional resources and optimize the management system. As a result, the total number of new recruits in 2022 is lower than that of the previous year, especially in the Asian region. Wistron introduced the "NLP Behavioral Competence" evaluation system to continue the Company's vision of "sustainability through innovation". By using speech analysis technology to analyze the six major behavioral competencies, we aim to enhance the efficiency of recruitment interviews and actively develop the innovative technology to discover the value of talents. It includes holding a reserve talent plan for 2 consecutive years, and the number of participants has doubled. Moreover, 600 overseas Chinese students were assisted to promote their cultivation and development in Taiwan by organizing athletic activities. In addition to offline 39 industry-university lectures, the Campus Ambassador Program was held for the first time. It guides students to connect with the workplace, and it uses concrete actions and innovative recruitment solutions to cultivate talents and enhance their international soft and hard capabilities.



| | |
|----------------|---|
| Purpose | By leveraging Natural Language Processing (NLP) technology for speech analysis, we predict the "behavioral competence" of applicants and provide the analysis results to supervisors as a reference for making hiring decisions, effectively saving time and reducing recruitment costs. |
| Method | By utilizing NLP sentiment analysis and voice recognition technology, we quantify over 100 voice features (such as pitch, volume, speech ratio, etc.) of both applicants and supervisors during actual interviews. We then build an AI model by integrating these voice features with the behavioral competence ratings provided by the supervisors. |
| Results | Currently, Wistron has applied this technology to the recruitment of reserve leaders. We can effectively predict the four major behavioral function indicators of each candidate (effective communication, proactiveness, resilience, and promotion of team success) through the NLP analysis of the voice interactions between the candidates in group interviews. In addition, 9 speech features were quantified (such as ice-breaking ratio, speaking frequency, vocabulary count, pitch fluctuations, etc.) for the supervisors to use as a reference for talent recruitment. |



Since 2021, we have started applying it to the recruitment of reserve talents, completing approximately 203 evaluations. By Q3 of 2023, we will integrate it into daily interviews, with an estimated usage of over 5,000 sessions per year.



New Employees

Wistron is focused on recruitment and hiring procedures and orientation training to help new employees adapt quickly to the workplace and culture, including the design of the new recruit interview process optimization, the new recruit productivity improvement plan, and new recruit training program to enable new employees to understand Wistron's corporate culture, industry concepts and relevant occupational safety knowledge through the interview and training process.

| Item | 2019 | 2020 | 2021 | 2022 |
|---|------------|------------|------------|-------------|
| Total number of new employees | 179,784 | 198,087 | 155,226 | 84,044 |
| Recruitment rate (%) | 256% | 285% | 247% | 164% |
| Percentage of open positions filled by internal candidates (internal hires) (%) | 67.95% | 66.49% | 52.95% | 69.68% |
| Average hiring costs per new hires | NT\$ 5,046 | NT\$ 3,832 | NT\$ 7,143 | NT\$ 10,532 |

Note1: Recruitment rate = New employees in the current year/total number of employees in the current year.
 Note2: Percentage of open positions filled by internal candidates (internal hires) = the ratio of indirect employees' vacancies filled by internal colleagues, including the transfer and replacement of employees. In 2022, strategies and operations of the Company were integrated and readjusted, resulting in an increase in higher rate of internal talent.
 Note3: Average hiring cost per new hires = recruitment cost/total number of new hires. The increase in recruitment costs is due to the fact that the unit price of recruiting in the local area increased and some projects are planned on a long-term basis with fixed annual recruiting fees.

| Distribution of New Employees | | 2019 | 2020 | 2021 | 2022 |
|-------------------------------|------------------------|---------|---------|---------|--------|
| Gender | Male | 134,757 | 149,216 | 116,203 | 59,860 |
| | Female | 45,027 | 48,871 | 39,023 | 24,184 |
| Age | Under 30 years old | 149,806 | 149,335 | 117,318 | 63,700 |
| | 30-50 years old | 29,871 | 48,608 | 37,756 | 20,023 |
| | 50 years old and above | 107 | 144 | 152 | 321 |
| Region | Asia | 177,695 | 194,920 | 152,864 | 77,321 |
| | Europe | 153 | 397 | 201 | 297 |
| | Americas | 1,936 | 2,770 | 2,161 | 6,426 |

Spotlight

Initiation of the recruitment reserve plan - the recruitment of potential key talents

Wistron insists on continuously developing multiple recruitment channels to attract talents in order to enrich the growth momentum of the organization. For example, the Hsinchu plant has cooperated with a total of 7 universities in the "Wistron Hsinchu Dream" project. This program can help senior students connect to the workplace early and secure employment to lay the foundation for their professional careers. Moreover, it also provides a mechanism for Wistron to pre-cultivate many key talents through the mechanism of binding internship opportunities to employment. After the preliminary screening by the school and the interview selection by the Company, the selected senior students can get a one-year internship at Wistron. After they graduate, they can directly join the Company for one year of employment. In addition, the program has gradually become an important talent pool for Wistron to reserve high-potential employees with an employment bonus program. In the 2021~2022 annual plan, a total of 51 interns have actually registered and a total of 47 people have signed employment contracts after graduation, which is as high as about 92% of the employment ratio.

Local Recruitment

Wistron upholds the concept of hiring talents based on meritocracy and actively hires and trains elite talents from different countries. The Company also continues to set "hiring local talents as managerial staff" as a key goal in the annual performance evaluation of the plants each year. In response to local manpower needs, each plant launches different recruitment strategies to actively hire local talents.

In addition to the continuous increase in local job opportunities, Wistron provides employees with relatively high compensation and passes on operation and management knowledge through training so that local talents acquire basic work skills as well as management skills for serving as managerial staff. In 2022, local hires in managerial roles accounted for 93%. Local hires accounted for 90% of the managerial staff ranked department manager and above.

Proportion of Management Hired from the Local Community

| Item | Region | 2019 | 2020 | 2021 | 2022 |
|---|----------|-------|-------|-------|-------|
| Percentage of Managerial Roles | Asia | 89.9% | 92.2% | 92.6% | 93.0% |
| | Europe | 81.8% | 89.7% | 90.6% | 87.5% |
| | Americas | 61.9% | 93.0% | 67.3% | 84.5% |
| Percentage of Senior Management Ranked Department Manager and Above | Asia | 82.7% | 86.4% | 88.4% | 90.0% |
| | Europe | 63.6% | 83.3% | 83.3% | 84.2% |
| | Americas | 58.2% | 74.2% | 69.4% | 71.3% |

Note: Local employees are defined as employees of the nationality of the country in which the Company is located.

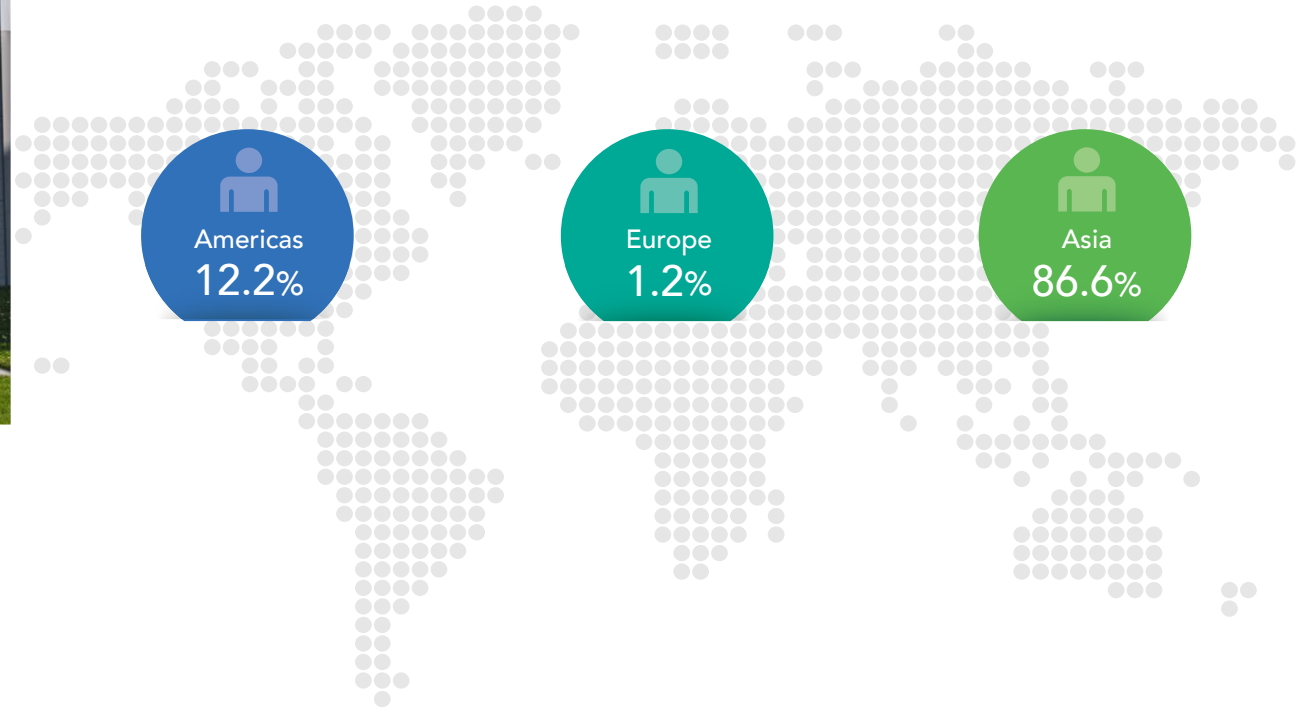
Smooth DL promotion pipeline

In 2022, Wistron has launched a comprehensive plan for direct employee career paths in order to assist potential employees to gradually grow and accumulate professional skills and management knowledge during their work at Wistron. The plan smooths various types of development channels to ensure that every employee has the same opportunity to move towards self-realization. The related measures include reviewing and enhancing the promotion system of different job types, introducing corresponding training programs such as skill certification or training courses, and establishing multiple management indicators to track progress regularly.



Spotlight Enhancing internal career paths within the Company - assisting employees in developing professional competencies

Since 2022, multiple operating locations have begun implementing employee career development plans, reviewing, consolidating, and optimizing various management and professional development paths, and planning training programs for various positions in accordance with local talent needs, ensuring that every employee has an equal opportunity for self-realization. For example, Zhongshan plant has launched nationally recognized vocational skills certification courses, certifying a total of 191 people in 2022. Kunshan plant has planned a dual-track development system for employees, offering training programs ranging from operational philosophies for senior management to professional technical skills for junior level employees. In addition, several professional programs have been launched to provide more direct assistance to employees planning to pursue further academic degrees.



4.1.2 Inclusion and Diversity

Employee Composition

Wistron upholds the core value of a people-oriented philosophy and complies with all local regulations to recruit diverse talents from around the globe. We provide legal rights and benefits to all employees starting from the first day of employment. By the end of 2022, the global manpower has decreased compared with the previous year in response to the global business strategy and in accordance with the operational and capacity requirements. The employment categories of different regions are shown in the table below. The Asian region includes plants in Malaysia, China, and Taiwan region. Europe includes the plant in the Czech Republic. Americas includes the plant in Mexico.

Employment Categories by Region

| Employment Category | Employment Type | Taiwan | Kunshan Plant | Kunshan Opt Plant | Taizhou Plant | Zhongshan Plant | Chongqing Plant | Chengdu Plant | Mexico Plant | Czechia Plant | Malaysia Plant |
|----------------------|-------------------------|---------------|---------------|-------------------|---------------|-----------------|-----------------|---------------|--------------|---------------|----------------|
| Contract Type | Non-fixed-term contract | 11,207 | 645 | 288 | 259 | 3,782 | 1,460 | 1,285 | 6,233 | 321 | 1,665 |
| | Fixed-term contract | 211 | 1,926 | 1,743 | 503 | 10,785 | 4,101 | 4,320 | 0 | 294 | 89 |
| | Total | 11,418 | 2,571 | 2,031 | 762 | 14,567 | 5,561 | 5,605 | 6,233 | 615 | 1,754 |
| Full-Time/ Part-Time | Full-time | 11,207 | 2,571 | 2,031 | 729 | 14,567 | 5,290 | 5,605 | 6,233 | 551 | 1,754 |
| | Part-time | 211 | 0 | 0 | 33 | 0 | 271 | 0 | 0 | 64 | 0 |
| | Total | 11,418 | 2,571 | 2,031 | 762 | 14,567 | 5,561 | 5,605 | 6,233 | 615 | 1,754 |

Note: Fixed-term and Non-fixed-term contract: The indefinite term defines that there is no fixed termination time in the labor contract signed with the employee. Due to local laws and regulations, most of them are fixed-term contracts in mainland China.

Employee Distribution

| Employee Distribution | | Male | | Female | |
|-----------------------|---------------------------------|------------------|--------|------------------|--------|
| | | Number of People | Ratio | Number of People | Ratio |
| Age | Under 30 years old | 16,199 | 31.69% | 9,136 | 17.87% |
| | 30-50 years old | 14,961 | 29.27% | 9,082 | 17.77% |
| | 50 years old and above | 1,212 | 2.37% | 527 | 1.03% |
| Job type | Management staff | 2,541 | 4.97% | 838 | 1.64% |
| | Professional staff | 10,350 | 20.25% | 5,867 | 11.48% |
| | Technical/assistant level staff | 19,481 | 38.11% | 12,040 | 23.55% |
| Employment type | Direct employee | 19,481 | 38.11% | 12,040 | 23.55% |
| | Indirect employee | 12,891 | 25.22% | 6,705 | 13.12% |
| Region | Asia | 28,460 | 55.68% | 15,809 | 30.93% |
| | Europe | 268 | 0.52% | 347 | 0.68% |
| | Americas | 3,644 | 7.13% | 2,589 | 5.06% |

Region (Nationality) Distribution

| Region (Nationality) Distribution | 2022 | |
|-----------------------------------|-------------------------------|------------------------------------|
| | Proportion of Total Employees | Proportion of Management Positions |
| China | 60.20% | 45.37% |
| Taiwan | 20.20% | 47.12% |
| Mexico | 11.75% | 3.90% |
| Philippines | 3.20% | 0.68% |
| Malaysia | 2.19% | 1.77% |
| Czechia | 0.91% | 1.04% |
| Nepal | 0.76% | 0.00% |
| Myanmar | 0.26% | 0.00% |
| Others | 0.53% | 0.12% |

Note: Others include the employees from India, Indonesia, United States and other 25 countries.

Diversity and Inclusion

Wistron uphold the core value of a people-oriented philosophy and its commitment to the society with the aim of creating a workplace of equity and inclusion. The number of Wistron employees in different regions as of the end of 2022 is shown in the table below. The ratio of male to female is 63: 37. Our plants around the world create a friendly and diverse workplace environment. For example, in the Czech Republic, Ukrainian employees are specially recruited and internal workshops are held, so that each employee has the opportunity to share personal life experiences and interests. In addition, Malaysia plant maintains a healthy gender ratio to pay attention to the diversity of the workplace.

Employee Statistics by Region and Gender

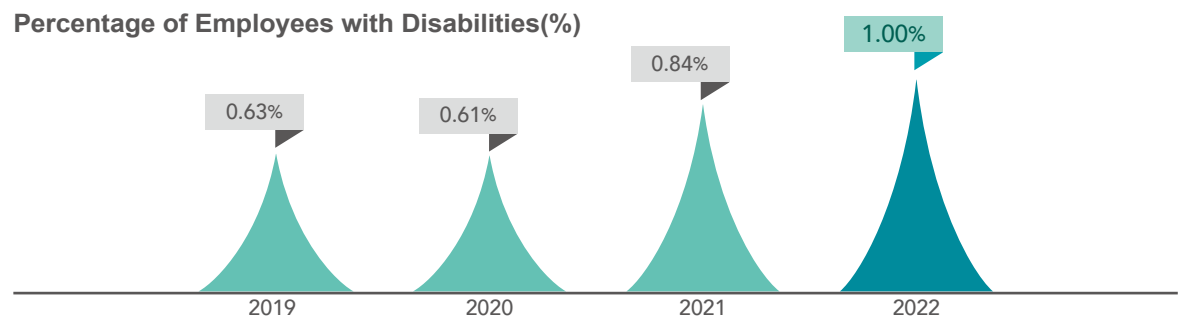
| Region | Taiwan | Kunshan Plant | Kunshan Opt Plant | Taizhou Plant | Zhongshan Plant | Chongqing Plant | Chengdu Plant | Mexico Plant | Czechia Plant | Malaysia Plant | Total |
|--------|--------|---------------|-------------------|---------------|-----------------|-----------------|---------------|--------------|---------------|----------------|--------|
| Male | 6,972 | 1,519 | 1,254 | 417 | 10,039 | 3,770 | 3,601 | 3,644 | 268 | 888 | 32,372 |
| Female | 4,446 | 1,052 | 777 | 345 | 4,528 | 1,791 | 2,004 | 2,589 | 347 | 866 | 18,745 |
| Total | 11,418 | 2,571 | 2,031 | 762 | 14,567 | 5,561 | 5,605 | 6,233 | 615 | 1,754 | 51,117 |

Culture of Inclusion

Wistron is a company that shoulders social responsibilities. We believe that companies must start with themselves to support social inclusion and disadvantaged groups in the society. In terms of the recruitment of talents, the Company has hired employees with disabilities, ethnic minorities in Mainland China, and the indigenous peoples of Taiwan. To provide more diverse job opportunities, employees with disabilities account for 1% of all employees around the world in 2022 with the increasing proportion year by year.

The human rights policy approved by the Chairperson: Provide fair and reasonable remuneration and work conditions, and a safe and healthy work environment. Ensure equal job opportunities for all employees and forbid any form of discrimination. To cultivate diversity awareness within Wistron, the Taiwan office invites employees and their family to participate in the "Taipei National Highway Marathon" as part of our commitment to facial equality. Through daily activities, we aim to promote the principles of equality.

Percentage of Employees with Disabilities(%)





Workplace Equality

Wistron firmly believes that diverse talents cannot make full use of their talents without protection for equality. Therefore, female employees of Wistron have the same opportunities and rights as male employees, which helps reverse the gender stereotype in the tech industry.

Indirect Employees by Level, Gender, and Age Group

| Age | Department Level Manager and Above | | Section-level Manager | | Non-Managerial Staff | | Total |
|------------------------|------------------------------------|--------------|-----------------------|--------------|----------------------|---------------|----------------|
| | Male | Female | Male | Female | Male | Female | |
| Under 30 years old | 0.06% | 0.02% | 0.17% | 0.10% | 19.51% | 11.98% | 31.84% |
| 30-50 years old | 6.18% | 1.72% | 4.10% | 1.95% | 31.28% | 17.30% | 62.54% |
| 50 years old and above | 2.25% | 0.43% | 0.20% | 0.06% | 2.02% | 0.65% | 5.62% |
| Total | 8.49% | 2.16% | 4.48% | 2.11% | 52.82% | 29.94% | 100.00% |

Be Equal is the essence of a diverse workplace. Wistron has forbidden any discriminatory behavior based on employee nationality, skin color, age, gender, sexual orientation, race, disability, pregnancy, religious beliefs, political views, and marital status of club members in any matters related to employment, salary, rewards and punishments, promotions, and resignations.

Important Achievements in Promoting Workplace Equality

| Projects | Key Specific Measures | Results |
|---|---|---|
| Examination of rules and regulations | The contents of various personnel policies have been re-examined to provide proposals for the recruiting, training and retention welfare measures and other aspects. | The contents of nearly 90 relevant policies were reviewed to ensure that the scope covered diverse issues. Therefore, the inclusion of the policy has been increased and will be revised in 2023. |
| Gender equality survey (once every two years) | Wistron listens to employees' the ideas and suggestions related to the three aspects of workplace atmosphere, remuneration, and development. | The employee feedback score was 80.3%, showing that the majority of employees approve of the Company's gender equality planning and implementation. |
| Lectures and activities of diversity and equality | Several lectures related to women's themes were held in Taiwan, such as a discussion of the literary story of the Chinese female writer, Sanmao, and a sharing of the unique experience and observation perspective of the female painter, Chen Rouan (Joan), traveling around the world alone. | We hope that the gender equality awareness can exist and flow naturally in our employees' daily work activities through different information transmission modes. |
| | Wistron's Zhongshan plant designed an on-line quiz on gender equality knowledge to provide our employees with a deeper understanding of gender equality issues. | |
| Measures of local welfare | In September 2022, Wistron's first kindergarten was opened in the Czechia plant. All preschool children aged 1 to 6 can enjoy the exclusive childcare services provided to our employees. Moreover, the professional education and the security personnel are hired to ensure the quality of education. | 54 children have enrolled in the school, and our employees can pick up and drop off them flexibly according to the working hours. |

Women in Technology

In 2021, the Wistron Board of Directors added a female director. The number of female supervisors is 24.80% in 2022. In terms of benefits, Wistron creates a gender-friendly "heart" workplace, and set up a worry-free working environment with all-round resources to take care of our employees. We provide flexible work hours to all employees in Taiwan. Our employees can adjust their work hours according to family care and personal needs. Our employees can also enjoy 7 additional days of leave, which is more than the legal requirement. They may use the leave on work make up days and for their own vacation plans, which allows our employees to flexibly arrange time for work and family. In addition, to promote childbirth, employees in Taiwan enjoy a special bonus of NT\$60,000 for each newborn and the Employee Welfare Committee also provides an additional NT\$2,000 per newborn as childbirth subsidies, in addition to basic "childbirth benefits and care" and "parental leave". Kunshan plant sets up the "Carnation Care Station" for the female employees to pay special attention to both the physical and the psychological health of women. Physical and psychological safety lectures are regularly scheduled to increase the health awareness.

In order to strengthen the cultivation of women in technology, we are committed to helping female employees strengthen their digital skills through the "Digital Talents Cultivation Program," which further creates more diverse creative ideas. In 2022, the proportion of female employees trained in the program was 32.8%. Since 2021, Wistron first launched the 2-year MPT (Management Professional Talent) talents reserve plan, which is designed to provide express training for career advancement and quick accumulation of experience points for newcomers. They will become supervisors or project leaders after 2 years under complete and intensive trainings. In addition, women are encouraged to pursue their career goals boldly in order to break the image of the male-dominated tech industry. Therefore, Wistron expects to empower women's technological capabilities from the freshman stage to become potential leaders in the future. In 2022, a total of 58 students participated in the training, with 28 of them being female students, accounting for 48.2% of the total. To encourage young women to join the technology industry, Wistron has established the Digital Academy of the Gap of Learning and Field (GOLF) Alliance, to provide the female students with more opportunities to attend technology-related courses and practical trainings. In 2022, Wistron provided 27 on-line professional courses for GOLF students. A total of 107 students participated in the courses, which included the cultivation of 40 female interns.

Female Employee Distribution

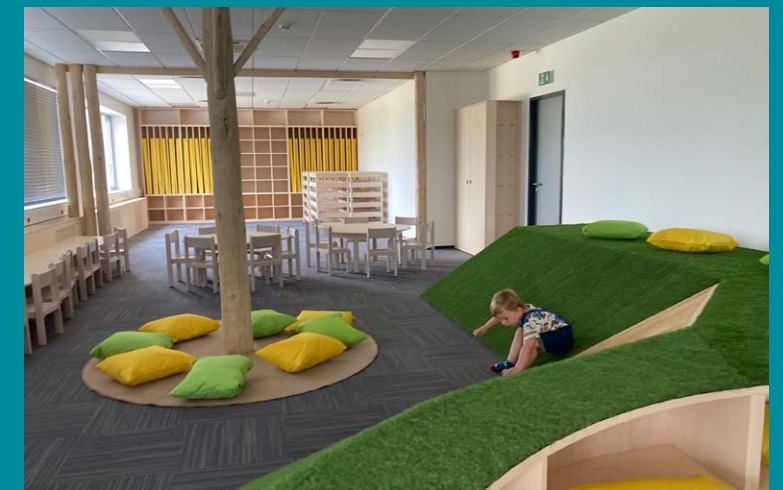
| Item | 2019 | 2020 | 2021 | 2022 |
|---|--------|--------|--------|--------|
| Percentage of female employees | 32.12% | 32.45% | 31.78% | 36.67% |
| Percentage of female in management positions | 23.65% | 24.92% | 24.94% | 24.80% |
| Percentage of female in junior management positions | 28.97% | 30.99% | 30.98% | 32.04% |
| Percentage of female in top management positions | 8.97% | 11.42% | 13.72% | 13.71% |
| Percentage of females in revenue generating functions | 54.30% | 53.01% | 56.32% | 55.66% |
| Percentage of female managers in revenue generating functions | 34.48% | 33.76% | 39.13% | 37.38% |
| Percentage of females in STEM positions | 23.85% | 23.95% | 25.45% | 24.47% |

Note: STEM refers to positions related to Science, Technology, Engineering, and Math.



Establishing the first overseas kindergarten – to promote diversity, equity and inclusion in workplaces

Wistron is committed to create a diverse, equal and inclusive workplace environment. We not only care about the family care needs of each employee, but also try our best to assist employees with childcare needs for them to return to the workplace smoothly. In September 2022, our first kindergarten was opened in the Wistron's Czechia plant. It provides employee-specific childcare services for preschool children aged 1 to 6. Our employees can pick up and drop off flexibly according to the working time. Currently, 54 children have enrolled in the school. The kindergarten has outdoor activity spaces, and it employs professional education and security personnel to ensure the quality of teaching. In the future, a variety of children's courses are planned to be launched, such as cultural training courses, teaching hygiene habits, etc. to help our employees balance the work and the family life more easily.



4.1.3 Talent Retention

Compensation Policy

All Wistron offices and plants across the globe provide salaries and benefits that meet local laws and regulations. The salary is never lower than the legal minimum wage. All full-time employees are entitled to insurance and pension plans that follow the legal requirements. Wistron has adopted a policy of equal pay for equal work and does not permit discrepancies based on geography, race, ethnicity, background, social class, ancestry, religion, physical disability, gender, sexual orientation, pregnancy, marital status, union membership, political views, or age. The Company has created a compensation system based on the concept of total compensation, which includes salary, benefits, bonuses and compensations.

Wistron conducts a survey of industry salaries each year and adjusts the salary based on changes from the external environment, the Company's business operations, and individual performance to ensure that the salary meets market level and principles of fairness. In addition, the Company also improves operational efficiency to increase employees' income level. We require sites that hire short-term or part-time employees to provide insurance and benefits specified by related laws starting from the first day of employment. The salary levels of different regions are provided in the table below.

The number of full-time non-management employees in Taiwan and their average and median salary over the years are available on the [Market Observation Post System](#).

The remuneration for senior managers includes a combination of fixed items such as base salary, annual bonuses, and benefits, and variable items such as bonuses, compensation (cash/stock) and stock options, with the variable items being primarily considered. Insurance and pension plans prescribed by law are also available.

The fixed terms aim to maintain the company's competitiveness at a certain level while the variable items are considered based on the company's and the individual's performance. When the company and individual's performance is better, the ratio of the variable terms to the fixed terms will also be higher. The assessment standards are based on the extent to which the annual goals are achieved, which include annual financial targets (revenues, profits, etc.), market/customer, and the growth and development of the organization and personnel. In the beginning of each year, the Compensation Committee sets the assessment items, goals, and weight ratios, taking internal and external development into consideration. The compensation for the managers is assessed based on personal performance and the terms are evaluated before forwarding to the Board of Directors for approval.

We have also linked our CEO, portion of executives and business unit managers compensation to sustainability goals/ metrics with short-term and long-term incentive program in which including carbon emissions (achieving the 1.5° C reduction target in accordance with the scientific-based goal initiative) and strategic objectives.

Ratio of Standard Entry-Level Wage Compared to Local Minimum Wage

| Region | Taiwan | Kunshan Plant | Kunshan Opt Plant | Taizhou Plant | Zhongshan Plant | Chongqing Plant | Chengdu Plant | Mexico Plant | Czechia Plant | Malaysia Plant |
|--------|--------|---------------|-------------------|---------------|-----------------|-----------------|---------------|--------------|---------------|----------------|
| Ratio | 1.07 | 1.71 | 1.54 | 1.47 | 1.54 | 1.64 | 1.62 | 1.15 | 1.47 | 1.20 |

Note1: Reference Data for Local Minimum Wage by Region as of 2023/01/01.

Note2: Wistron adopts the compensation policy of equal pay for equal work, and the compensation does not vary by gender.

Ratio of Female/Male Salary to Remuneration

| Item | Level | 2022 |
|---------------|----------------------|----------|
| Fixed Salary | Executive Level | 0.94 : 1 |
| | Management Level | 0.91 : 1 |
| | Non-Management Level | 1.00 : 1 |
| Annual Salary | Executive Level | 0.99 : 1 |
| | Management Level | 0.93 : 1 |
| | Non-Management Level | 1.01 : 1 |

Long-Term Incentives

| Measures | Subjects and Execution in 2022 |
|--|---|
| The Company has established the "employee stock ownership trust" plan. Employees can voluntarily participate according to the Shareholders' Meeting Charter. Participating employees shall allocate a fixed amount every month according to their grade. The Company will match 100% of the amount every month and purchase the Company's stocks. The Company will commission a financial institution to purchase and manage the stock in the name of a stock ownership trust account. | Full-time indirect employees who have been employed for one year can voluntarily participate. |



Employee Evaluation

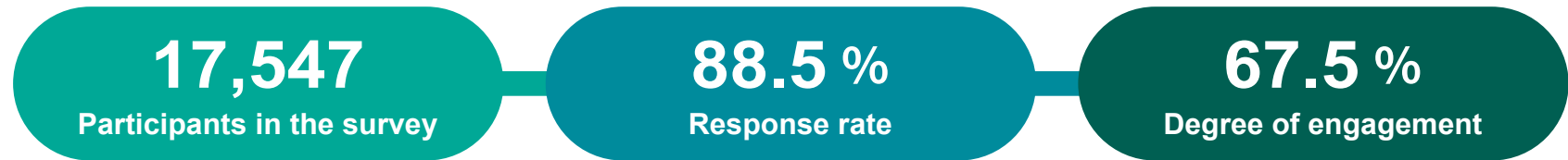
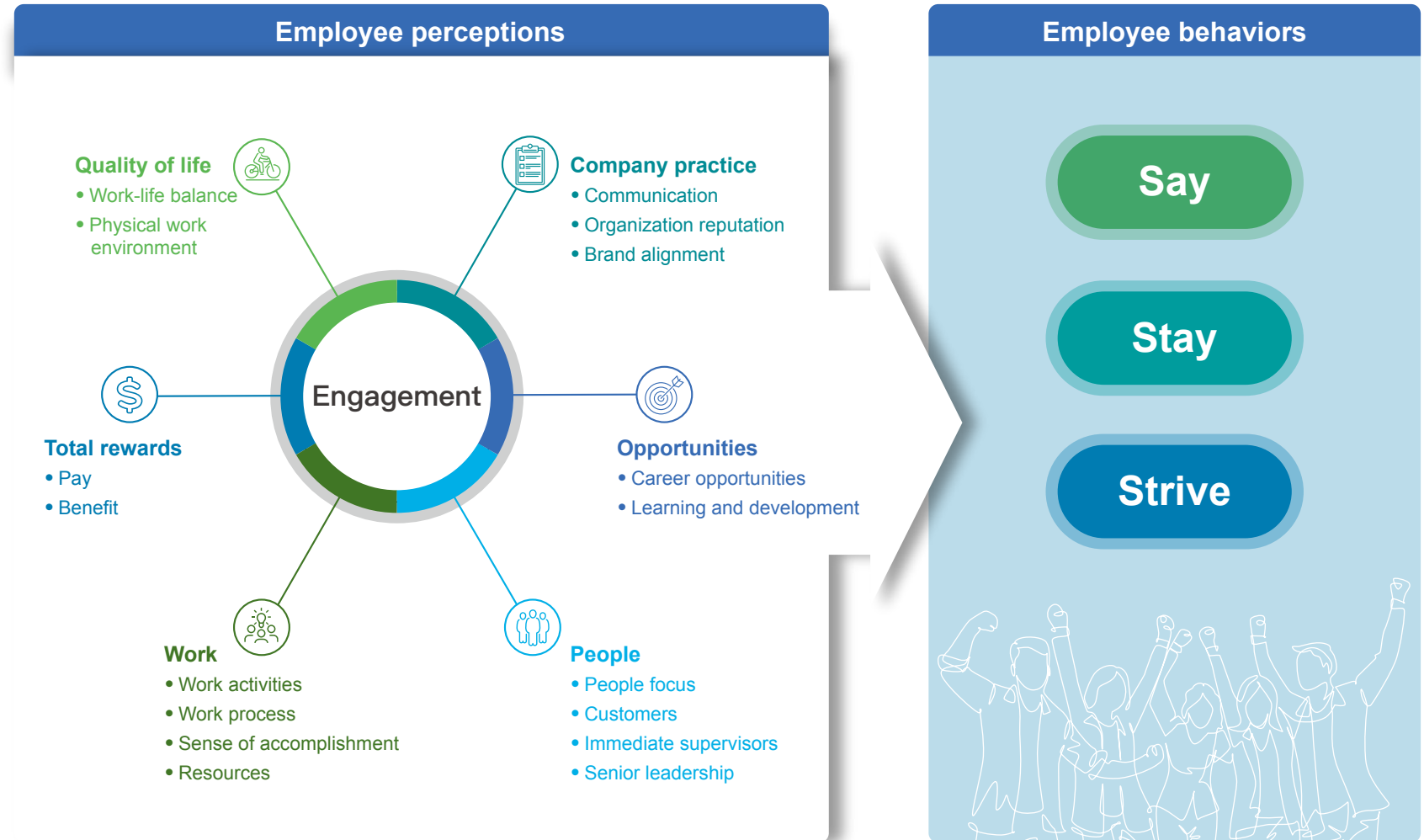
All Wistron employees are required to accept the performance evaluation twice a year, and the evaluation results are used as the basis for rewards, assignments, promotions, and various personnel management. To achieve fairness, justice, and equity in performance management, each plant has been gradually implementing multi-dimensions assessment and introducing a new performance management system. The "Nominate Participants" feature has been activated, and in the first half of 2022, it was extended to include approximately 1,411 supervisors in Malaysia and India, in addition to indirect employee of Taiwan and China. During the performance assessment, employees can invite others to provide feedback on their work and competencies, offering a multi-faceted performance evaluation reference for their superiors. From 2023 onwards, the diversified assessment mechanism will be progressively implemented for indirect employees across all global plants to ensure consistency and fairness in the performance management system.

| Measures | Party Involved | Frequency | Method |
|--|--|-----------------|--|
| Management by objectives (MBO) | All employees | Twice a year | At the end of every year, Wistron organizes an annual kick off meeting to explain the operational goals of the company for the next year to all managers, and direct managers communicate the goals to the employees to reach a consensus. The goal is therefore developing top-down to all units and individuals. During the implementation of goals, two-way performance communication and feedback shall be maintained irregularly and periodically (mid-term/year-end). Performance evaluations are conducted based on goal attainment and job performance during the mid-term and year-end formal appraisal. |
| Multi-dimensions assessment (180 to 360 is acceptable) | 1.Managers of Taiwan (including expatriates) 2.Specific professional staff (for example: key talents, STM, digital talents) | At least yearly | The following personnel are evaluated through multi-dimensions method as a reference for performance evaluation in addition to the annual goal and competency performance indicators: 1.Managers of Taiwan (including expatriates): A "360-degree feedback" shall be conducted by subordinates, peers, and cross-department managers according to the performance evaluation process. 2.Specific professional staff: "180 to 360 Degree Feedback" is carried out by project managers and peers for key talents of the organization. |
| Ranking | All employees | Twice a year | Indirect employees: Managerial and non-managerial positions are evaluated separately according to goal attainment, job performance of competencies, and multi dimensions evaluation. The ranking scales are Outstanding, Very Satisfactory, Satisfactory, and Unsatisfactory. Furthermore, in order to understand the potential of the Company's talent tiers, evaluations and rankings of potential are conducted according to the employees' job grades. The scores are Top 5, Top 15, Top 30, and Average. Direct employees: The performance of direct employees is directly tied to the Company's manufacturing performance. Therefore, direct employees are evaluated annually by the supervisors of each plant according to the target production volume, professional skills, attendance, and reward and punishment records. The indicators mentioned above are combined and ranked for the annual performance evaluation conducted by the supervisor. |
| Team-based performance appraisal | All employees | Twice a year | 1.During the performance appraisal every year, the president of the Company approves the different performance rating scales ratios of each business unit based on the achievement rate. Groups with a high operational achievement rate have a higher ratio of Outstanding and Very Satisfactory to facilitate the achievement of team performance. 2.Supervisors evaluate the performance of their staffs based on the performance results of their teams, the performance as a team member in the project team, and the individual results of each employee. |
| Agile conversation assessment | Members of the agile development team | ongoing | In an agile development team, "OKRs" (Objective Key Results) are set for the goals to be achieved. Depending on the needs of the project, the team will conduct daily progress reports and frequent weekly project progress check-ups during the project period. Supervisors also maintain a continuous understanding of employees' work status through regular and irregular communication and meetings. They engage in ongoing discussions with their staffs, enabling them to stay updated on their work performance. Additionally, supervisors conduct regular communication sessions with their team members during the annual goal-setting period and two performance appraisal periods. These interactions allow supervisors to stay informed about their staffs' work performance and achieve agile management. |

Global Employee Engagement Survey

Wistron upholds a business philosophy of caring for employees and valuing employees' feedback and opinions. Wistron has started to survey all employees around the world to collect their opinions and feedback with 100% coverage and a frequency of every 2 years since 2021. The goals and results of the survey analysis will be publicly disclosed. To ensure that the survey and analysis results can be compared horizontally (between plants/departments) and vertically (between years), the structure, questions, and analysis methods of the survey shall be consistent for all plants across the world. The questions are designed based on reviewed and publicly published academic papers/journals (Please refer to the description of the supplementary table). We also compare the differences between different groups to improve the effectiveness of the survey. In 2021, 19,820 employees participated in the employee engagement survey and 17,547 employees provided a response. The response rate was 88.5% and the average degree of engagement survey was 67.5%.

The effective response rate target is set to above 80% for each survey in order to ensure the level of confidence and the reference value of the statistical analysis results. With the relevant survey and analysis plan, the Company can explore the gap between the current state and the target for employee engagement and satisfaction (short-term target is 70%) and implement improvement measures accordingly. Regarding the employee engagement enhancement solutions, such as the organization of transparent communication activities, the surveys of employees' thoughts on gender equity issues, the research on issues of sense of achievement, etc, the Company organizes inter-department/plant project meetings to review and track the improvement plans to demonstrate that the Company values the opinions of the employees and its commitment in creating a quality work environment. The Company also plans to conduct a follow-up survey on employee engagement in 2023 for global operations. In this way, the implementation effects of various improvement projects are tested, so the changes and development trends of our employees' recognition of the Company can be more accurately monitored.



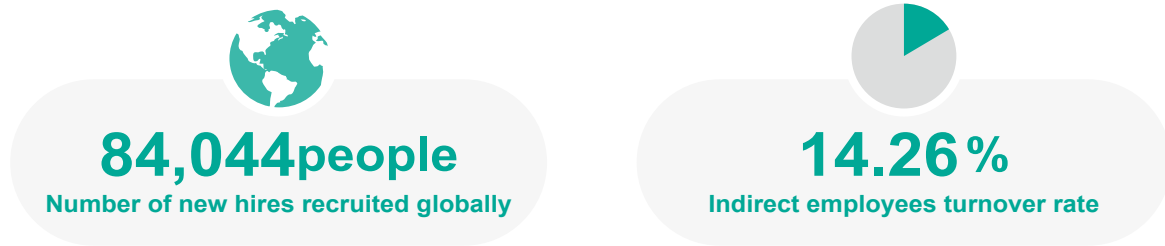
Wistron Employee Engagement Survey

| Type of Question | Main Construct | Sub-construct | Example of Question |
|------------------|------------------|----------------------|---|
| Job experience | People | People focus | My work partners and I care, trust and respect each other. |
| | Work | Work process | The current workflow allows me to get job done efficiently. |
| Purpose | People | Immediate supervisor | My direct supervisor and I set clear performance objectives together. |
| | People | Immediate supervisor | My direct supervisor clarifies my job roles and responsibilities. |
| Happiness | Work | Work activities | My current job suits me well. |
| | People | People focus | A lively atmosphere is created in my work environment. |
| Stress | Quality of life | Work-life balance | I am able to achieve work-life balance. |
| | Work | Work activities | I can accept current work intensity and overtime requirement of my job. |
| Trust | People | Senior leadership | Senior executives communicate the direction and strategy of the organization clearly. |
| | Company practice | Brand alignment | The value of "Integrity" applies to Wistron. |

| Degree of employee engagement | 2019 | 2020 | 2021 ~ 2022 |
|--|--|--|---|
| Survey content | The survey includes the 6 employee perception items of "company practice, opportunities, people, work, total rewards, and quality of life," and 1 employee behavior item of "Say + Stay + Strive". | | |
| Questionnaire scale | They are: strongly disagree, disagree, slightly disagree, slightly agree, agree, and strongly agree. Those who answered "agree" and "strongly agree" were counted as "agree" with the description of the item. If 70 out of 100 people answer "agree" or "strongly agree", it means that 70% of the people agree with the description of the item. | | |
| Party involved (Indirect active employees whose trial period has expired when implementing the survey) | Zhongshan Plant, China | Enterprise Business Group, Hsinchu Plant in Taiwan, and Taizhou Plant in China | Taiwan, mainland China, Czechia, and Mexico |
| Issued questionnaires | 2,057 copies | 2,206 copies | 19,820 copies |
| Number of returned | 1,904 copies | 1,828 copies | 17,547 copies |
| Response rate | 92.7% | 82.9% | 88.5% |
| Degree of engagement | 72.8% | 72.0% | 67.5% |
| Percentage of employees participating in the engagement survey (coverage) | 9.9% | 9.3% | 94.0% |
| Gender | Male | N / A | 68.3% |
| | Female | N / A | 31.7% |
| Age | Under 30 years old | N / A | 29.7% |
| | 30-50 years old | N / A | 64.1% |
| | 50 years old and above | N / A | 6.2% |
| Region | Taiwan | N / A | 91.8% |
| | China | N / A | 8.2% |
| | Czechia | N / A | N / A |
| | Mexico | N / A | N / A |

Employee Resignation

The turnover rate of indirect labor was 14.26% in 2022, which was equal to an average monthly turnover rate of 1.19%. The rate was relatively stable and healthy compared to other companies in the same industry. In terms of direct employees, the seasonal orders due to industry characteristics and drastic changes to production capacity have affected the Company's overall labor allocation plan, causing irregular mass recruitment and resignation of direct employees. In addition, because direct employees are the majority in Wistron's labor structure (accounting for 62% of all employees at the end of 2022), the overall resignation rate of Wistron will be significantly affected by factors related to direct employees. For the statistics related to resignations in 2022, please refer to the appendix.



Improvement of Employee Turnover Rate

Despite the difficulties in controlling factors in the industry, Wistron has dedicated to improving the turnover of direct labor and shifted the focus to their adaptability. According to the results of surveys for actual causes of turnover, direct labor's failure to adapt to work is mainly reflected in the misconceptions about the work conditions and environment. For instance, they often are not aware that they are required to stand for long hours at work, wear clean room suits, and work on shifts. Some could not successfully release the stress from work, learning, and production. In response to these issues, Wistron's improvement plans focus on recruitment and hiring procedures and orientation training. The plans include amendment to new recruit interview procedures, amendment to new recruit productivity improvement plan, improvement of work/life conditions, and psychological consultation. The Company aims to create smooth bilateral communication and coordination and provide active care to employees so that employees can feel the continuous improvement of the work environment.

Issues

In-depth understanding of the reasons for resignation

- Maladaptation to work
- Misperceptions about working conditions and environments

Improvement

Formulation of policies and programs

- Recruitment and hiring procedures & orientation training
- Amendment to new recruit interview procedures
- Amendment to new recruit productivity improvement plan
- Improvement of work / life conditions
- Psychological consultation

In addition to analyzing problems and implementing solutions from the perspective of employees, Wistron also plans and implements various improvement measures for issues including the management ability and quality improvement of front-line management leadership. These examples include the establishment of leader selection standards and evaluation procedures (such as adding interview procedures), the introduction of external professional training resources, the training of internal lecturers in the field of on-site management, and the exchange of on-site management practices after the training of trainees, etc. Front-line management leaders are given in-depth professional empowerment through three dimensions: management role recognition, employee communication management, and goal setting and management. Starting from 2022, our operations in many places have started to launch employee career development plans to help employees gradually grow and develop during their work at Wistron to accumulate professional skills and management knowledge. It examines, compiles and optimizes various management and professional development paths. It also plans training programs for various positions to meet local talent needs, resulting in ensuring that every employee has the same opportunity to move towards self-realization. For example, Wistron's Zhongshan plant independently launched a nationally recognized vocational skill level certification course, resulting in a total of 191 people being certified to pass the certification in 2022. Kunshan plant plans a dual-track development system to provide more direct and substantive assistance to our employees who plan to study for a degree. In addition to the training programs ranging from the operating philosophy of top management to the professional skills of grassroots employees, it also offers several professional training programs.

Spotlight

Optimization of management coaching mechanism – to reduce the risk of brain drain

Wistron's comprehensive coaching mechanism allows our employees to obtain necessary assistance in the workplace and life, resulting in an increase in their retention rate and stability. For example, Wistron's Chengdu plant established a selection and training system for on-site leaders. It formulates a standard screening process for the potential leaders, and it introduces external courses to improve the management capabilities of the front-line leaders. In 2022, a total of 350 high-quality management leaders have been cultivated to assist our employees in all aspects. Kunshan Opt plant compiles the "Little Sun" manual. It regularly summarizes various information items, such as daily work content, counseling and coaching skills, service windows, etc. for use by coaches in their daily work and study. In addition, the coaches' skill assessments are conducted regularly every six months to ensure their professionalism. Through the promotion of retention measures for talents, take the ratio of direct employees who have worked for more than half a year as an example, the Chengdu plant can maintain above 90% in Q4 from about 50% in Q1 of 2022 ; Kunshan Opt plant can maintain about 95% in Q4 from about 75% in Q1 of 2022.

Prediction of Employee Resignation Risks

For indirect employees, Wistron has started actions to use data technology to improve the turnover rate. The relevant projects and results are summarised in the table below.

| Featured Project | Risk Prediction of Employee Resignation |
|------------------------|---|
| Purpose of the project | The employee's inclination to resign is predicted through the integration and analysis of the Company's internal and external information; therefore, active retaining actions can be taken in advance. |
| Project benefits | The Company predicts the inclination to resign of key talents; therefore, care and retaining actions can be taken early. Passive inactions are transformed into active actions to improve the overall turnover of talents in the Company. |
| Data collection | 70 personnel related data entries from within the company and 10 industry and overall economic environment data entries from external sources. |
| Project results | <p>Since the introduction of the project in Taiwan in Q4 of 2018, around 1,200 high risk personnel have been reported, with an overall prediction rate of above 70%. As a result, the indirect employees voluntary turnover rate in Taiwan headquarter has been decreasing year over year (17.4% in 2018 → 16.1% in 2019 → 13.0% in 2020 → 10.9% in 2021 → 14.88% in 2022 [note]).</p> <p>Note: The pandemic situation in Taiwan in 2022 was relatively severe. Therefore, a number of uncertain factors (not designed in the original model) were added to affect the prediction accuracy. In addition, the introduction of the remote working system prevented department heads from face-to-face meeting and communicating with high-risk employees frequently, resulting in a slight increase in the turnover rate compared to the previous year.</p> |

Resignation Statistics and Distribution

| Resignation Statistics and Distribution | | 2019 | 2020 | 2021 | 2022 |
|---|------------------------|--------|--------|--------|--------|
| Total resignation rate (%) | | 43.44% | 28.90% | 27.92% | 50.57% |
| Voluntary resignation rate (%) | | 25.31% | 15.72% | 19.09% | 38.87% |
| Total resignation rate(%) | Male | 39.84% | 28.47% | 26.46% | 54.35% |
| | Female | 45.15% | 29.10% | 31.05% | 43.98% |
| Voluntary resignation rate (%) | Male | 22.24% | 15.07% | 19.24% | 41.51% |
| | Female | 26.76% | 16.04% | 18.77% | 34.26% |
| Total resignation rate (%) | Under 30 years old | 51.97% | 36.35% | 31.96% | 69.02% |
| | 30-50 years old | 28.55% | 18.60% | 22.70% | 34.14% |
| | 50 years old and above | 8.83% | 7.82% | 12.41% | 9.11% |
| Voluntary resignation rate (%) | Under 30 years old | 29.83% | 19.04% | 21.68% | 53.11% |
| | 30-50 years old | 17.61% | 11.28% | 15.94% | 26.24% |
| | 50 years old and above | 1.77% | 2.89% | 4.91% | 5.98% |
| Total resignation rate(%) | Taiwan | 16.22% | 15.76% | 18.40% | 15.49% |
| | China | 48.73% | 32.79% | 29.32% | 63.84% |
| | Czechia | 16.61% | 6.82% | 48.32% | 23.90% |
| | Mexico | 0.59% | 0.46% | 29.80% | 57.49% |
| | Malaysia | - | - | - | 42.99% |
| Voluntary resignation rate (%) | Taiwan | 10.63% | 10.22% | 14.49% | 14.08% |
| | China | 28.29% | 17.62% | 19.57% | 48.77% |
| | Czechia | 0.00% | 0.00% | 32.65% | 3.41% |
| | Mexico | 0.45% | 0.31% | 23.61% | 48.52% |
| | Malaysia | - | - | - | 23.09% |
| Total resignation rate(%) | Direct employees | 53.21% | 34.24% | 31.55% | 71.77% |
| | Indirect employees | 17.62% | 15.38% | 19.33% | 19.42% |
| Voluntary resignation rate (%) | Direct employees | 29.54% | 17.66% | 19.76% | 55.61% |
| | Indirect employees | 14.13% | 10.83% | 17.50% | 14.26% |

Note: The above data does not include employees who have been employed for less than 3 months.

4.2 Human Capital Development

Wistron has been continuously seeking innovation and change for the past 20 years, guided by an altruistic business philosophy. To respond to the challenges of the next 20 years, the 2022 vision blueprint has been reshaped as "Sustainability through Innovation," redefining the core values. "Sustainability" has been included as one of the core values, alongside "Customer Focus," "Integrity," and "Innovation." This emphasizes the commitment to fulfilling corporate social responsibility and advancing towards sustainability.

4.2.1 Global Talent Development Policy

To lead our global employees and organizations towards the next milestone, Wistron has implemented a strategic approach of global expansion and digital transformation. In 2022, we have consistently conducted training programs for key talents in "Digital Capabilities" and "Management Capabilities". Additionally, we have accelerated the promotion of "Global Capabilities" and "Sustainable Capabilities" to overcome barriers. Through a unified global talent development direction, we are committed to enabling our employees worldwide to grow with the organization and create sustainable career competitiveness.

Wistron established its digital transformation strategy blueprint in 2019. In the same year, we cooperated with external management consulting firms to initiate a digital key talent training program. To date, 305 internal trainers have been cultivated. In 2022, all training sessions were conducted by internal trainers, with a total of 7,341 hours of teaching contributed.

To closely align talent development strategies with the organizational sustainability vision, Wistron engaged renowned international management consulting firms in the fourth quarter of 2021. Through intensive consulting meetings and workshops, these firms shared International trends, laws and regulations and successful sustainability strategies, goals, and actions of well-known companies. Moreover, the consensus from top to bottom is condensed through internal interviews, Master class, Hackathon and other activities. This process allowed for the formulation of the company's vision, the shaping of sustainable development directions, differentiation of development focal points, and the establishment of short, medium, and long-term goals. In 2022, the core teams of each project have been able to have clear objectives to implement action plans and provide talent development programs for sustainable capabilities under each sustainable development focus.

Under a globally consistent talent development strategy, the implementation of the global learning platform, Cornerstone, was initiated in 2021. As of 2022, 17 global facilities have completed the implementation and are actively using the platform, achieving a coverage rate of 81%. This accomplishment enables the sharing and synchronization of learning resources, while providing a flexible learning environment for global employees, unconstrained by location, time and space.

In 2022, Wistron invested a total of NT\$135.44 million in training worldwide. This represents a reduction of NT\$38.58 million compared to the training expenditure in 2021. The decrease in cost is attributed to the shift to internal trainers delivering training to key digital talents and the utilization of internal senior executives and experts to teach the sustainability vision and strategy.

The total training hours for employees worldwide amounted to 3,104,305 hours, with an average of 65.5 hours per employee. Among them, female employees received a total of 1,013,820 trainings hours with an average of 58.6 hours, and the male employees received a total of 2,090,485 training hours with an average of 69.4 hours. Manufacturing technology related employees received 2,708,359 training hours in total with 96 average training hours. Non-manufacturing technology related employees received 395,946 training hours in total with 20.6 average training hours. Managerial employees received 75,265 training hours in total with 22.7 average training hours. Non-managerial employees received 3,029,040 training hours in total with 68.7 average training hours.

Training Expenses from 2019 to 2022

| Item | 2019 | 2020 | 2021 | 2022 | |
|---|-----------------|---------------------------|---------------------------|--------------------------|--------------------------|
| Total employee training expenses | NT\$236 million | NT\$345 million | NT\$174 million | NT\$135 million | |
| Average employee training cost | NT\$3,582 | NT\$4,931 | NT\$2,769 | NT\$2,857 | |
| Total employee training hours | Direct | 3.62 million hours | 3.28 million hours | 4.07 million hours | 2.70 million hours |
| | Indirect | 0.71 million hours | 0.50 million hours | 0.43 million hours | 0.40 million hours |
| | Total | 4.33 million hours | 3.78 million hours | 4.5 million hours | 3.1 million hours |
| Average employee training hours | Direct | 79 hours | 70 hours | 92 hours | 96 hours |
| | Indirect | 29 hours | 21 hours | 23 hours | 21 hours |
| | Average | 66 hours | 54 hours | 72 hours | 66 hours |

Note 1: Data calculation period was 2022 / 1 / 1-2022 / 12 / 31.

Note 2: Average training hours per employee = total number of training hours provided to employees/total number of employees.

Note 3: Total training hours and average training hours excluding WYMX.

Note 4: The training expenses are in NTD.



Total Training Hours Worldwide

| Employee Type | Female Employees | | Male Employees | | |
|--------------------|------------------|----------------------|------------------------|----------------------|------------------------|
| | Nationality | Total training hours | Average training hours | Total training hours | Average training hours |
| Taiwan | | 66,843 | 15.0 | 118,559 | 17.0 |
| China | | 883,485 | 84.2 | 1,902,194 | 92.3 |
| Mexico | | 49,491 | 43.7 | 51,127 | 36.6 |
| Czechia | | 5,767 | 16.6 | 5,474 | 20.4 |
| Malaysia | | 8,234 | 9.5 | 13,131 | 14.8 |
| Global data | | 1,013,820 | 58.6 | 2,090,485 | 69.4 |

Job Type Training Hours (Manufacturing Technology Related/Non-manufacturing Technology Related)

| Employee Type | Manufacturing Technology Related | | Non-manufacturing Technology Related | | |
|--------------------|----------------------------------|----------------------|--------------------------------------|----------------------|------------------------|
| | Nationality | Total training hours | Average training hours | Total training hours | Average training hours |
| Taiwan | | 27,262 | 11.7 | 158,140 | 17.4 |
| China | | 2,571,252 | 116.0 | 214,427 | 24.0 |
| Mexico | | 89,353 | 43.1 | 11,266 | 24.7 |
| Czechia | | 7,211 | 16.7 | 4,030 | 22.1 |
| Malaysia | | 13,281 | 11.0 | 8,084 | 14.8 |
| Global data | | 2,708,359 | 96.0 | 395,946 | 20.6 |

Employee Type Training Hours (Management Position/Non-managerial Position)

| Employee Type | Management Position | | Non-managerial Position | | |
|--------------------|---------------------|----------------------|-------------------------|----------------------|------------------------|
| | Nationality | Total training hours | Average training hours | Total training hours | Average training hours |
| Taiwan | | 29,848 | 21.8 | 155,553 | 15.5 |
| China | | 38,902 | 22.8 | 2,746,777 | 93.5 |
| Mexico | | 3,201 | 28.3 | 97,418 | 40.3 |
| Czechia | | 587 | 14.7 | 10,655 | 18.5 |
| Malaysia | | 2,727 | 30.3 | 18,638 | 11.2 |
| Global data | | 75,265 | 22.7 | 3,029,040 | 68.7 |



4.2.2 Key Strategic Talent Development

Wistron has formulated four core strategies for the talent development, namely "Digital Capabilities", "Management Capabilities", "Global Capabilities" and "Sustainable Capabilities" in order to move towards the corporate vision of "Sustainability through Innovation". The mid and long term talent development plans are launched from various core topics, and the career stage is expected to be provided to the talents of the organization through continuous talent cultivation while the corporate vision got realized.



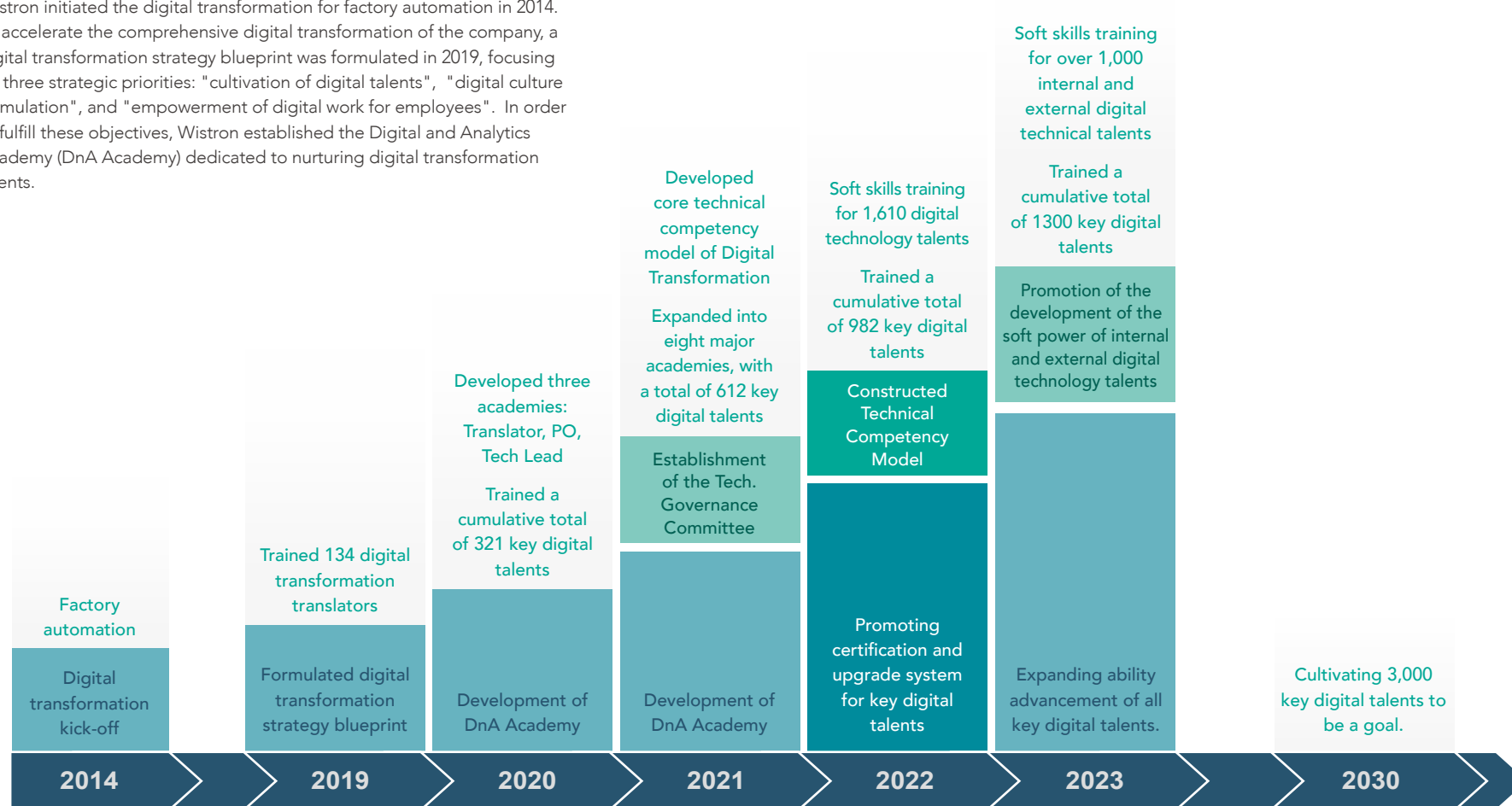


Digital Talent Cultivation to Accelerate Digital Transformations

Wistron activated the digital transformation for factory automation in 2014. To accelerate the Company's full digital transformation, Wistron established the digital transformation strategy blue print in 2019 with three main strategies, namely "cultivation of digital talents", "digital culture formulation", and "empowerment of digital work for employees". A digital transformation academy (Digital and Analytics Academy, named the DnA Academy) was established to develop the talent needed for digital transformations.

Milestones of Driving Wistron's Digital Transformation

Wistron initiated the digital transformation for factory automation in 2014. To accelerate the comprehensive digital transformation of the company, a digital transformation strategy blueprint was formulated in 2019, focusing on three strategic priorities: "cultivation of digital talents", "digital culture formulation", and "empowerment of digital work for employees". In order to fulfill these objectives, Wistron established the Digital and Analytics Academy (DnA Academy) dedicated to nurturing digital transformation talents.



1 Upgrading the Technological Capabilities of Key Digital Talents

Leveraging Digital Key Talents: Collaborative Value Creation in Diverse Projects

The implementation of digital transformation requires key roles to collaborate in execution. Wistron has defined various types of key talents since 2019, and the DnA Academy systematically trains the digital project development team. As of 2022, Wistron's digital talent pool has trained a total of 982 digital key talents, including: 491 translators, 123 Product Owners, 109 Tech Leaders, 128 Data Engineers, 33 Enterprise Architects, and 98 Cloud Architects. After training, the talents combined the digital theories with their expertise in various business domains to contribute project development related to R&D, manufacturing, sales, and the supply chain, resulting in a cumulative total 355 projects.

In addition, in 2022, the two key talent promotion certification systems for translation talents (Translator) and product owners (PO) were actively promoted at the same time in order to help managers clarify the capabilities and contributions of digital talents. Therefore, appropriate incentives for the talents are provided, and the ability of the organization's digital transformation talents is improved and upgraded.

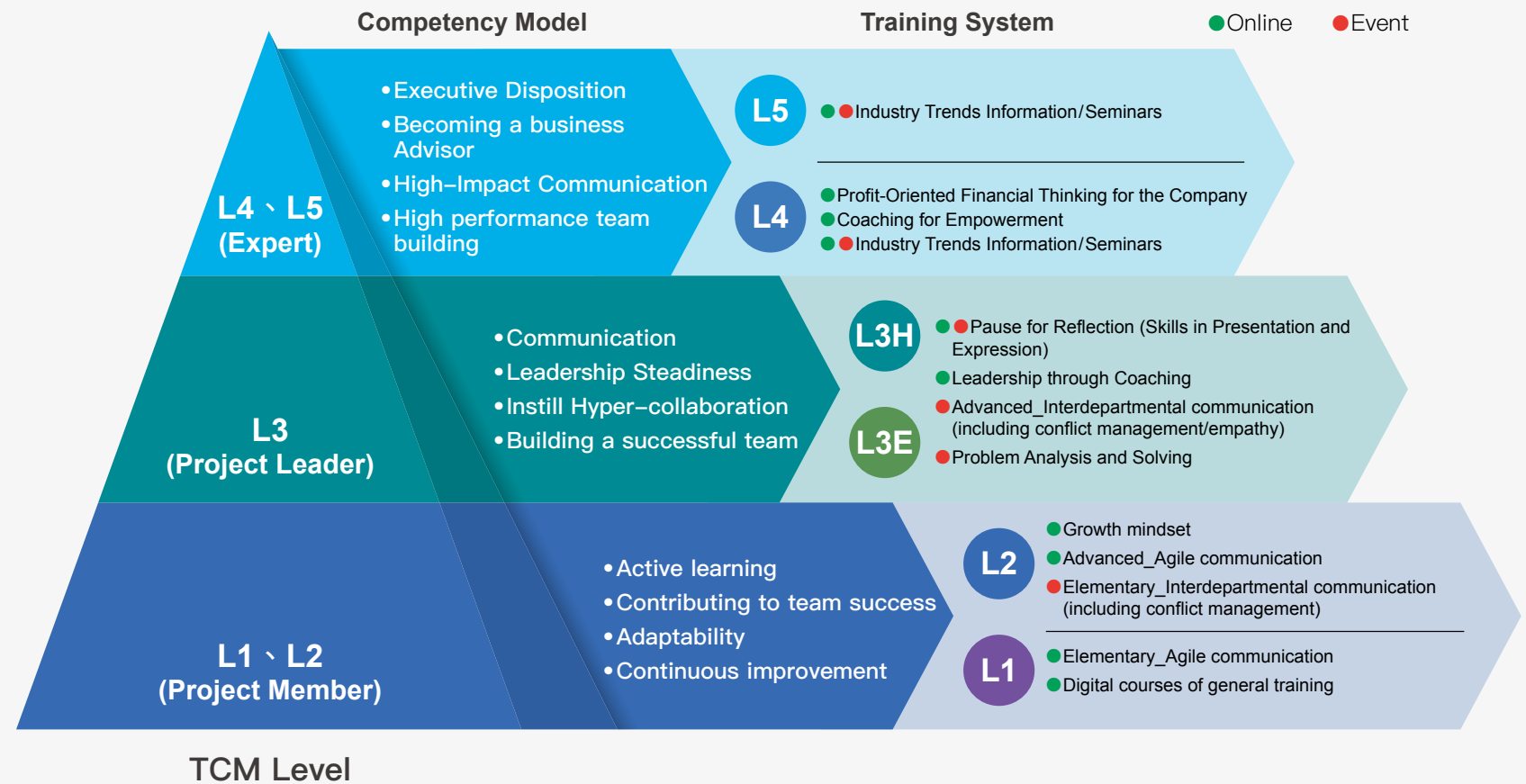
Promotion criteria include use case contribution value.

| | | | |
|--|--|---|--|
|  <p>Level 1 Engineer</p> <hr/> <ul style="list-style-type: none"> •Has the required skill or knowledge at beginner level constantly being coached. |  <p>Level 2 Sr. Engineer</p> <hr/> <ul style="list-style-type: none"> •Has the skill and can handle the task at a basic level needs coaching. |  <p>Level 3 Specialist</p> <hr/> <ul style="list-style-type: none"> •Can independently handle the task with little guidance and structure work for team. |  <p>Level 4 Expert</p> <hr/> <ul style="list-style-type: none"> •Go-to person in the domain for the org. and can be the mentor to coach others. |
|--|--|---|--|

2 Soft Skill Development of Digital Technology Talents

Constructed Technical Competency Model and Learning Roadmap

To enhance the soft skills (mindset + communication) of technical talents and achieve the goals of Wistron's digital transformation, a Technical Competency Model of digital technology talents and a learning roadmap have been constructed. Wistron has launched 12 skill improvement programs for key role in digital transformation technology. Recognizing the importance of soft skills such as mindset transformation and communication abilities, in addition to professional training and certification, a comprehensive training curriculum is planned, covering online and offline digital knowledge, agile communication skills, coaching leadership, financial thinking, cross-departmental communication skills, and industry trend lectures. The Technical Competency Model and learning roadmap for digital technology talents have been developed based on the definitions of digital technology talents at levels L1 to L5 (assessment levels). Accordingly, the soft skills training for digital technology talents at each level is progressively implemented. In the year 2022, a total of 1682 training sessions were conducted, achieving a learning satisfaction rating of 4.7 out of 5. Through systematic learning, digital technology talents are encouraged to enhance their individual soft skills. Talent acquisition is critical to the success of digital transformation. Wistron and its subsidiaries work together to introduce outsourced technical manpower to face the shortage of technical talents. In 2023, Wistron will expand the scope of talent development to the partners; that is, outsourced personnel will be simultaneously included in the overall training plans. The hard skill and soft skill of internal and external talents are simultaneously improved to face the goal of technological transformation.

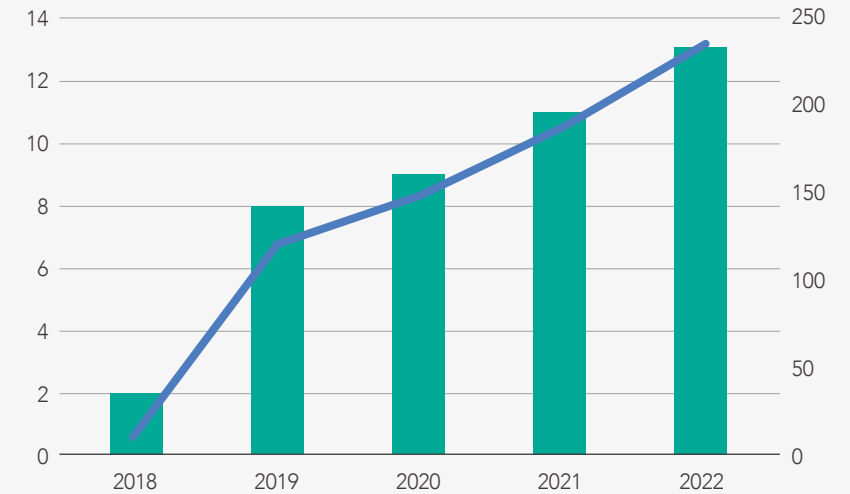


3 Expanding for Development and Application of RPA Talent

Global Transaction Process Automation is Driven by RPA Talents.

RPA (Robotic Process Automation, RPA) talent development plan aims to cultivate talents with digital elements to use the low-code visual development software. It does not need to wait for a professional IT development team, nor does it need to change the existing IT system architecture. The method of sorting out and optimizing the work content can be learned and mastered. The automation of office work processes can be realized independently, so that each department has the automation experts who are familiar with the works of the department. This can broaden the working skills of our employees and enhance the competitiveness of our employees and the enterprises for continuous innovation.

RPA is an action learning development project that combines continuous and strategic tasks. Since 2018, Wistron has been promoting and expanding the training for automated process development to 13 global locations, with a total of 233 new RPA trainees added annually (704 in total). Each trainee has completed an average of 53 training courses (with 7 new courses added), achieving a 100% completion rate. Furthermore, to ensure the participation of non-Chinese-speaking employees in this strategic development project, 42 English courses were also added to English-speaking learner in locations such as the Malaysian plant and Indian plant in 2022 to help them quickly learn and master the RPA skills, so that employees in non-Chinese-speaking regions can have the opportunity to participate in this strategic development project. In addition, the promotion team holds RPA technology forums within the scope of promotion bases on a monthly basis to learn the development skills for members of each location as further benchmarking. A total of 1,969 participants shared skills trainings, and 65 outstanding members were promoted to pass the certification of key digital talent assessment to receive corresponding rich rewards after their ability development. To drive the development of digital and diversified work skills among our colleagues, we will continue to promote RPA projects in each location. Our ultimate goal is to achieve "RPA, Everywhere," where every Wistron employee and every plant utilizes RPA to enhance work efficiency and liberate time for more valuable tasks.




| | | | | | |
|---|----|-----|-----|-----|-----|
| Number of cultivation bases | 2 | 8 | 9 | 11 | 13 |
| Number of departments to promote practice | 11 | 121 | 148 | 187 | 235 |

1,800
RPA+AI applied within Wistron

NT\$468,000
Annual labor cost savings achieved through the deployed application

90%
Application developed by non-IT employees

4 Results in Digital Capabilities Development of Talents in 2022

| Development Project | L1 Feeling → Knowing | L2 Passing the Knowledge Test → L3 Practice/Performance Improvement | L4 Enterprise Achievement |
|--|--|--|--|
| DnA Academy for Key Digital Talents | 369 people trained Averaged satisfaction score of 4.6 | Pass rate 100% There are 355 projects invested. | <p>External validation</p> <ul style="list-style-type: none"> Awarded the Business Transformation & Operational Excellence Awards, and First Prize in the Large Enterprise Category of the 2nd Digital Transformation Ding Ge Award held by Harvard Business Review in 2022 Selected together with UiPath as an excellent case of IDC "Practice and Exploration of RPA Construction in Manufacturing Industry"  <p>Internal benefit</p> <ul style="list-style-type: none"> A total of 470 RPA cases were filed and 390 were launched in the year. A total of 1,800 projects of RPA and AI program applications 90% of the on-line programs developed by users themselves Corresponding to a total of 468,000 work hours that can save manual work |
| AI Program for Intelligent Manufacturing Talents | 76 people trained Averaged satisfaction score of 4.3 | Pass rate 100% A total of 76 use cases passed after training | |
| Soft Skill training for technical talents | 1,678 people trained Averaged satisfaction score of 4.7 | Training completion rate 98% The participation rate of TCM Talent Level promotion was 38%. The promotion rate of TCM evaluation was 40%. | |
| Training for RPA Talents | 233 people trained Averaged satisfaction score of 4.6 | The pass rate was 78% The rate of investment in projects after training was 82%. | |
| RPA Technology Forum | A total of 1,969 people participated. | 65 people passed the digital key talent assessment and certification. | |

Reference source:

- Winners list of the 2nd [Digital Transformation Excellence \(Ding Ge\) Award](#) held by Harvard Business Review in 2022
- Customer Success Stories from [UiPath Official Website](#)
- Practice and exploration of RPA construction in manufacturing industry on [CHINA Netease news](#)



Strategy 2

Management Capabilities Building Leadership of Next Generation

Wistron is based on the vision of "Sustainability through Innovation". In addition to inheriting the past successful management experiences and continuously cultivating high-potential successors and leadership talents, it also responds to the next-generation leadership required for transformation and upgrading based on strategic needs and external challenges, such as digital transformation, global expansion, and sustainable development. Therefore, the management team reorganized and defined the Wistron leadership competency model in early 2022 aligned with key strategies. The planning of leadership competency training roadmap is also initiated. In the future, the leadership competency will be strongly linked with the human resource system, and a competency-based human resource management system will be established. We hope to lead the innovation and change management of the team to accelerate the pace of transformation. In 2022, Wistron invested an average of 18 training hours per person in the management training for the Taiwan headquarters, representing an annual growth of 18% compared to the previous year.



1 Executive level - Sustainability Strategy Projects

Wistron cooperates with the professors from ITRI and NCCU in projects for sustainable strategies to implement Wistron's sustainable business philosophy and strategy promotion from top to bottom based on the sustainable development as the focus axis.

Lectures and Workshops on Trends in Net Zero Sustainable Business Opportunities

To enhance the Group's executive level Managers understanding of the international net-zero trend, the Group Headquarters has instructed the establishment of a project team in the Sustainability Office. This project team collaborates with CISC/ITRI and involves the participation of executive level managers from group companies such as Wistron, WNC, Wiwynn, and Wistron ITS. The team plans expert-led thematic lectures to provide insights into the international net-zero trend, industry potential, and energy. Through group discussions among the executives, the team aims to develop a blueprint and action plan for low-carbon innovation and transformation, fostering the sharing of ideas and the creation of net-zero sustainable competitiveness within the group.

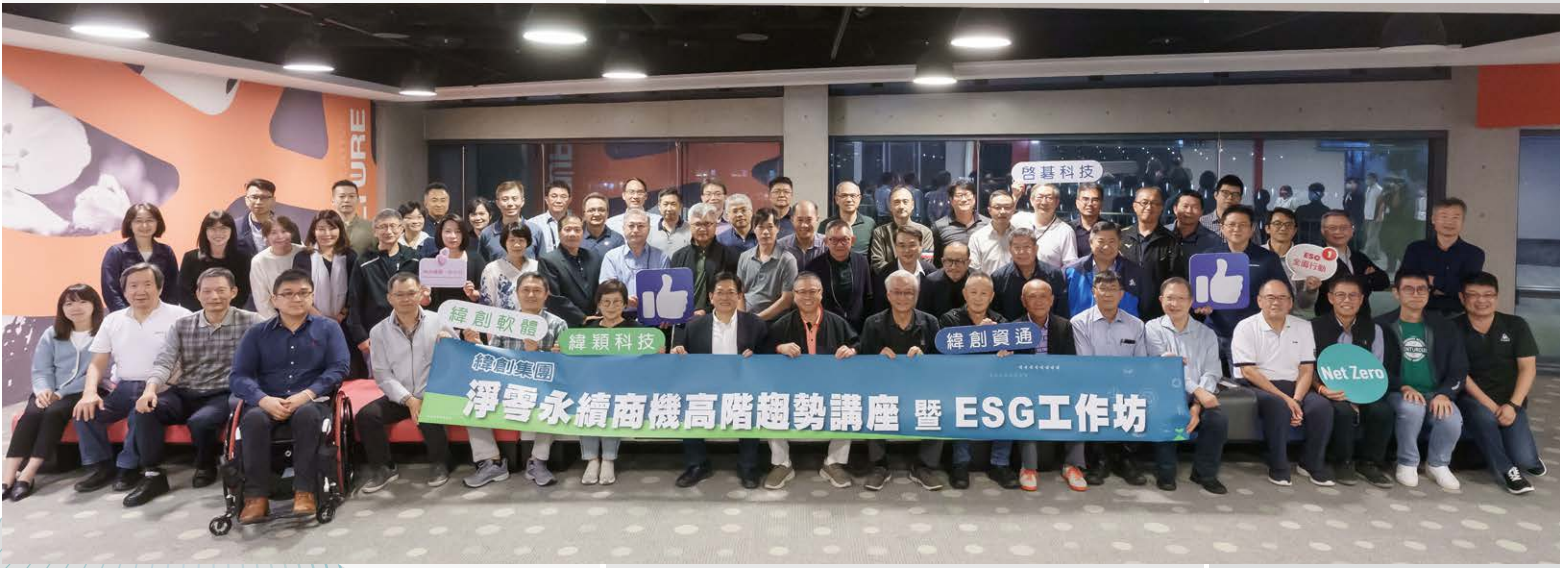
The overall activity process includes conducting ESG research and trend lectures as well as a one-month offline conference exchange to sort out strategies and action plans for corporate net-zero sustainable business opportunities in 2023. The participants in the event included 92 senior managers from various companies in the group (183 people in total) with an overall satisfaction score of 4.7 points (out of 5 points) to produce 11 sustainable strategy programs.

Case study: Win-Win Strategies for Sustainability and Profit

The pursuit of sustainability is a transformative process. To assist senior executives in grasping the key aspects of sustainable business, Wistron has organized case-study-based training activities. These activities guide supervisors in discussing how to achieve sustainability goals while creating value and enhancing the company's competitiveness. This approach embeds forward-thinking into the sustainable strategy action plan for 2023. The training program had a total of 63 participants, and the overall satisfaction rating was 4.6 out of 5.

Executive -Level Strategy Conference and ESG Workshop on Net Zero Sustainable Business Opportunities

| ESG Research and Analysis | Pre-discussion Meeting | Meetings of Executive Strategy | ESG Workshops |
|---|--|---|---|
| <p>The Wistron Group's Net Zero Sustainable Business Project starts in September 2022.</p> <p>It focuses on three major topics: carbon credits, energy management, and business development. It aims to align the ESG visions, set low-carbon transformation goals, and plan and execute strategies for each group company.</p> | <p>59 pre-ESG meetings were held by nine groups in total from four companies with more than 88.5 hours of joint discussions.</p> | <p>A total of 102 people participated</p> <p>40 people participated on-line</p> <p>62 people participated in the physical event</p> | <p>A total of 81 people participated</p> <p>8 people participated on-line</p> <p>73 people participated in the physical event</p> |



2 Leader level - T-UP Development Project

The Company remains actively committed to allocating resources in the Leader-level management echelon to foster talent capable of addressing the strategic demands of digital transformation, global expansion, and sustainable development. Guided by competencies, we employ diverse talent development methods. Our approach involves allocating 70% of efforts to challenging-task learning, 20% to team learning and coaching, and 10% to training course, enabling the implementation of a range of talent development initiatives.

|  Individual development program (IDP) |  Group development program (GDP) |  Management course and training |
|--|---|--|
| <p>Multi-dimensions assessments (such as Potential Plus Assessment, 360-degree competency assessment, etc.) are used to find out the strengths of the coachee and the competency to be developed. The coachee and his manager (Coach) discuss together and select one as the annual goal of competency development. Moreover, the current annual work priorities and KPI are used as the carrier of development to carry out the manager's individual development plan. The coach conducts one-on-one meetings with the coachee every month, and HR also conducts initial/mid-term/final competency coaching tracking and feedback as well as ad hoc communication and care for the talents. In addition, multiple and flexible learning resources are also provided to assist talent development, including community learning, classroom training/on-line synchronous courses, LinkedIn Learning themed course recommendations, etc.</p> | <p>Action Learning model is used to solve real and urgent issues within the organization, and the leadership practice of trainees can also be developed at the same time. The trainees in each group analyze issues and propose solutions using the "problem solving and decision making" course method. The external coaches conduct consultation once a month, and the trainees independently hold team meetings to discuss the plan and to contribute outputs during the four-month project period. In 2022, "Instill Hyper-Collaboration", "Driving Strategic Execution", and "Driving Innovation and Change" were selected as the competency development goals of each group in action learning program. The leadership is improved and the team chemistry and collaboration are cultivated through coaching, trainees' mutual feedback, and team self-reflection.</p> | <p>In 2022, more than 50 classroom training/on-line synchronous courses for all levels of managers were handled in addition to IDP/GDP project-type development plans. The management knowledge and skills of the managers at all levels are required to be more comprehensively improved, and multiple self-directed learning resources are provided. These topics cover: empowerment, coaching, communication, conflict management, financial acumen, etc. The total number of training hours for global managers has reached 75,265 hours, and the annual average training hours is 22.7 per manager.</p> |
| <p>320 high-potential managers participated, achieving a 99% completion rate. The program received a satisfaction rating of 4.5 out of 5. 117 managers participated in a post-evaluation, with 69% of them improved their leadership competency.</p> | <p>23 high-potential managers participated and 22 of them completed the training with course satisfaction rating of 4.5 (out of 5). 77% of them improved their leadership competency</p> | <p>The average annual training for each manager is 22.7 hours. Satisfaction rating was 4.5 (out of 5) Completion rate was 97%</p> |

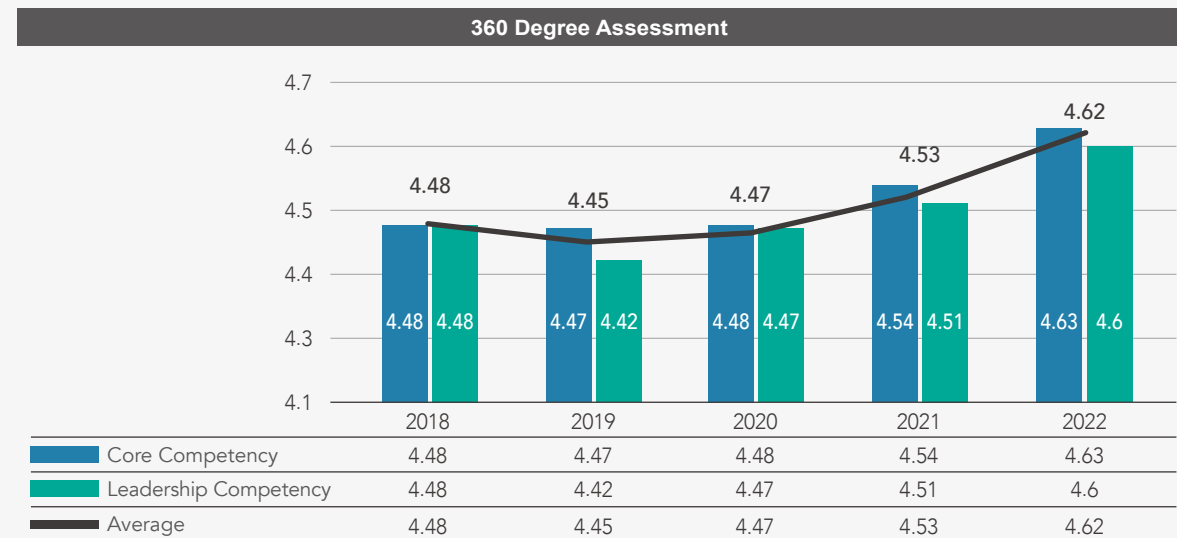
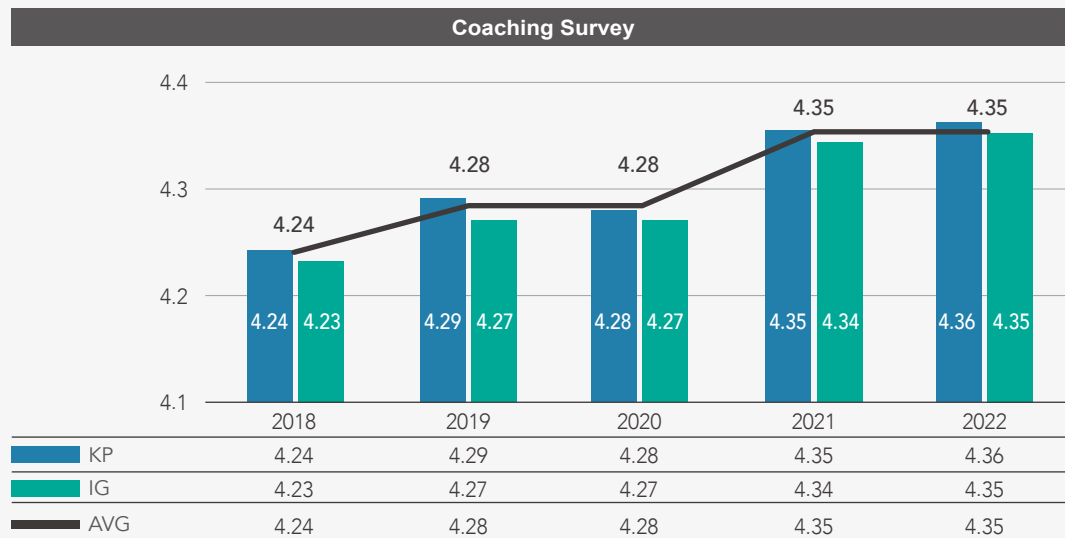


3 Managers level - Performance Management in Three Phases

In order to promote an open, fair, and transparent performance management system and improve the performance management abilities of managers, Wistron hosts performance management related courses every year based on the performance management PDCA cycle. The topics include goal setting, performance communication, performance improvement and skill development. When the managers value mutual and timely communications with their subordinates during the daily management, they also implement the virtuous cycle of continued development for our employees under fair, just, and reasonable performance management.

Each topic is based on the daily management cycle. "Goal Setting" training is implemented for the early phase of performance management. "Performance Review" is implemented for the mid-term phase of performance appraisal. "Managing Performance Problem" is implemented for the year-end phase of performance development. The trainings are implemented to meet immediate needs of managers and applied to management practices through learning by doing. In 2022, a total of 612 people participated in the performance courses, with an overall satisfaction score of 4.6 (out of 5). In order to assess training effectiveness, the pre- and post-tests of the courses have been added to ensure that managers can more accurately grasp and improve performance management skills. Meanwhile, "Goal Setting" and "Performance Review" on-line courses have been introduced for managers who have completed training to improve their management abilities. The online course helps managers to review and refresh of knowledge and content to strengthen performance communication skills. The number of people who took pre- and post-tests for the performance series courses was 297, and the improvement rate of pre- and post-tests was 52% in 2022.

In order to ensure the actual implementation of daily performance management behaviors of managers, besides providing the knowledge and skill training described above, Wistron conducts periodic surveys related to the manager's behaviors in goal setting, mid-term performance appraisal, and year-end performance appraisal. The surveys showed that the management and leadership abilities of the managers had significantly improved. The 2022 manager performance and management survey showed that the performance review completion rate was 96%. The daily coaching satisfaction score was 4.3 (out of 5). The leadership competency 360 degree evaluation score was 4.6 (out of 5). These achievements prove that managers can implement managerial actions related to performance review with employees, forming a virtuous cycle in the corporate culture.



4 Results in Management Capabilities Development of Talents in 2022

| Development Project | L1 Feeling → Knowing | L2 Knowledge → L3 Practice | L4 Enterprise Achievement |
|---|--|--|---|
| <p>Executive level</p> <ul style="list-style-type: none"> Projects for Sustainability Strategies | <p>183 people trained Averaged satisfaction score of 4.7</p> | <p>11 sustainable strategy programs were produced, as part of a long-term plan towards the goals of carbon neutrality and 100% renewable energy usage by 2030.</p> | <p>Successful Case of IDP for High-Potential Talents</p> <ul style="list-style-type: none"> The practical case of IDP (individual development plan) - AMR robot achieved \$25 million support from the Industrial Development Bureau, MOEA. <p>Outstanding Achievement in Leader Development</p> <ul style="list-style-type: none"> The BG President of Client Products B.G., Robert CL Lin, won the 2022 National Outstanding Manager Award. The Director of Global Quality Mgmt. Nathan Chou, and Vice President of the subsidiary, WiAdvance, Kay Li, were selected as one of the top 100 MVP managers in Taiwan. |
| <p>Leader level</p> <ul style="list-style-type: none"> Individual development program (IDP) Group development program (GDP) Management training courses | <p>320 high-potential managers were developed. Averaged satisfaction score of 4.5</p> <p>23 high potential managers Averaged satisfaction score of 4.5 (out of 5)</p> <p>The average training hour is 22.7 hours per person. Satisfaction score of learning was 4.5 (out of 5) Completion rate was 97%</p> | <p>Managers participated in competency post-evaluation with 69% of leadership competency improvement.</p> <p>77% of leadership competency improvement</p> <p>The manager's performance review completion rate at the end of the period reached 97.7% with an increase of 3.3% from the beginning of the period. Satisfaction score of 4.4 (out of 5)</p> | |
| <p>Manager level</p> <ul style="list-style-type: none"> Performance Management in Three Phases | <p>612 people trained Averaged satisfaction score of 4.6</p> | <p>The improvement rate of pre- and post-test is 52%.</p> | |

Reference Source:

[List of Winners for 2022 National Outstanding Manager Award](#)
[2022 Top 100 MVP managers in Taiwan](#)



Initiating Systematic Talent Development for Sustainable Capabilities

"Sustainability" has become a topic that global enterprises have to face in response to changes in the internal and external environment. Wistron has reshaped the vision blueprint of "Sustainability through Innovation" in 2022 to meet this huge challenge. We promise to fulfill our corporate social responsibility to the sustainability with the mission of "Trusted Innovation Partner for Technology, Sustainability & Better Lives" and in line with the core values of "Customer Focus", "Integrity", "Innovation", and "Sustainability" Wistron launched a systematic sustainable talent training plan to support the Company's sustainable policy.

The sustainability vision starting from the headquarters enables the global employees to understand the promotion determination of the senior management team based on the globally consistent visual, auditory, and sensory experience. Meanwhile, internal and external partners are guided through the learning levels of knowing → knowledge → practice → leadership. While the organization promotes the sustainable vision, it also enhances employees' individual sustainable competitive capability through the planning of the learning blueprint.

1 Consensus · Promoting the Vision of Sustainability through Innovation Globally

The Taiwan headquarter issues the vision and the mission consistent globally, and it also announced the core values to meet the needs of the external VUCA environment and the internal digital transformations, the global layout, and the sustainable operation. In addition, multilingual videos of the chairman's speech and visual design pictures are used to convey the messages, so that our colleagues around the world know and recognize them and then Wistron's core values can be displayed in daily work. In order to achieve the goal of smooth implementation of the project to the world, the corporate headquarter in Taiwan established an inter-organizational project team. The CEO and Chief of Staff are the top decision-makers of the project, and the PMO (Program manager Office) is responsible for the planning, execution and control of the project. The working group adopts advocacy, training, and division of works by institutional group to achieve the core value so that our colleagues around the world can know, agree and demonstrate it in their daily work.

Global Announcement



Consistent visual design and delivery globally



Simon's Talk video learning



Wi Talk Handling of global seminars at Executive Level Managers



Links between policies recruitment interviews, on-boarding training, and commendation for outstanding performance



2 Knowledge · Constructing Learning Roadmap of ESG Sphere

While following the organization's vision, our employees need to understand the meaning of sustainability and the value of their work. Therefore, the Sustainability Office of the Taiwan Headquarter forms the core project team. The learning structure of ESG knowledge diffusion is planned to provide our employees with sustainable thinking in the field. On the one hand, the perpetual perspectives that are recognized, understood, and recognized can be learned and applied in daily work, and, on the other hand, the application in the field of expertise can be further studied and insighted. The Company achieves the sustainability goals in product design, manufacturing, operation, global collaboration and other fields of business. Meanwhile, the personal professional ability can be improved.

3 Co-Learning · Establishment Online Platform of Suppliers' Sustainability Learning

On the road to the sustainability vision, establishing a complete sustainable ecosystem is an important topic. Wistron established Suppliers Elementary Schools to help the suppliers improve their sustainable knowledge. We collaborate with the global partners to jointly explore and implement the Company's growth opportunities in sustainable operation. In addition to constructing the knowledge system, the requirements and standards set by Wistron are transparently communicated. The connection and interaction between Wistron and the suppliers has been strengthened to meet the training needs between Wistron and the suppliers. In addition, the problem of insufficient training due to frequent personnel turnover has been resolved, and the overall service quality and skills have been further enhanced to continuously improve and create a win-win situation. By the end of 2022, the supplier school has launched 30 classes and 1,071 on-line registered suppliers with a 100% completion rate of designated learning and a user satisfaction rate of 96.8%.

4 Results in Sustainable Capabilities Development of Talents in 2022

| Development Project | L1 Feeling → Knowing | L2 Knowledge → L3 Practice | L4 Enterprise Achievement |
|---|---|---|---|
| Promoting the vision of Innovation through Sustainability globally | 23,959 trainees (global IDL) Averaged satisfaction score of 4.5 (out of 5) | Completion rate was 100% 100% coverage of global IDL The recognition score for understanding the vision is 4.5 points (out of 5 points) | <ul style="list-style-type: none"> • 2022 Excellent in Corporate Social Responsibility Awards "Large Enterprise Category", fourth place • Awarded three great awards, including "Taiwan Top 100 Sustainable Model Enterprise Award", "Sustainability Report Award:Platinum Award for Electronic Manufacturing (Category 1)", "Innovation Growth Leader Award" at the 5th GCSF Global Corporate Sustainability Forum and the Ceremony of GCSA Global Corporate Sustainability Award and TCSA Taiwan Corporate Sustainability Award in 2022 • Selected in the 2022 DJSI Emerging Markets Index |
| Promoting the General Training of ESG Sphere | 8,806 trainees Averaged satisfaction score of 4.3 (out of 5) | 99% of complete training rate 96% of Taiwan IDL coverage rate | |
| Establishment online platform of Suppliers' Sustainability learning | 1,071 companies of registered suppliers 96.8% of usage satisfaction | 30 classes lauched online 100% of complete training rate | |



Strategy 4

Strategic in Response to Organizational Talents for Development of Globalized Capabilities

Globalization is not only Wistron's business layout, but also a long-term strategy for talent development, under the circumstances of unpredictable changes. To achieve global learning alignment, Wistron launched the construction of global learning platforms for each location and the development of learning resources in multiple languages in 2021. We have continued to promote language learning and cross-cultural communication courses in 2022. In addition, foreign employees in Taiwan are also provided with localized language trainings. Diverse integration is expected, and we promote the collaboration of global employees under the consensus of sustainable development.

1 Advancing Language Skills of Global Talent

In 2022, we continued to promote various training programs such as "Online Crash Course to Getting a High TOEIC Score", "E-mail writing model course", "1 minute short English speaking skills", "Manufacturing English course". These programs were complemented by live broadcasts on daily English themes, offering diverse learning opportunities. Through interactive live sessions with instructors, our colleagues were able to flexibly schedule their learning time, practice exam questions, and assess their learning progress.

In 2022, a total of 321 employees participated in language courses, and the cumulative number of viewers of livestream lectures reached 2,604. As a result, the averaged satisfaction score of the students was 8.5 points (out of 10 points), and the averaged score of the on-line mock test was improved by 120 points. Wistron continues to conduct the annual English test at the end of the year. In order to provide our employees with a regular review of their language skills, a total of 560 employees signed up for the test and the actual examination was 516 people. 228 people thereof improved their grades, and the overall improvement rate was 44%.

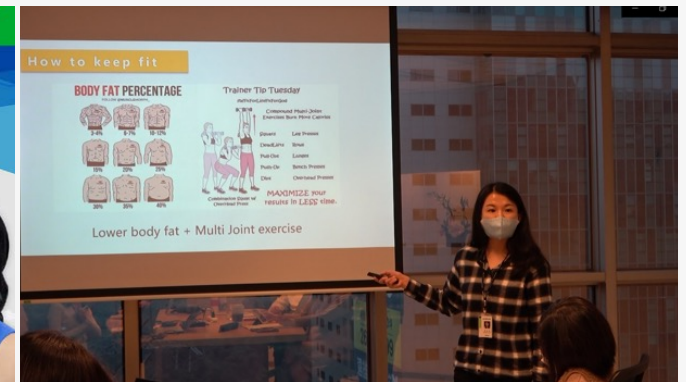
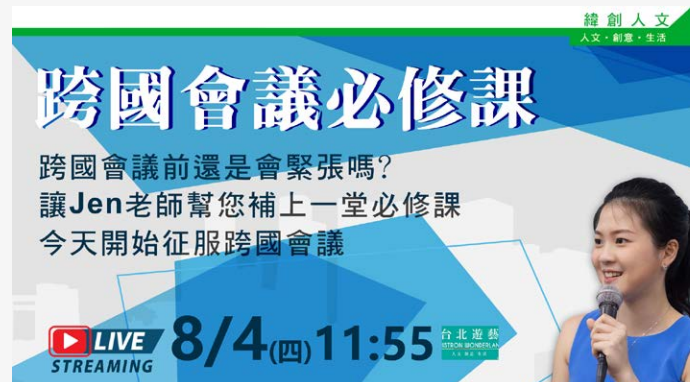
In addition, Wistron also handled English UP! In 2022 in response to the individual needs of BG. Under the strategy of global layout, Wistron gives priority to providing learning resources to meet the needs of business, R&D, and other job positions. Wistron and the professional English consultant, World Citizen Core-Corner, together plan a monthly theme for English business-related ability improvement, including small talk, presentations, email writings, and conference calls. A total of 8 interactive training courses for 86 people were held this year. After the class, the students used a physical method to publish and be examined the results, and the students' satisfaction score with the overall course reached 4.6 points. In addition to the course study, English e-newsletters and one-minute short videos are actively promoted every week. Our employees are expected to easily improve their personal language skills through fragmented learning in their spare time!

Viewers of Livestream Lectures Reached

2,604

Averaged Satisfaction Score

8.5 Points



2 Advancing Cross-Culture Communication Skills

Wistron international lecture series were held in a total of seven sessions with the theme of India and Malaysia projects. These lectures combine the content of objective knowledge and their own practice through topic-focused interviews with external experts. Moreover, due to change from the above-mentioned experiences, it has changed to let the internally dispatched managers collect the management and leadership mentality, challenges, and experiences faced by the local area, and then share what they have seen and heard with the internal colleagues in order to achieve the effect of experience inheritance. In 2022, A total of 1,267 people participated in the lectures with an averaged satisfaction score of 4.4 (out of 5).



3 Training Program of Foreign Manufacturing Engineering and Technical Talents

Internal high-potential foreign employees who meet the conditions of the training plan are selected, and a systematic learning plan is planned to cultivate the high-potential foreign talents. The 3-month intensive training is conducted with both dimensions of professional theoretical knowledge courses and practical skills. After the training, the proficiency of the professional ability of the trainees is evaluated through the skills test, and the suitability after changing positions is also ensured. After the trainees complete the training and pass the assessment, they will be transferred to the professional technician positions and continuously trained towards the engineer positions. A total of 92 foreign employees have completed the training, and 28 have passed the assessment (57 are in training) with the pass rate of the first assessment reaching 30% in 2022.



4 Results in Global Capabilities Development of Talents in 2022

| Development Project | L1 Feeling → Knowing | L2 Knowledge → L3 Practice |
|---|---|---|
| Training Program of Advancing Language Skills | 407 people trained Averaged satisfaction score of 4.4 (out of 5) | 120-point increase in average scores from online practice exam 44% score improvement in annual English proficiency exam. |
| International Lecture Series | 1,267 people trained Averaged satisfaction score of 4.4 | - |
| Training Program of Foreign Manufacturing Engineering and Technical Talents | 92 people trained | 59 participants, 44 passed the skills assessment. 75% pass rate in skills assessment. |

4.3 Human Rights Management

Wistron's Global Human Rights Policy

Wistron has established the Human Rights Policy to demonstrate our support and compliance with international labor and human rights norms and authoritative global standards, for example, the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, OECD Guidelines for Multinational Enterprises, Responsible Business Alliance Code of Conduct, etc. The policies clearly state and explain the content of human rights commitments and related management principles in addition to the clear description that its applicable objects cover all stakeholders of the Company, such as the Company itself, supply chain, partners, joint ventures, etc. The policy also clearly expresses and explains the commitments to human rights and related management principles.

Wistron has started the audit and certification process in accordance with the standards of the Responsible Business Alliance (RBA) in all global operations to ensure that the Company maintains consistent framework and compliance standards in the management of global human rights issues (Please see the [Wistron human rights due diligence management report](#)). No major violation of human rights has occurred in Wistron's global operations with the continuous efforts of all colleagues in 2022.



4.3.1 Human Rights Due Diligence

Establish Human Rights Due Diligence Management Procedures

Wistron established human rights management procedures in 2020 to ensure that all global operations follow the human rights policies in the day-to-day work of all executives and employees, and procedures were completed in 2021. Based on the results of the human rights risk assessment in 2021, Wistron implemented target management for several major human rights issues in 2022, requiring each plant to stipulate risk mitigation measures and periodically track the attainment of related indicators. For example, by conducting monthly tracking of the improvements results of indicators to "at least 1 day off every 7 days", "less than 60 total working hours every week", "the accuracy rate of salary approval and calculation", and "young workers attendance" in all plants through the development of digital systems. Comparing the proportion of items rated as medium and high risk in the RBA audit results, all indicators in 2022 are significantly improved compared to 2021 (as shown in the table below).

The Proportion of Major Human Rights Issues Rated as Medium and High Risk Projects

| Year | Type of Work Time | | | Type of Labor |
|------|---------------------|------------------|--------------------------------|------------------|
| | 1 day off in 7 days | weekly hours <60 | detailed working hours records | underage workers |
| 2021 | 0.43% | 0.84% | 0.61% | 0.32% |
| 2022 | 0.12% | 0.43% | 0.42% | 0.15% |

With regard to the business scope of the Company (e.g., employees, direct business activities, and products and services), Wistron executes a comprehensive human rights due diligence management cycle for global operations each year starting from 2022. This measure is aimed to create a consistent culture and code of conduct for the Group to effectively manage and reduce human rights risks and respond to the Company's policies and the expectations of stakeholders.

4.3.2 Human Rights Risks and Material Issues

As a member of the global electronics supply chain, Wistron has always adhered to all local regulations and international standards. The Company has implemented varying degrees of response measures for human rights issues, including human rights risk identification and assessments, and it gradually promotes the Responsible Business Alliance (RBA) audit certification in different operations across the world.

In 2022, we have also begun the RBA Validated Assessment Program (VAP). Five plants, including the Chengdu Plant, Hsinchu Plant, Zhongshan Plant, Czechia Plant, and Kunshan Plant, have passed the VAP certification. Ten plants, including the Zhongshan Plant, Kunshan Plant, Chengdu Plant, Chongqing Plant, Hsinchu Plant, Czechia Plant, Mexico Plant, Taizhou Plant, Kunshan Opt Plant, and Malaysia Plant, have adopted the SAQ procedures. They communicate regularly on strategies and work results to ensure that Wistron maintains consistent work framework and compliance standards for global human rights issues.

Human Rights Risk Assessment

Wistron will review policies and internal regulations to respond to material human rights issues of stakeholders' concerns. We will ensure the adequacy of management regulations and establish annual performance targets to regularly track the implementation achievements of related projects. We also abide by the RBA management framework for audits on routine operations and request units responsible for discrepancies to implement improvement plans to ensure the effective management and reduction of related human rights risks.

Wistron continues to implement the human rights risk assessment in 2022. Analysis is conducted according to the RBA audit reports completed between 2020 and 2022. Among all the deficient items, mid to high risk accounted for 2.26%, with labor related issues accounting for the vast majority, at 86.81%. The labor related issues were ranked according to importance, and the top 3 issues were "working hours", "wages and benefits", and "young workers". A summary of mitigation and remedial measures for related risks is shown in the table below. Please refer to the [Wistron Human Rights Due Diligence Management Report](#) for details. The mitigation and remedial measures listed in the table are uniformly promoted and implemented in all plants after consensus and resolution are formed through the global ESG action information platform for data collection, exchange and communication. Also, information on implementation results is reported regularly to ensure that relevant management principles and standards are faithfully implemented.

Mitigation and Remedial Measures of Risks

Working Hours

Wistron has adopted the following advanced actions to effectively manage our employees' working hours in order to ensure the physical and mental health of our employees at the daily management level.

- ① **System alerts:** Automatic email reminders will be sent every day for the list of employees who have been on duty for 6 consecutive days or have worked more than 60 hours a week.
- ② **System control:** The overtime management system carries out control on the pre-application forms that exceed the working hours control indicators to not be accepted for submission.
- ③ **Involvement of HR department:** The human resources departments take the initiative to intervene and understand when abnormal working hours cases are found.
- ④ **Managers' meeting:** The continuous attendance list is reported in the weekly plant managers meeting, and the departments are required to arrange all employees to rotate day-off in time.
- ⑤ **Electronic Signage:** The number of people who have been on duty for more than 6 consecutive days or have worked more than 60 hours per week is announced.
- ⑥ **Restricted access:** The system controls the access so that those who have been on duty for 22 days in the month cannot enter the plants.

Wages and Benefits

Wistron adopts the following refinements for the issues of the accuracy rate of salary approval and calculation, and the employees' salary and welfare rights are fully protected at the daily management level.

- ① **Checklists:** The monthly payroll operation includes one-by-one checking whether all work items are completed truthfully according to the checklists.
- ② **Cross-check:** The first version of the payroll is calculated first following by cross-checking, and then it is submitted to the managers for review.
- ③ **Employees feedback:** The salary issues reported by the employees are responded and resolved immediately after the completion of the payroll operation.
- ④ **Lists of problems:** After the monthly payroll operation, the salary difference problems reflected by the employees, the manpower agencies, the government, and the banks are collected, and they are immediately discussed and resolved to avoid recurrence.
- ⑤ **Keeping of records:** The records left by the aforementioned statistics and processing results are reported to the responsible managers of the human resources department every month.

Child Labor and Young Worker

Wistron's Human Rights Policy explicitly prohibits child labor. In response to related issues, Wistron implements human rights policies and guidelines at the daily management level to fully protect the rights and interests of underage workers, and the following advanced measures are adopted.

- ① **Identity verification:** we cooperate with local government authorities. The identity information check of new employees is carried out through the official database platform, resulting in inadvertent employment of child labor or incorrect employee age information is avoided.
- ② **Manpower agency management:** We require manpower agencies to implement the confirmation of applicants' identity and qualifications. Relevant statements and supporting documents need to be issued and presented. In addition, the management quality of this topic is included in the necessary items of service evaluation as a key indicator for whether contract termination and renewal or not.
- ③ **Protection of underage workers:** Wistron's certain operations hire employees who are over the minimum age for work in accordance with local laws but are under the age of 18 to fulfill production capacity requirements (Please refer to the table below for relevant statistics). To protect their physical safety and mental health, the Company arranges low-risk work suitable for their skill level and development, pays close attention to their work training, living service, and department management.
- ④ **Occupational health and safety management system (ISO 45001):** Wistron has established an occupational health and safety management system to effectively prevent occupational injuries from affecting the health and safety of employees in order to ensure a safe and sound working environment.
- ⑤ **Channels for expressing opinions:** Our employees can report and solve related labor rights issues through the employee relationship promotion committee, the employee complaint hotline, the employee opinion mailbox, and other channels. Our employees can fully express suggestions, or ask questions related to the Company in a confidential manner without fearing any retaliation.

The Number of Young Workers Hired by Wistron in 2022

| Employment Type | Taiwan | Kunshan Plant | Kunshan Opt Plant | Taizhou Plant | Zhongshan Plant | Chongqing Plant | Chengdu Plant | Mexico Plant | Czechia Plant | Malaysia Plant |
|-----------------|--------|---------------|-------------------|---------------|-----------------|-----------------|---------------|--------------|---------------|----------------|
| Young workers | 81 | 1,089 | 946 | 1,388 | 0 | 5,883 | 0 | 0 | 0 | 0 |

Unit: Number of People

Forced Labor

Wistron's Human Rights Policy prohibits any form of forced labor, including human trafficking, coercion, slavery, and other forms of non-voluntary labor. Employees' contracts are established and signed in accordance with local regulations. Employees have the right to terminate the labor contracts and are not bound by any other arrangements that restrict the employment relationship between employees and Wistron such as withholding of deposits or identification certificates. No forced labor has occurred in any of Wistron's operating locations in 2022 through the implementation of various human rights management measures.

Freedom of Association

Wistron's Human Rights Policy respects the employees' freedom of association and we are committed to providing channels and environments suitable for the free expression of opinions. Employees can ask the union or the Employee Relationship Promotion Committee in global locations of operation to help express opinions in meetings and ensure that the opinions of general employees can be heard and responded by the Company.

Non-Discrimination

Wistron's Human Rights Policy ensures that all personnel have equal work opportunities and prevents any form of discrimination or unequal treatment in the aspects of employment, salary, training, promotions, dismissals, and allocation of resources based on geography, race, ethnicity, background, social class, ancestry, religion, physical disability, gender, sexual orientation, gender identity and expression, pregnancy, marital status, union membership, political views, appearance, age, or relationship with union. Wistron measures performance based on the principles of competence and contribution to ensure equal rights and opportunities for all employees.

Wistron is dedicated to eliminating and preventing any form of discrimination, and extends these efforts to external stakeholders, including customers, suppliers, and the general public. To ensure that all internal executives and employees comply with the "Wistron Social Accountability Policy", the Company requires new employees to complete the "Corporate Sustainability and Social Responsibility Policy (Including Human Rights Policy)" and "Corporate Sustainability Course (Basic)" trainings. The training programs include the issues, such as the fairness principle for interviews, sexual harassment, infringements of human rights, and discrimination. In 2022, the total training hours of the operations around the world was 43,072 hours and the trained employees accounted for 100% of all trainees. Related systems and regulations have been announced on the Company's internal website subject to employees' review at any time. With continuous awareness campaigns, there were no cases of discrimination in violation of the Company's policies and regulations at any of the business locations around the world in 2022.

Anti-harassment

Wistron respects the freedom and rights of all employees. Therefore, open platforms for expressing opinions and whistleblowing and reporting channels for problems were generally established in all operations around the world. In this way, the needs and expectations of our employees on the issues, such as working conditions and working environment, can be fully grasped. Our employees can fully express their suggestions for the Company or ask questions in a confidential manner without fear of retaliation. For the sexual harassment issues, the Company not only formulates and promulgates the independent management measures and the incident handling procedures, but also sets up specific channels for reporting problems, such as exclusive whistleblowing and reporting hotlines and mailboxes, etc. Moreover, clear accountability norms are utilized to ensure the privacy and personal safety of whistleblowers.

In addition, the Company arranges ad hoc lectures to invite experts to give speeches in order to achieve the goal of advocating and answering questions related to self-protection and rights protection of our colleagues. Medical rooms are also set up or doctors are regularly stationed to provide our employees with psychological counseling services. A harassment-free workplace is created through a variety of proactive and passive management practices with our continuous efforts.

| Year | 2019 | 2020 | 2021 | 2022 |
|--|------|------|------|---------|
| Number of anti-harassment cases reported | 0 | 0 | 0 | 7(Note) |
| Number of anti-harassment cases filed | 0 | 0 | 0 | 3 |

Note: One case was reported by an employee in one of the Americas plants for being harassed. After investigation by the anti-harassment handling team of the plant, there was no real evidence. The other case was a sexual harassment case reported by an employee of Malaysia Plant, which was confirmed to be filed after investigation. A total of 5 anti-harassment cases in Taiwan were reported. 3 cases thereof were found no relevant evidence, and 2 cases thereof were confirmed to be filed after investigation. Regarding the cases reported and filed, relevant actions are described as follows:

- *Carry out relevant discipline measures against the wrongdoers and complete the closing procedure after the whistleblower approves.
- *We proactively provide relevant consultation and counseling resources for the whistleblower to ensure that our colleagues receive sufficient care and assistance.
- *The Company re-examined the current training/publicity measures and content. Afterwards, a new version of the training course is planned to be launched in 2023, and all employees are required to complete relevant learning activities within the time limit.

Living Wage

The remuneration provided by Wistron is in line with the requirements of local laws and regulations. Wistron does not provide wages less than the statutory minimum wage. We periodically conduct remuneration surveys and make adjustments when necessary. Wistron is not only focused on legal compliance and whether the employees' compensation equals the basic living wage of the region, we also ensure that the employee remuneration we provide is competitive within the industry.



▲ Accessible facilities in Wistron's work environment

Work Environment for Persons with Disabilities

At the business locations around the world, Wistron complies with the local laws and regulations related to disabled persons protection to ensure that the work environments satisfy the special requirements for disabled persons with the ability to work. For example, the design of the barrier-free space in the office environment, the provision of dedicated parking spaces and welfare cars, and other considerate facilities are to facilitate persons with disabilities when they perform work tasks and participate in various activities.

4.3.3 Open Communication Channels

Wistron respects the freedom and rights of employees to express their opinions. The needs and expectations of our employees on all aspects of the working environment are fully grasped by actively building open communication platforms in various plants around the world. Employees can provide suggestions, make requests, or ask questions relating to the Company in a confidential manner without fear of retaliation.

Wistron Values Internal Communication Channels and Heeds the Opinions of Employees

All offices and plants across the world have established the Employee Relationship Promotion Committee. The labor-management communication meetings are held regularly. The members come from the top executives of each office and plant area and the representatives of employees of various departments to conduct two-way communication on the issues, such as the Company's operating conditions and employee opinions, etc. The Employee Relations Promotion Committee has also set up a dedicated website to publish the topics and minutes of each meeting within seven days which are available on the internal portal for our employees to check at any time. In addition, the relevant responsible units announce other types of changes in operating specifications and measures to let everyone know.

In 2022, Wistron hold a total of 20 on-site activities targeting the managers to directly communicate with the top management, such as the CEO. A total of 1,620 managers attended the meeting with an overall participation rate of 83.6%. The satisfaction of the participants with the event was as high as 94.3%. Most of the colleagues said that they can understand the Company's business strategy and direction more clearly from this kind of direct communication with the top management, and they look forward to holding it regularly.

Wistron encourages all internal colleagues and outsiders to report problems to the Company through the reporting channels, and it also accepts anonymous reports in order to implement the business philosophy of transparent communication. A total of 11 cases was accepted in 2022, and 4 cases thereof were related to ethical conduct and 7 were related to harassment. It was finally confirmed that there were 0 case related to ethical behavior and 3 cases related to harassment after investigation by the internal management unit. In addition, the violators of the cases filed have been disciplined.

Wistron firmly believes in the concept of respecting our employees, valuing their opinions, and encouraging our employees to put forward constructive opinions. In this way, we continue to inject positive growth forces into the enterprise in order to achieve common growth and sharing of business results. The operating efficiency of various communication channels will be continuously strengthened by Wistron to ensure the activation and the effectiveness of various communication mechanisms.



Implementation of the Spirit of RBA – Awarded RBA FOC for Three Consecutive Years

Zhongshan Plant has been certified by RBA Factory of Choice One Star for three consecutive years from 2020 to 2022. At the business locations around the world, five plants of Wistron in the VAP audits have reached the silver level. The award-winning record affirms our excellent performance in RBA compliance. Since 2010, Wistron has joined the Responsible Business Alliance (RBA) to continuously improve the management with sustainable development as the core spirit. We ensure the compliance with various operating standards through the review of RBA standards and the local regulations, the communication with customers, the internal assessment and auditing on risks, etc. Meanwhile, we participate in the external audit of RBA VAP, identify the focus of the problem, and actively invest in improvement in order to make continuous efforts to create a safe and equal working environment. In 2022, the plants that have implemented the RBA VAP have no priority issues of "human rights" items in the closure audit.



Communication Channels for Offices and Plants Across the World

| Communication Channels | Neihu Headquarters Xizhi Office | Hsinchu Plant | Kunshan Plant | Kunshan Opt Plant | Zhongshan Plant | Taizhou Plant | Chongqing Plant | Chengdu Plant | Mexico Plant | Czechia Plant | Malaysia Plant |
|---|---------------------------------|---------------|---------------|-------------------|-----------------|---------------|-----------------|---------------|--------------|---------------|----------------|
| Employee relationship promotion committee | V | V | V | V | V | V | V | V | V | V | V |
| President's mailbox | V | | V | V | V | V | V | V | V | V | V |
| Employee opinion mailbox | V | V | V | V | V | V | V | V | V | V | V |
| Employee complaint hotline | V | V | V | V | V | V | V | V | | | V |
| Employee seminars | V | V | V | V | V | V | V | V | | V | V |
| Coach on-site interview | | | V | V | V | V | V | V | | V | |
| WeChat platform - Wistron WeChat services | | | V | V | V | V | V | V | | | V |
| Company publications | | | V | | V | | | | V | V | V |
| Strategy and operations communication meeting – Manager level | V | V | V | V | | V | | | V | V | V |

Note: The mark "V" in the table indicates that the communication channel has been established.



4.4 Workplace Health and Safety

4.4.1 Employee Care and Benefits

Creating a hopeful and dynamic work environment is a matter of great importance on which Wistron focuses because our employees are the Company's greatest assets. We also hope to see that our employees can have a harmonious life in body and mind apart from work. Therefore, it is the Company's job to enable our employees to work happily and live a healthy life through employee care, health care, and rich and diverse company activities.

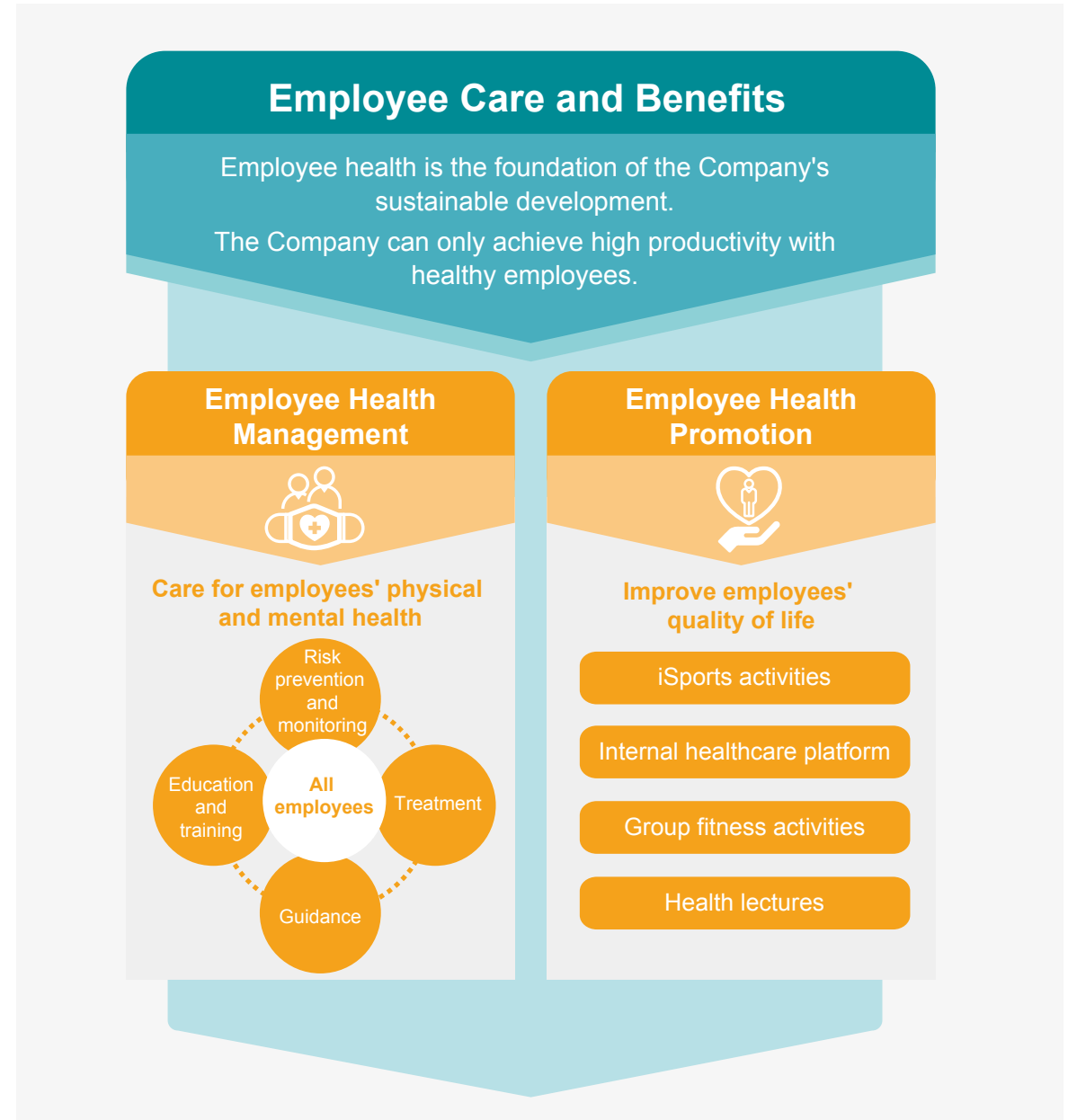
Wistron fully understands the dangerous factors and risks in the work environment by following the ISO 45001 occupational health and safety management system (OHSMS). All personnel are ensured to have proper awareness through the assessments of the impact on all relevant persons within the Company, including employees, temporary personnel, contractors, visitors, and others. Our employees are ensured to work in a healthy and safe work environment.

Happy Work and Happy Life

The health of our employees is the basis for the sustainable development of the Company, so we hope that every employee can pay attention to their physical condition through diversified "exercise promotion" and "health management" activities. Wistron encourages them to seek a balance between work and life because we are highly focused on the physical and mental development of our employees. Changes in healthy lifestyles and behaviors should be promoted with effort. Various ad hoc activities are held in each office and plant area, such as monthly birthday parties, sports competitions, tourism activities, welfare activities, and welcome activities, etc. in addition to personal care and assistance systems provided for the employees and their families. Moreover, our employees can have the opportunity to enrich life knowledge through various lectures and online courses after work.

Protecting Employees Health and Safety

In 2022, COVID-19 has gone through several waves of the pandemic in the country. Meanwhile, Wistron provides protective clothing, masks, and rapid test kits to colleagues in need through a dedicated pandemic prevention team with sufficient anti-pandemic materials deployed in advance. In addition, we use the Company's internal pandemic prevention hotline to provide our colleagues with real-time pandemic prevention guidelines, and a healthcare mechanism was established for our colleagues who are diagnosed. When the pandemic is severe, the pandemic prevention hotlines of various external agencies are difficult to dial. The Wistron hotline ensures that the notification process can be followed correctly to ease the anxiety of our colleagues.





Employee Health Management

Wistron holds ad hoc health promotion activities. The Taipei office area has a health center with a medical office and a dedicated health management team stationed there to provide our employees with daily health consultations and services in addition to handling emergency medical care. In 2022, the medical care assistance in the office serviced 33 cases and 411 people for one-on-one health consultations.

Health Examination

Complete physical examinations can detect potential illnesses early. The Company organizes specific health examinations for employees working at special posts (e.g., high-noise, dust, and X-ray, etc.). All offices and plants in Taiwan offer health examinations for all employees each year while plants overseas actively provide health examination plans to encourage employees to learn about their health conditions through complete examination. In 2022, we and our related parties jointly handled the health checkup for all employees. Because of the internal publicity and the special reminders, the inspection rate increased from 91.63% to 95.47%.

After the health examination, medical staff at each office and plant will provide medical assistance and reminders for regular examinations for those with major irregularities found in their employee health examinations reports, to implement care services. Wistron also provides diverse professional consultations for those with health irregularities. Physician consultations are hosted in the offices periodically to provide employees with a professional consultation channel. The Company actively manages and establishes plans for education/training, guidance, prevention/risk monitoring, and medical assistance for personal health irregularities. The personal health service records and information of all employees are only used as the basis for evaluating whether employees are provided with a safe workplace environment and not for any other purposes. The information is securely stored by the dedicated unit responsible for health management and is not disclosed to external parties.

Employee Health Care Statistics in Taiwan

| | 2019 | 2020 | 2021 | 2022 |
|---|--------|--------|--------|--------|
| Number of employees who received health examination | 7,212 | 8,085 | 8,863 | 9,859 |
| Percentage of participation the examination | 89.40% | 93.16% | 89.85% | 95.47% |
| Medical care assistance in office | 33 | 25 | 23 | 33 |

Internal healthcare platform

Through the Company's internal healthcare platform, the offices in Taiwan provide services for personal health and medical requirements to improve targets and track items. Health management specialists regularly arrange in the form of telephone interviews, reminders of taking medical services to employees, and one-on-one medication consultations. For the employees with more severe illnesses, they also provide reminders for three-month or six-month follow-ups and provide arrangements for medical assistance and other follow-up medical supports.

9,859 people

Number of employees who received health examination in Taiwan (Including the Xizhi, Neihu, Longtan, Hsinchu, and Kaohsiung Offices)

95.47%

Examination rate in Taiwan

Employee Health Promotion



▲ Wistron encourages employees to participate in marathons to develop running habits and challenge themselves.



▲ Our employees actively participate in team games.

Group Fitness Activities

Wistron encourages employees to participate in team sports, which can improve the health of employees and the bond between team members. In 2022, the Taiwan office and plant area held group events, such as softball, volleyball, basketball, billiards, badminton, and bowling, etc. The group bowling events were added this year to increase the level of participation and they attracted nearly 800 people to participate. A total of 2,277 people participated in the ball games throughout the year. We also encourage employees to form fitness clubs such as the cycling club, basketball club, badminton club, hiking club, jogging club, table tennis club, and softball club. We seek to use the power of small groups of sports lovers to create a trend for exercise and fitness in the Company.

iSports Activities

In 2022, our life gradually returned to normal after the pandemic peaked in the country. The "Pro-Life Movement in response to COVID-19" seems to have become the consensus of life in the post-pandemic era. Various physical activities in the Company are gradually resumed with pandemic prevention as a priority. Safe exercise fields are established to maintain the habit of continuous exercise among our colleagues.

The road races organized by Wistron and the external units all set up exclusive rest areas for our colleagues to provide complete supplies. In addition, the health of the three highs groups is monitored before and after the races to ensure the physical condition of our colleagues by the comprehensive health care. In 2022, about 900 people participated in the long-distance running of more than 10 kilometers with a substantial growth compared to 421 people in 2021.



▲ The participation in the bowling event by groups attracted nearly 800 colleagues to participate.

Diverse Themed Events and Lectures

Every quarter, Wistron arranges several lectures and events that cover a diverse range of topics and information, including health, diet, care, and social communication. Apart from hiring professional speakers to give the lectures, the course content is also recorded on the internal streaming platform, so that employees who were unable to participate can also watch the entire lecture and enhance their knowledge. In 2022, the Taiwan office area held a three-month culture festival activity. Our colleagues and their family members were also invited to participate. There were as many as 37 diverse activities in the form of art performances, documentary appreciation, roaming tours, ecological tours, and office concerts, etc. Our colleagues can learn more about the public welfare projects that Wistron cooperates and sponsors. The rest of life outside the company can also be conducted through entertainment and education while enhancing one's humanistic qualities.



▲ Activities of the culture festival

Childbirth Benefits and Childcare Resources

The Company organizes health seminars exclusively for women, and special examination items for female employees are also organized in the annual health examinations, offering mammography and pap smears, to provide better care. In addition, we also provide special care and consultation for pregnant employees. Also, the offices and the plants in Taiwan have set up the "Support for Mother" website to compile personal healthcare information during pregnancies and provide appropriate care. Each office and plant across the world is equipped with breastfeeding rooms to encourage female employees to continue to breastfeed their newborns after childbirth. Also, there are 60 minutes of breastfeeding time during the daily work period. Regarding the aspect of parenting resources, Wistron's first kindergarten was completed and opened in the Czech plant. All preschool children aged 1 to 6 can enjoy the exclusive childcare services provided to our employees. Moreover, professional education and security personnel are hired to ensure the quality of teaching.

Childbirth Incentives

To support our employees to attain work and family life balance in different stages of their lives, we have placed special emphasis on assisting the employees with newborns. The employees in Taiwan enjoy a special bonus of NT\$60,000 for each newborn and the Employee Welfare Committee also provides an additional NT\$2,000 per newborn as childbirth subsidies. In 2022, 261 employees in Taiwan applied for the bonus for 266 newborns. The "mother-to-be support station" dedicated website set up by the Company provides information on subsidy fees of various domestic units and childcare institutions, and practical childcare gifts are also provided to all the mother-to-be. Ad hoc parent-child lectures are held, and the professional lecturers and doctors provide our colleagues with relevant knowledge on parenting education and health care. All are highly praised by the colleagues.



NT\$60,000
Incentive Bonus provided for each child birth per child in Taiwan offices & plants

| | 2019 | 2020 | 2021 | 2022 |
|----------------------|------|------|------|------|
| Number of applicants | 272 | 268 | 265 | 261 |
| Number of births | 288 | 272 | 272 | 266 |



▲ All offices and plants across the world are equipped with breastfeeding rooms for Wistron mothers to continue to breastfeed their newborns after childbirth.

Parental Leave Application and Reinstatement Statistics

Wistron provides parental leave following local regulations and actively inquires the employees' willingness for reinstatement 45 days before the expiry of their leave. With their high awareness of gender equality, a total of 58 employees applied for parental leave in Taiwan in 2022, with 16 applications filed by male employees, and 29 applications at the Czechia Plant.

Parental Leave Application Statistics in 2022

| Employees on Parental Leave | Taiwan | | Czechia | |
|--|--------|--------|---------|--------|
| | Male | Female | Male | Female |
| Number of employees qualified for parental leave applications in 2022 | 604 | 246 | 0 | 29 |
| Number of parental leave application in 2022 | 16 | 42 | 0 | 29 |
| Expected number of employees reinstated in 2022 (a) | 10 | 34 | 0 | 2 |
| Actual number of employees reinstated in 2022 (b) | 5 | 18 | 0 | 2 |
| Reinstatement rate in 2022: (b) / (a) | 50% | 53% | - | 100% |
| Actual number of employees reinstated from parental leave in 2021 (c) | 2 | 17 | 0 | 2 |
| Actual number of employees reinstated from parental leave in 2021 and have worked continuously for at least one year (d) | 1 | 15 | 0 | 2 |
| Retention rate in 2022: (d) / (c) | 50% | 88% | - | 100% |

4.4.2 Occupational Safety and Health

Occupational Safety and Health Policy and Targets

Based on the prevention of injury and health effects on personnel, Wistron is committed to abiding by all occupational safety and health regulations and other requirements. The occupational safety and health awareness of our employees within the scope of the Company's control has been announced and strengthened through policies. Meanwhile, the dedicated unit supervises the occupational safety management of each plant area and it is also responsible for implementing occupational safety management activities to reduce the risks of accidents. Each plant sets its own applicable performance goals in accordance with the Company's occupational safety policy, and the Company's overall goal is zero major work safety incidents (accidents involving deaths are defined as major work safety incidents).

Occupational Safety and Health Management System

Wistron has approximately 50,000 employees in all plants. All plants have introduced ISO 45001 occupational health and safety management system (OHSMS) to effectively manage safety and health of the environment and maintain the operation of a good working environment for our employees.

Labor Safety Committee

All Wistron plants have established the Labor Safety Committee to process the tasks of the occupational safety and health of their plants, facilitate communication, provide consultation, and respond to complaints. The members of the Committee include managers responsible for decision-making as well as Labor representatives. Meanwhile, the communication channel for employee participation and consultation in occupational safety and health management system are provided. Employees can submit questions or opinions on occupational safety and health to the representatives of the Department who shall propose them in annual meetings. It allows our employees to directly communicate with senior managers through the Committee.



Specific Measures for Occupational Safety and Health

| | |
|-------------------------------------|--|
| Hazard identification | <ul style="list-style-type: none"> • Regularly organizing environmental hazards risk assessments to assess whether the operating procedures comply with regulations • The Company requires corrections for non-compliant procedures in accordance with legal requirements and tracks improvement through internal regulations |
| Communication and engagement | <ul style="list-style-type: none"> • Labor Safety Committee • Internal communication, providing consultation, and reporting procedures |
| Health protection | <ul style="list-style-type: none"> • The Company arranges specific health examinations for employees working at special positions (e.g., high-noise, dust, and X-ray, etc.) • Regular operation environment inspections • The Company sets up medical rooms or assigns doctors to work onsite and provides psychological consultation services |
| Training and education | <ul style="list-style-type: none"> • Safety and health education and training for new employees • We organize trainings for special hazards or first aid for special operation needs. • The Occupational Safety and Health Management System officer training program is launched regularly every year. • We organize health seminars and invite experts to give speeches and answer employees' questions on health |
| Emergency Response | <ul style="list-style-type: none"> • Multi-scenario escape and evacuation simulation drills (daytime/nighttime and earthquakes) • Response drills for fire safety, confined spaces, and chemical leaks • Emergency first aid and responders training |
| Protection measures | <ul style="list-style-type: none"> • The Company has established rigorous application and control regulations for special positions (e.g., operations of soldering, usage of chemicals, and work in noisy environments) and corresponding control plans or measures are formulated based on the results of risk assessment. • Continuous improvement of the occupational safety and health management system is implemented. • Require the use of personal protection equipment |
| Supplier management | <ul style="list-style-type: none"> • When new suppliers are introduced, the Company verifies that they meet the basic requirements for occupational safety and health management certification • Include occupational safety management into regular evaluation of supplier audit items |
| Internal audit | <ul style="list-style-type: none"> • Internal audits are implemented at least once a year to take timely improvement measures for non-conformities, and the audit reports are provided to relevant management units. |

Occupational Safety and Health Education and Training

To help our employees understand Wistron's occupational safety and health regulations and the operational guidelines of our occupational safety and health management system, and learn how to respond to hazards and accidents, all new employees must take the occupational safety and health general education courses, such as the education and training of Responsible Business Alliance (RBA), when they report for duties. As the operating procedures of our employees with specific responsibilities may involve irregular hazards, they are provided with supporting professional training at advance level: emergency rescues at the Mexico plant, chemical emergency drills at the Chongqing plant, respiratory protection education and training at the Hukou plant to improve the safety awareness of employees and ensure the safety of the work environment. In 2022, 304,908 people completed the general education trainings, and 25,860 people completed the advanced professional trainings.



▲ Chemical spill prevention exercise



▲ First aid trainings



▲ Respiratory protection trainings



▲ Fire drill



▲ Limited space exercises



▲ Advocacy for road traffic safety

Hazardous Substance Management

The trained and qualified professional staff are responsible for the management of hazardous chemicals used in the manufacturing process. The procurement regulations, collection, storage and use of hazardous chemicals are fully regulated. The annual safety and health training plans are implemented regularly to provide personnel trainings, emergency responses and knowledge trainings. Moreover, the provisions of the SDS (Safety Data Sheet) are placed in obvious places for on-site operators to read in order to effectively implement emergency response when any emergency occurs.

Workplace Hazard Identification and Risk Assessment

Trained personnel are responsible for hazard identification and using quantified risk factors as the basis for risk evaluations. The safety and health management unit reviews the risk factors and establishes risk ratings to set the control and implementation targets for operating in hazardous environments. They also include the risk factors into the occupational safety and health management system for regular tracking to continue to eliminate potential occupational hazards in the workplace. In the event of any emergency with immediate dangers during any operation, employees must determine whether to suspend operations or take necessary preventive measures based on the onsite hazardous conditions. Employees will not be subject to any unfavorable treatment for leaving their post to escape hazards.



Establishment of smart safety prevention and control model – the effective reduction of occupational injury risk rate

One of Wistron's important sustainable actions is to provide employees with a healthy and safe working environment. Combined with the digital technology, it will greatly improve the efficiency of occupational safety management by predicting risks in advance through an intelligent safety management system to reduce occupational injuries. For example, Wistron's Zhongshan plant uses IOT devices to collect on-site machine and material parameters which are uploaded to the cloud platform for storage. The AI algorithm is also used to establish a prevention and control model, combined with the equipment abnormality judgment and disposal database, to carry out the evaluation of abnormal risk prediction. Our management unit establishes control requirements and warning measures for high-risk equipment and high-risk areas based on the analysis results, resulting in a further reduction in the risk rate of occupational injuries. For example, these include the addition of abnormal situation monitors and notification points, safe operation specifications for high-risk jobs, and division of dangerous areas. The occupational injury rate per 1,000 workers at the Zhongshan plant dropped by 70% in 2022 compared to the previous year in 2021.

Voluntary Reporting of Near Miss Incidents

Wistron has established standard operating procedures for handling near miss incidents, such as fire, power outage or earthquake, and reports them to the responsible units in accordance with the Incident Response and Investigation Management Procedures to verify whether an incident has occurred and conduct investigations, tracking on events, and publicity on safety and health. The incident is then specified in the near miss incident record table and submitted to superior officers and to be recorded for reference. The Company analyzes the causes of incidents and formulates corrective and preventive measures. It then evaluates the effectiveness of these measures and continues to track improvements.

Wistron has designed on-line platforms to facilitate immediate communication, such as the Wistron WeChat services provided by the WeChat official account in order to expedite communication. It includes an intelligent customer service module that answers employees' questions. In the event of any emergency or near miss incidents, we have established internal communication procedures to facilitate quick reports.

The total number of near miss incidents in 2022 was 298 with a decrease from last year. All near miss incidents are mainly the cases of near miss incidents caused by personnel not concentrating during the work process, for example, cuts, pinches and trips caused as operating machines. The physical conditions of the colleagues were all confirmed at the moment. Online safety trainings were reinforced after the fact. Warning signs are posted on site. In this way, the occurrence of the event is avoided.

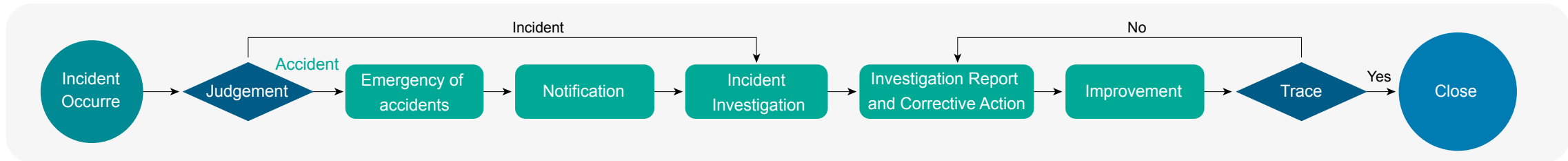
| Near Miss Incidents | 2020 | 2021 | 2022 |
|-------------------------|------------|------------|------------|
| Taiwan | 8 | 1 | 6 |
| Asia (excluding Taiwan) | 72 | 144 | 109 |
| Europe and Americas | 82 | 300 | 183 |
| Total | 162 | 445 | 298 |

Note 1 : The scope of statistics is the employees.

Note 2 : The data of 2020-2021 Asia includes mainland China. The data of 2022 Asia includes mainland China and Malaysia.

Accident Investigation

When an employee or a contractor experiences a work safety incident, Wistron will investigate the accident and track the progress in accordance with the Accident Response and Investigation Management Procedures and determine damage conditions and occupational injuries based on the accident. After the accident investigations are completed, the Company is required to submit the results and the implement response measures for the dedicated unit to supervise and track to reduce losses and prevent the recurrence of similar situations according to the procedure.



Occupational Accidents Statistics

By analyzing occupational injury statistics, Wistron identifies occupational safety and health issues with potential risks. Based on this analysis, Wistron formulates specific action plans to improve workplace safety and reduce the occupational injury rate. The occupational accidents statistics that occurred to Wistron employees and none-Wistron workers in 2022 are shown in the table below. Each plant area reports the details of occupational accident statistics every month to keep abreast of the status of occupational accidents through special monitoring and tracking. The occupational accidents statistics are executed and implemented in accordance with regulations. The recorded data on injuries are used as the main records. The Company cooperates with the requirements of government institutions for defining the ratio of severe occupational injuries. We have received no relevant information on occupational disease. With regard to the management of workers other than the employees, all Wistron plants implement the management models for onsite personnel and outsourcers. In addition, through supplier procurement selection and outsourcing management, the evaluation of suppliers' standardized management system for operations has been conducted to achieve the expected results of the occupational health and safety management system. In 2022, there was no major violations in the management of outsourcers in the plants (fines > NTD 1 million).

In 2022, the number of work-related injuries among our employees in Taiwan was higher than last year. The main incidents were fall injuries and mechanical injuries in addition to traffic accidents on the way to and from get off work. The causes of falls are mainly due to personal events, such as stepping on the ground, falling in the stairwell, tripping over objects, etc. Our administrative unit has strengthened publicity on the bulletin board to communicate traffic safety and personal safety in the office area. The number of lost days in Asia (excluding Taiwan) increased compared to last year. Thereamong, the number of lost days caused by commuting traffic accidents was the highest, followed by mechanical injuries. Focusing on the reason, various standard work procedures were re-examined to ensure that all employees wear protective equipment to prevent injuries. According to the statistics of work-related injuries other than employees, it mainly refers to injuries caused by accidental falls during operation of work equipment in Europe and the United States in 2022. Our colleagues in relevant units were therefore focused on publicizing education and training cases to reduce incident injuries.

Occupational Injury Statistics of Employees

| Statistics of Disabling Injuries | Taiwan | | | Asia (excluding Taiwan) | | | Europe and Americas | | |
|---|------------------|--|------------------|-------------------------|------------------|------------------|------------------------|------------------------|------------------------|
| | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 |
| Total work hours | 17,184,756 | 17,929,115 | 22,693,604 | 145,400,960 | 112,417,169 | 102,076,209 | 7,250,580 | 9,826,451 | 17,697,391 |
| Main category of occupational injury | Traffic accident | Traffic accident | Traffic accident | Traffic accident | | | | | |
| | Laceration, cut | Crush injury due to mishandling of objects | fall over | Machine-related injury | Traffic accident | Traffic accident | Machine-related injury | Machine-related injury | Machine-related injury |
| Number of work-related injury cases | 68 | 60 | 75 | 74 | 47 | 43 | 13 | 35 | 30 |
| Occupational injury rate | 0.79 | 0.67 | 0.66 | 0.1 | 0.08 | 0.08 | 0.36 | 0.71 | 0.34 |
| Occupational disease rate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lost day rate | 4.15 | 3.49 | 4.73 | 4.81 | 0.95 | 3.53 | 12.58 | 12.35 | 0.69 |
| Total number of work-related fatalities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Note1 : Occupational injury rate (IR): (Number of occupational injury incidents/total work hours) * 200,000 (Calculation for light injuries: Only Zhongshan/Chengdu/Mexico/Malaysia Plants include light injuries in their IR, all other plants exclude light injuries.)

Note2 : Occupational disease rate (ODR): (Total occupational disease cases/total work hours) * 200,000

Note3 : Lost day rate (LDR): (Number of lost days due to work injuries/total work hours) * 200,000 (calculation of days: Only the Kunshan/Kunshan Opt/Zhongshan/Mexico Plants calculate the number of days based on calendar days; all other plants calculate based on the number of scheduled work days)

Note4 : In Czechia, employees are entitled to go to visit their doctor during work hours (the frequency of visits is not limited and the length of time spent also includes the journey time), and they may also stay at home to rest for a longer period of time when sick.

Note5 : The data of 2020-2021 Asia includes mainland China. The data of 2022 Asia includes mainland China and Malaysia. Meanwhile, the Hsinchu Plant and the Mexico Plant include work-related injury statistics of subsidiaries, Wistron Medical and Wiwynn Technologies, respectively.

Note6 : The table shows data of full-time employees

Note7 : According to corporate ESG information disclosure regulations and the definition of relevant occupational accident data of Taiwan Stock Exchange Corporation (the "TWSE"), the percentage of occupational accidents is 0.21

Employee Absence Rate

| | 2019 | 2020 | 2021 | 2022 |
|---|------|------|------|------|
| Absence Rate A(%) absence days including occupational injury leave, sick leave and personal leave | 2.99 | 2.58 | 2.57 | 3.07 |
| Absence Rate B(%) absence days including occupational injury leave and sick leave | 0.49 | 0.56 | 0.60 | 1.05 |
| Coverage Rate(%) | 100 | 100 | 100 | 100 |

Note : Absence Rate: Number of absence days/Number of days to work*100

The number of days to work: refers to the number of working days. The number of working days is the sum of the total annual working days of each plant around the world.



Occupational Injury Statistics of Workers Other Than Employees

| Statistics of Disabling Injuries | Taiwan | | | Asia (excluding Taiwan) | | | Europe and Americas | | |
|---|---------|---------|---------|-------------------------|-----------|-----------|-----------------------------|---------|-----------|
| | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 |
| Number of people | 110 | 101 | 190 | 1,375 | 1,716 | 2,165 | 1,208 | 1,544 | 648 |
| Total work hours | 227,854 | 220,562 | 394,284 | 2,742,815 | 3,934,312 | 6,750,594 | 661,822 | 247,239 | 205,123 |
| Main category of occupational injury | none | none | none | cut | none | crash | machine-related injury, cut | none | fall over |
| Number of work-related injury cases | 0 | 0 | 0 | 1 | 6 | 5 | 4 | 3 | 1 |
| Occupational injury rate | 0 | 0 | 0 | 0.07 | 0.31 | 0.15 | 1.21 | 2.43 | 0.98 |
| Occupational disease rate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lost day rate | 0 | 0 | 0 | 0 | 0 | 0.83 | 8.46 | 11.33 | 68.75 |
| Total number of work-related fatalities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Note1 : Scope of the number of people in the survey as of December 31: Work personnel of the plant: security guards, cleaners, group meal preparation personnel, and others (long-term onsite operators and specialists)

Note2 : The data of 2020-2021 Asia includes mainland China. The data of 2022 Asia includes mainland China and Malaysia.

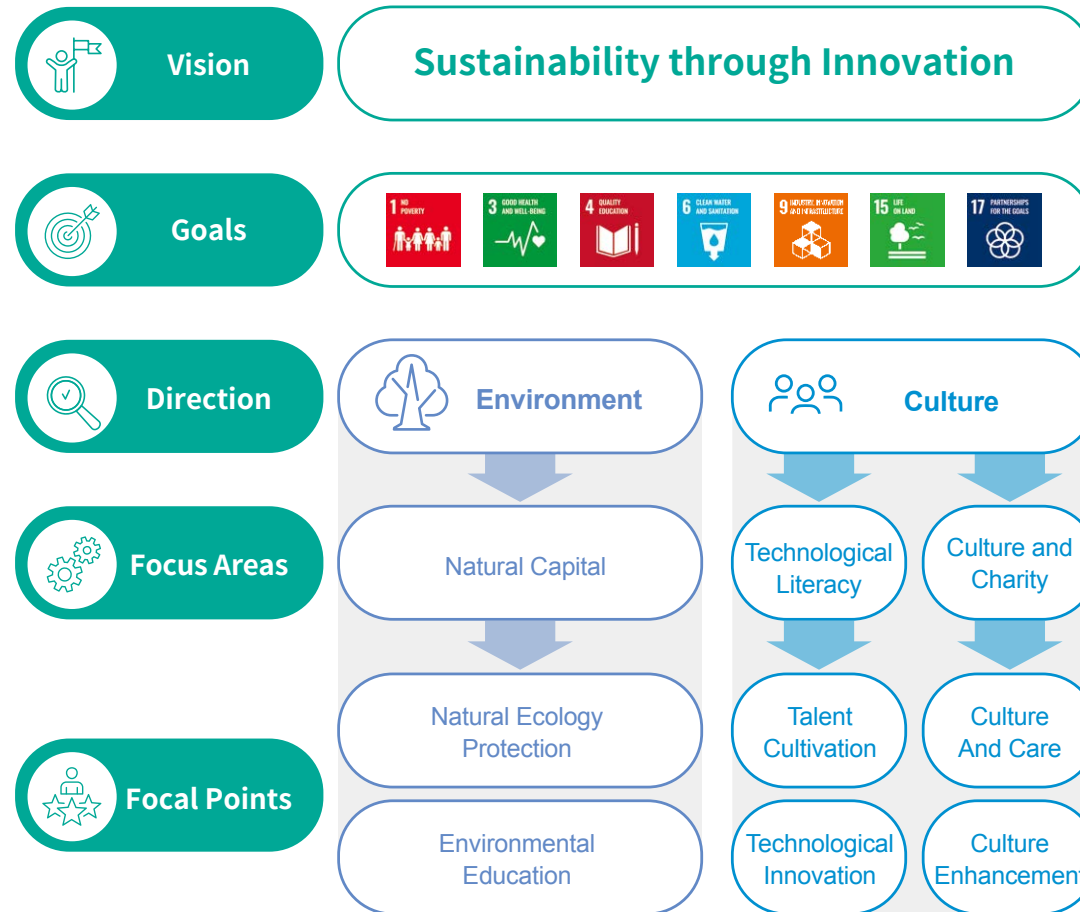
4.5 Social and Culture Care

Wistron has upheld sustainability for corporate development since its establishment in 2001. While focusing on profitability, we are more convinced that sustainable management is the long-term way of business operation. In 2022, Wistron officially established a dedicated Sustainability Office, which coordinates the six sustainable development goals in order to ingeniously link the development of society and our employees, and to realize the social influence of enterprises. One senior manager is responsible for one goal to report quarterly to the ESG Committee under the board of directors. This year, the Company has used "Sustainability through Innovation" as the enterprise's core value. The idea has been deeply embedded in the daily work of each employee. Apart from using our existing social welfare influence, Wistron has utilized our strong technical development capabilities in many practical development projects in order to implement sustainable developments through technical innovations.

4.5.1 Social Investment

Responding to Sustainable Development Goals (SDGs)

Following the five steps found in the "Business Reporting on the SDGs," published by the United Nations and the GRI, we were able to identify 7 goals that correlate with Wistron's sustainability vision and charity strategy. In our social welfare strategy, we have prioritized our focus on SDG 1 No Poverty, SDG 3 Good Health and Well-Being, SDG 4 Quality Education, SDG 6 Clean Water and Sanitation, SDG 9 Industry, Innovation and Infrastructure, SDG 15 Life on Land, and SDG 17 Partnerships for the Goals.



Wistron Foundation

Since the establishment in 2010, the two focus areas of the Wistron Foundation's development and public welfare strategies have been "environment" and "humanities". In this way, the concept of "altruism" has been practiced, and the balance and harmony between human and nature have also been committed to facilitate. The foundation cooperates with non-profit partners with the same philosophy to carry out diversified and long-term project partnership. We strategically focus on culture & care and the environment in order to strengthen the protection of the environment and ecology and to enhance the humanistic values. The 6 major aspects of project investments include: environmental protection, habitat adoption, environmental education, cultural enhancement, education and care, and service implementation. Work proposals of the Foundation are regularly submitted to the Board of Directors each year to report on the implementation status and results and ensure that the charity projects meet the aims and targets of the Foundation. In 2022, a total of 25 projects were implemented.

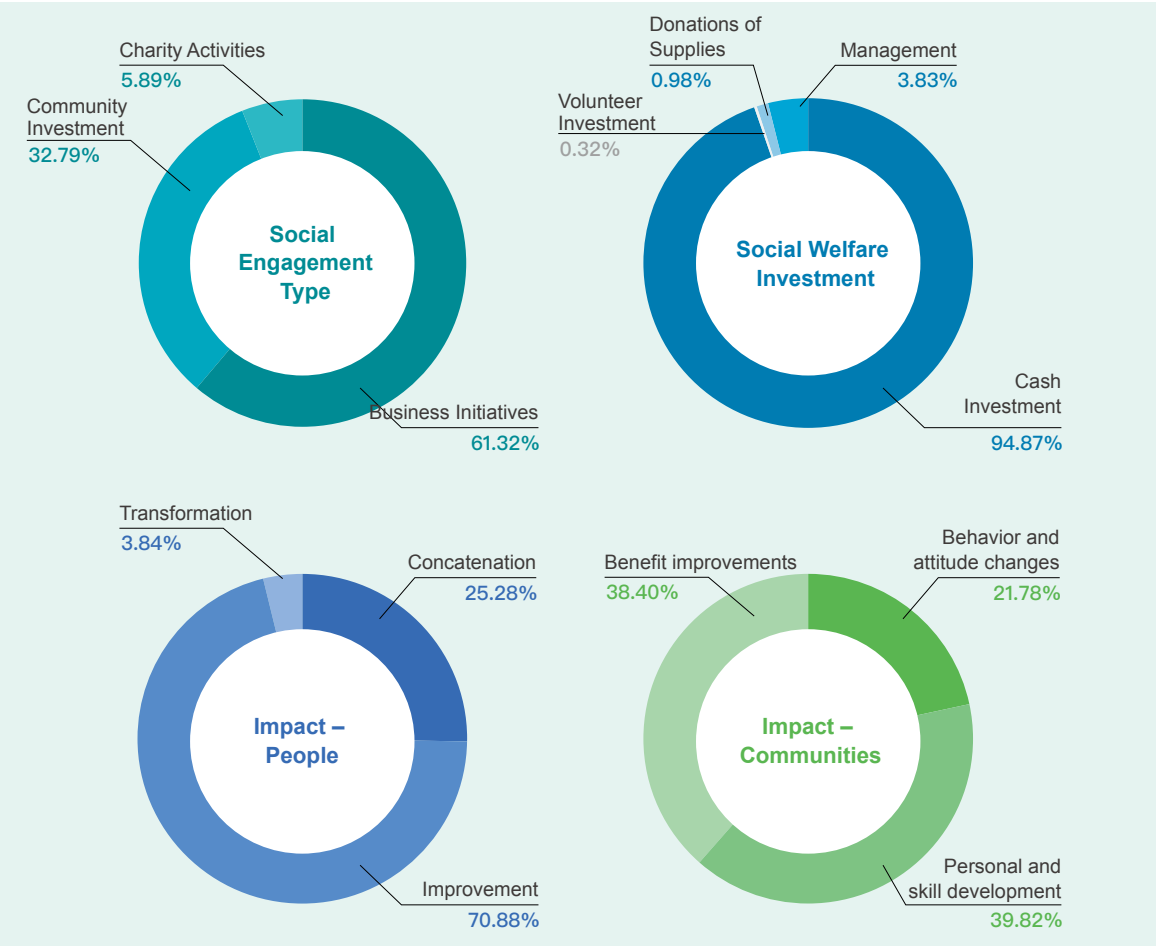
25 events
Conduct the implementation plan

Measurement of Social Influence

The Company's social investments in 2022 totaled NT\$248,471,983, including Wistron's partnership programs with industries, governments, academia, and research institutions in Taiwan and abroad, the Company's participation in external charity activities and donations, Wistron Foundation, charity activities of the Wistron Welfare Committee, and public welfare activities promoted by the Company with voluntary employee participation. Wistron not only continues to focus on the fields of environment and humanities but has also adopted more active forward-looking investments in recent years to introduce strategic technology partners to invest and start a new team together. Wistron also encouraged employees to participate in social welfare projects. We aimed to deliver resources more effectively to the groups in need by calling all our employees and companies to action.

\$248,471,983
Total Amount of Social Investment

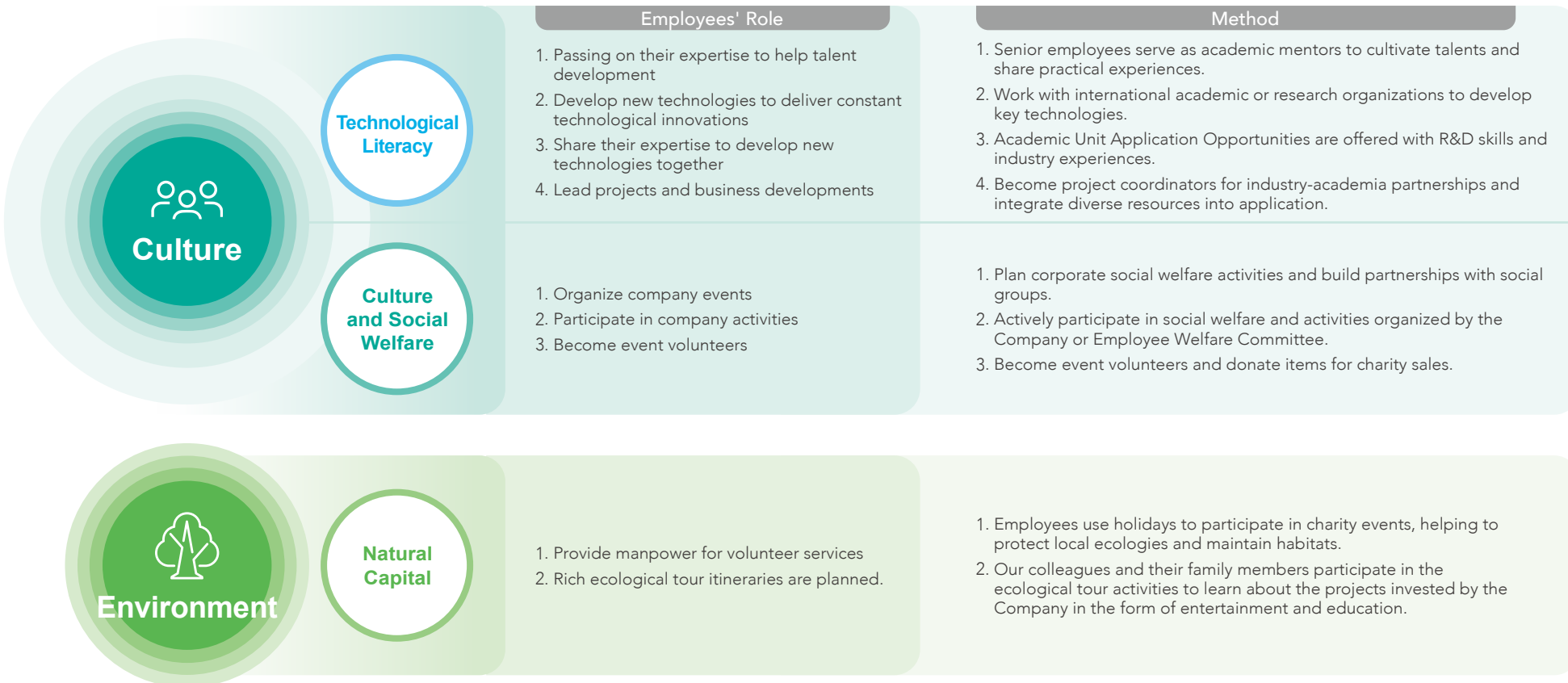
| Category | Item | Budget | Ratio |
|---------------------------|--------------------------------|-------------|---------|
| Social Engagement Type | Charity Activities | 14,616,768 | 5.89 % |
| | Community Investment | 81,480,731 | 32.79 % |
| | Business Initiatives | 152,373,884 | 61.32 % |
| Social Welfare Investment | Cash Investment | 235,726,478 | 94.87 % |
| | Volunteer Investment | 804,167 | 0.32% |
| | Donations of Supplies | 2,429,854 | 0.98 % |
| | Management | 9,510,884 | 3.83 % |
| Impact – People | Concatenation | 62,809,260 | 25.28 % |
| | Improvement | 176,111,131 | 70.88 % |
| | Transformation | 9,550,992 | 3.84 % |
| Impact: Communities | Behavior and attitude changes | 54,122,082 | 21.78 % |
| | Personal and skill development | 98,943,244 | 39.82 % |
| | Benefit improvements | 95,406,057 | 38.40 % |



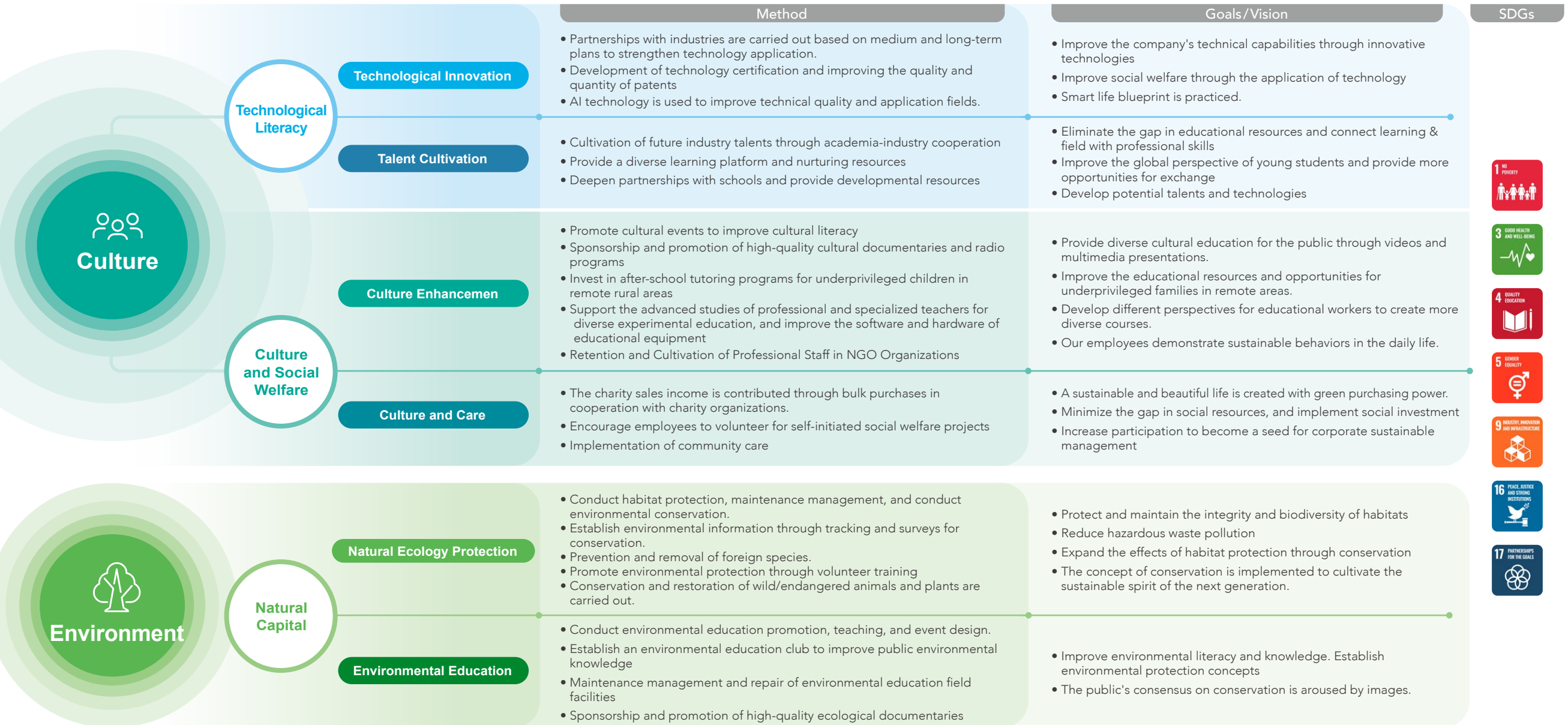
Employees' Impact

We create a corporate mission of "Trusted Innovation Partner for Technology, Sustainability & Better Lives" to respond to the sustainable challenges that the society is concerned about under the corporate vision of "Sustainability through Innovation" through the key strategies such as "people with purpose" and "labor welfare". Besides using our existing charity impact, Wistron also encourages our employees to participate in social welfare activities. The voluntary donation activities and charity sales activities have received great feedback from the employees. In terms of technological innovation, we take the medium and long term as the development goal to enable the Company's technology research and development capabilities to grow together with the society. The application field of smart life is realized to improve social welfare. For a long period of time, Wistron and its professional public welfare partners have focused on environmental ecology and protection in addition to the application of technological advantages and social investment projects linked to industries. We see the value of sustainability when the issue of continuity is deeply cultivated. The development goals of long-term practice are jointly established, and our employees can also personally participate in it. In addition, Wistron's corporate volunteers took a one-day working holiday to help restore the natural landscape of the habitat. We worked together to build a refuge area, optimize the slope of the North embankment, remove alien species, and restore endangered aquatic plants in Shuanglianpi, Yuanshan Township, Yilan County. We carried out mountain cleaning, removal of exotic species and plant restoration of bare land in Fuyang Eco Park in Taipei City. In 2022, our corporate volunteers organized a total of 9 sessions, and 180 people participated in working holiday activities.

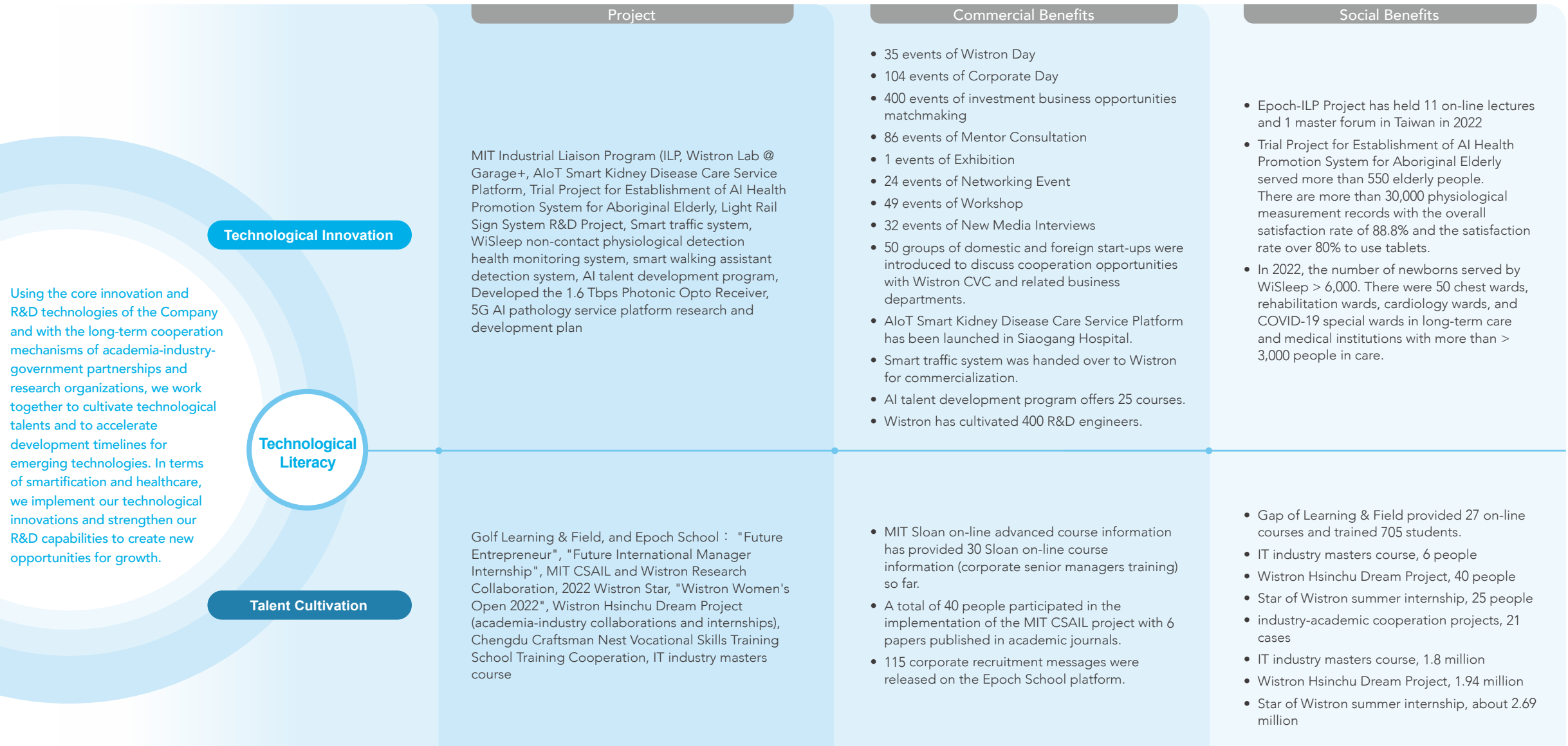
Key Roles Played by the Employees in the 3 Major Charity Projects



Targets of the 6 Major Charity Focuses



Commercial and Social Benefits of the 6 Major Charity Focuses



Wistron takes "Sustainability through Innovation" as its future vision. Community and public welfare partners are important stakeholders in our operations. Together, we actively participate in community public affairs to implement community care and culture & care. We have established a long-term cooperation mechanism with public welfare groups.

Culture and Social Welfare

| Project | Commercial Benefits | Social Benefits |
|--|--|--|
| <p>Culture Enhancement</p> <p>Production and promotion of quality video content, training of diverse and specialized teachers, study companionship for underprivileged children in rural areas, and retention and cultivation of professionals in NGO organizations</p> | <ul style="list-style-type: none"> Self-initiated donation project of the Company: 61 items | <ul style="list-style-type: none"> Culture and care events, 21 items Approximately 3.92 million of voluntary donations |
| <p>Culture and Care</p> <p>Charity cooperation/donation projects, charity sales, annual holiday donation project, and community care implementation</p> | | |

The balance and harmony between human and the nature is facilitated by continuously investing in the protection of the environment and ecology with partners to achieve the symbiosis and mutual benefit between human and the environment.

Natural Capital

| Project | Commercial Benefits | Social Benefits |
|--|---|---|
| <p>Natural Ecology Protection</p> <p>Habitat protection and conservation works, ecological investigation and environmental monitoring, conservation and restoration of endangered animals and plants, rescue of wild animals and tracking of pangolins released into the wild</p> | <ul style="list-style-type: none"> Employee volunteers (including family members): 91 employees/ 48 friends and family members | <ul style="list-style-type: none"> Environmental education activities, 264 events Number of participants in environmental education, 11,500 people Number of employees to participate in volunteer activities related to the environment, 150 people |
| <p>Environmental Education</p> <p>Promotion and lesson designs for environmental education, seed lecturer and volunteer training, and maintenance and repair of environmental education field facilities</p> | | |

Investments in the 6 Major Charity Focuses

| | Actions | Invested Amount | Ratio |
|---|--|-----------------|--------|
|  <p>Technological Innovation</p> | <ul style="list-style-type: none"> NICE Alliance Wistron Lab @ Garage+ Developed the 1.6 Tbps Photonic Opto Receiver WiSleep non-contact physiological detection health monitoring system A Hardware/Software Co-Design Framework for Deep Learning over Homomorphic Encryption Light Rail Sign System R&D Project | 77,841,661 | 31.33% |
| <p>Talent Cultivation</p> | <ul style="list-style-type: none"> 2022 Wistron Ladies Open Gap of Learning & Field (GOLF) Epoch School : "Future Entrepreneur", "Future International Manager Internship" Epoch Foundation annual fee MIT CSAIL and Wistron Research Collaboration | 98,990,630 | 39.84% |
| <p>Culture Enhancemen</p> | <ul style="list-style-type: none"> Quality ecological radio program - Island Symbiosis - Listening to Taiwan 2022 Taiwan Photo Contest Satoyama action plan for intergenerational education Talent Development Program for Aboriginal Music Little Beaver Scholarship Program | 16,085,848 | 6.47% |
| <p>Culture and Care</p> | <ul style="list-style-type: none"> 61 items of SITE voluntary donation activities across the world Encourage voluntary donations from employees Organize charity sales Donation of holiday-related gifts | 28,021,743 | 11.28% |
|  <p>Natural Ecology Protection</p> | <ul style="list-style-type: none"> Ecological parks - Fuyang Eco Park Tainan parks, trees and urban planning Guandu Nature Park - Moon Pond Project | 9,967,055 | 4.01% |
| <p>Environmental Education</p> | <ul style="list-style-type: none"> Children's story picture book of Shuanglianpi Quality ecological and cultural documentary Grass Mountain Raptor Center WildOne Wildlife Hospital Chi Po-Lin Foundation Waldorf wilderness conservation action Environmental education program for children | 17,564,446 | 7.07% |

4.5.2 Social Influence



Our Actions

- Partnerships with industries and strengthening technology use
- Collaborations with academia improves the momentum for new developments.
- Development of technology certification and improving the quality and quantity of patents

Problems to be Solved by Us

In terms of operational considerations, it is difficult for units with practical applications to invest resources in development at an early stage due to the threshold for AI technology investment is high. Wistron allows new technologies to be introduced into the actual application field through existing R&D technology and professional staff. Therefore, the usage unit cost expenditure is reduced and the R&D unit learning curve is optimized.

Our Role

Wistron strengthened cooperation in the industry through strategic alliances and industry-academia-government cooperation. We have introduced new technologies into the application settings and optimized the development of products with user feedback, in order to achieve maximum benefits. We use technological innovation to solve the pain points of users.

【Advanced Technologies】 Smart Medical Application Fields Expanded with AI Technology

We work with the MIT CSAIL to develop advanced AI and machine learning technologies and tools, which we implement in the development of smart healthcare products and services, and the Wistron's digital transformations. A total of four plans was implemented in 2022. The projects used new methods of AI multi-model learning to apply the learning joint features (images, text, etc.) of various pairs of heterogeneous data. Also, the model is optimized or transfer learning is experimented with the AI training model. Different changes can be predicted for the same picture, and the bias caused by only testing a single picture is reduced. A total of 40 people participated in the implementation of this year's plan and 6 papers published in academic journals continuously improve the field where smart medical care can be applied in the future.

【Medical Technology】 Building a Healthy Tribe with AI

A trial Project for the Establishment of an AI Health Promotion System for the Aboriginal Elderly built an automated health database through the system. In this way, the workload of the service staff is reduced, and the accuracy of the data is improved. Artificial intelligence (AI) is used for preventive healthcare to create healthy tribes. Aboriginal elders are cared for remotely through cloud technology. The corresponding measures for the elderly in terms of disease & health education and accident prevention are fully satisfied. System platforms and personal devices accompany the elderly. Health promotion services make the interaction between the elderly, family members, and caregivers approachable and convenient.

Smart Medical Application Field Enhanced with Ai Technology for The Goal of Benefiting the People by Technology Implemented

Program Partner: MIT, Council of Indigenous Peoples



Commercial Benefits

Health care services are extended to 10 indigenous tribes to achieve the promotion use and validation of the values and benefits of the system.

Caring for Benefits of Populations

The login function that combines voice commands and face recognition in the system takes the usage scenarios of the elderly as the starting point to improve the ease of use of the system. In this way, the difficulties of the elderly in learning about information equipment can be greatly improved.

Contribute to the Country and Society

AI Health Promotion System for Aboriginal Elderly has served more than 550 elders and archived more than 30,000 physiological measurement records. The overall satisfaction rate reached 88.8%, and the tablet user satisfaction rate was over 80%.



【Medical Technology】
Smart Medical Devices and Technologies Integrated to Improve the Technology of Domestic Upstream and Downstream Industries

5G AI pathology service platform research and development plan researches and develops the 5G AI pathology service platform and cross-hospital federation training service aiming at the development gap of digital pathology and smart medical care. It has landed in three medical centers, including Kaohsiung Veterans General Hospital, Kaohsiung Medical University, and E-Da Hospital in the Kaohsiung area. The clinical cooperation between international marketing and New Southbound is planned, and platform services are brought to medical institutions, such as overseas and New Southbound, becoming the leader of our country's smart pathology industry chain.



New types of access and service opportunities in the development of medical information and communication technology have been applied, allowing hospitals to experience the convenience brought by technological innovation and application. We create an ecosystem of medical products and services, and we cooperate with internal and external professional partners to optimize the user experience through innovative technologies. Therefore, the industrial value chain is driven to serve more people so that social influence can be fully utilized. Then, Taiwan has the opportunity to become a pioneer in high-tech and smart lifestyles. Not only has the waste of resources in the production and the implementation of paper books been effectively reduced, but the efficiency of the medical environment has also been significantly improved. Meanwhile, it not only makes the medical life of the local people more convenient but also optimizes the efficiency of enterprises and the government agencies, thereby enhancing the overall competitiveness of the country.

【Medical Technology】
Technology Protecting the Quality of Life and Health for Public

We aims to integrate chronic kidney disease and dialysis care systems and terminal value added services, filling the gap in seamless service between home care, clinics, and hospitals for early-stage chronic kidney disease, peritoneal dialysis, and blood dialysis patients. In 2022, the Taipei Dialysis Clinic has implemented a cloud-based kidney disease care system. Kaohsiung Municipal Siaogang Hospital also launched the development and verification of the intelligent prediction model in dialysis. Chronic kidney disease patients are therefore cared for in all aspects from the home end to the medical field end.

Create a Smart Medical Platform to Protect the Public's Healthy Life with AI

Program Partner: Kaohsiung Municipal Siaogang Hospital, Taipei Dialysis Clinic, Kaohsiung Veterans General Hospital, Kaohsiung Medical University, E-Da Hospital



Economic and Industrial Benefits

We connected dialysis material and medical device manufacturers in Taiwan and abroad to create the "AIoT Smart Kidney Disease Care Service Alliance" in order to enter the chronic kidney disease care market.

Caring for Benefits of Populations

Through our home care app, we care for early-stage chronic kidney diseases, late-stage patients, and patients with diabetes and high blood pressure. We help patients effectively implement self-care and management, slowing the process to late-stage kidney disease (dialysis).

Contribute to the Country and Society

It is expected that more than 30% of early-stage chronic kidney disease patients who use the AIoT Smart Kidney Disease Care Service Platform will not enter the dialysis stage early, which will effectively reduce health care insurance expenditures.

Smart Traffic System Constructed with High-Speed Transmission and Intelligent Transportation System

Program Partner: National Yang Ming Chiao Tung University, National Sun Yat-sen University



【Optoelectronics Technology】 The Trend of High-Speed Transmission Ahead of Deployment

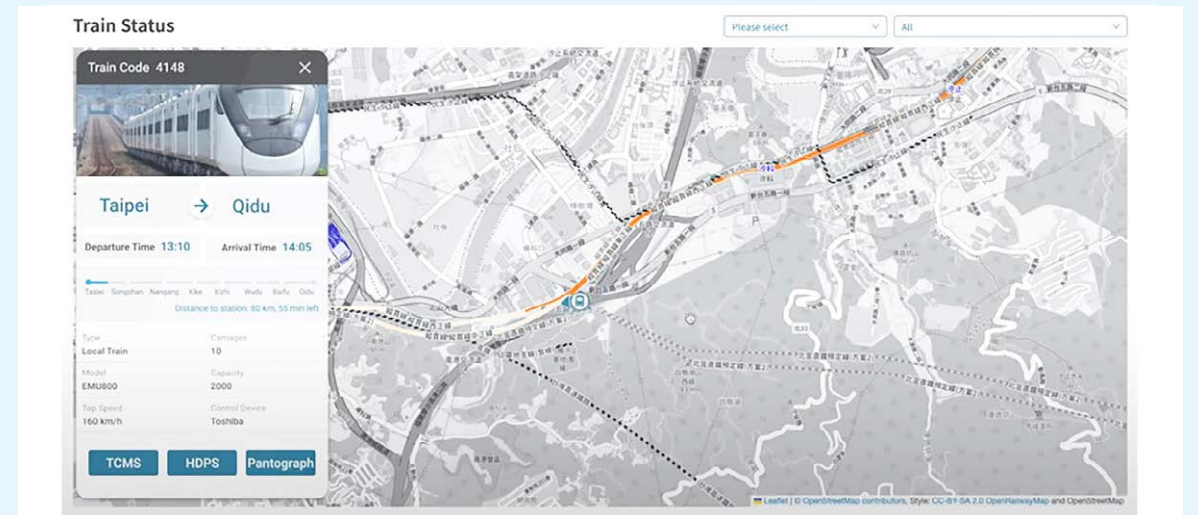
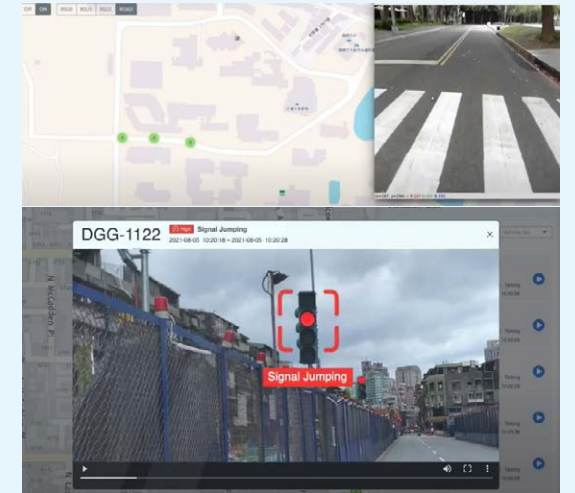
In response to the high speed transmission and energy usage reduction requirements for data centers, the development of new generation optical communication components and related manufacturing processes must be accelerated. Therefore, we worked with academia to develop photonic opto receivers. Wistron partnered with National Yang Ming Chiao Tung University and

National Sun Yat-sen University and successfully developed 112Gbps processor and PCB design, high-power laser packaging production, silicon photonics electrical and optical characteristics verification, silicon photonics chip integration to meet the trend of the times and advance deployment in 2022. We greatly increase current communication speeds and bandwidth which will help the development of corporation, community, school, transportation, and communication.

【Smart Transportation System】 Using Smart Technologies to Ensure Road Safety

By combining the deep understanding of fundamental sciences shared by the famous universities in Taiwan and through the establishment of the industry-academia cooperation platform, we are able to implement and quickly satisfy new product

developments or introduce new technologies with Wistron's market planning. Key technologies are developed for the second year or six major themed projects, including "Roadside Region Cooperative Control and Blind Spot Awareness System", "Automatic Patrol System", "Smart Scooter", "Accelerator Software Platform and Hardware", "Artificial Intelligence Continuous Learning Algorithm and Edge Computing", and "Artificial Intelligence Training Laboratory". The Light Rail Sign System R&D Project is an industry-university collaboration with domestic universities. The gap between learning and use is reduced through the establishment of digital learning platforms and industrial practical business opportunities. There are 4 expert meetings and more than 50 sessions of related discussions per month, focusing on the preliminary design of safety logic and communication and sharing experiences in assisting in the provision of track system survey.



Focal Point 2
Talent Cultivation

Our Actions

- Cultivation of future industry talents through academia-industry cooperation
- Provide a diverse learning platform and nurturing resources
- Deepen partnerships with schools and provide developmental resources

Problems to be Solved by Us

The current education system needs practical channels for connecting with the industry. More comprehensive development opportunities and nurturing resources are also required, in order to develop the global perspective of people in Taiwan.

Our Role

Wistron invests in many talent development projects. We provide opportunities for development to young students through our integrated industry resources and internships. Meanwhile, diverse talents have more opportunities to learn and broaden their knowledge with our abundant industrial resources.

【Academia-Industry Cooperation】
Cultivating Future Industry Talents

We participate in the AIGO Learning-Application Integration Alliance formed by the domestic school-enterprise alliance to enhance the core capabilities of colleagues, expand their horizons, and use academic resources and research energy. 25 courses were offered in the AI talent development program, covering subtopics including Graph Neural Network GNN (Graph Neural Network), Causal Inference (Cause Inference), Smart Manufacturing, Industry 4.1, Perceptual Networking, Autonomous Mobile Robot AMR (Autonomous Mobile Robot, acoustic recognition, micro-display, immersion cooling, heterogeneous packaging, low-orbit LEO (Low-Earth Orbit) satellites, etc. Wistron has cultivated 400 R&D engineers through on-line meetings.

【Resources of Incubation】
Establishment of Bridges Between New Industries and the Industry

In order to promote startups in Taiwan and introduce international resources for innovation, Wistron partnered with Epoch Foundation to create the Wistron Lab @ Garage+ startup space, which covers areas such as AI, big data, IoT, education technology, and digital healthcare. In 2022, we held below in Wistron Lab : 35 events of Wistron Day, 104 events of Corporate Day, 400 events of investment business matchmaking, 86 events of Mentor Consultation, 1 event of Exhibition, 24 events of Networking Event, 49 events of Workshop, and 32 events of new media interviews. Meanwhile, 50 groups of domestic and foreign start-ups were introduced to discuss cooperation opportunities with Wistron CVC and related business departments in order to hope that the cooperation between Wistron and the innovation community will be closer.

Nurturing New Innovations | Talents Cultivation for Future Industry

Program Partner: Epoch Foundation, Gap of Learning & Field (GOLF)

【Internship Opportunities】
Deepening Partnerships with Schools and Providing Complete Resources

Wistron is dedicated to talent cultivation. We continued to visit different campuses in 2022 through the "Star of Wistron summer internship and scholarship program", "Wistron Hsinchu Dream Project (academia-industry collaborations and internships)", "IT industry masters course", and "Gap of Learning & Field (GOLF)". Apart from providing great internship opportunities to current students, Wistron also awards scholarships to alleviate the financial burdens of the students. A total of NT\$39.2 million was contributed in the year, allowing the participants to fully concentrate on developing professional skills and practical experiences.





Our Actions

- Work with charity groups and educational institutions to conduct diverse specialized teacher training/experimental education and course related programs
- After-school tutoring programs and companionship for underprivileged children in remote rural areas
- Support and promote quality cultural video related projects

Problems to be Solved by Us

We must rethink the purpose of education and should not limit or regulate learning. For those in rural areas, who are underprivileged and raised by the older generation, if diverse and suitable educational resources cannot be provided stably, it is hard to realize education equality. We must rethink the purpose of education and should not limit or regulate learning. The purpose of all kinds of education needs to be rethought profoundly, and learning should not be limited and rigid.

Our Role

Wistron Foundation has long been focused on specialized education and cultural literacy improvements. We donated NT\$160,815,081 in 2022. We worked with professional charity organizations to provide teaching equipment and diverse, experimental education teacher training, in order to expand the perspectives of education workers. We provided education to underprivileged children in rural areas through after-school tutoring. We showed our care and support and provided more opportunities for learning to the students. We aim to create more diversified cultural education materials to provide other possibilities for education.

【Basic Education】

Support Underprivileged Children and End Poverty

In order to provide underprivileged children with free tutoring, Wistron Foundation began sponsoring the Boyo Social Welfare Foundation since 2012. It has become a long-term supporter of the "after-school tutoring program for underprivileged schoolchildren in remote rural areas". BOYO adheres to the core value of "children from families with insufficient resources become able to stand on their own and get rid of poverty". Community teachers are cultivated and learning materials are developed through the two major service methods of social work and education. In 2022, 17 after-school education centers were organized for 2,360 students, and the local tutors provide educational support to improve the lives and studies of the children.



A Total of 142 Professional Teachers Cultivated | 2,360 Students for Basic Education

Program Partner: Boyo Social Welfare Foundation | Taipei Glory Church | Anthroposophy Education Foundation

The BOYO Social Welfare Foundation tracks employed graduates over the age of 25. Their monthly salary is higher than the average monthly salary of the families with supplementary education which shows that the goal of poverty alleviation through education has been achieved.

The Wistron Foundation also provides long-term support to Taipei Glory Church in Xizhi for the "after-school tutoring programs for underprivileged children". Underprivileged children in Xizhi area are provided with after-school tutoring environment, after-school accompanying reading, life education and academic tutoring, and they are given guidance in a timely manner in the form of long-term companionship. A total of 46 children were benefited.

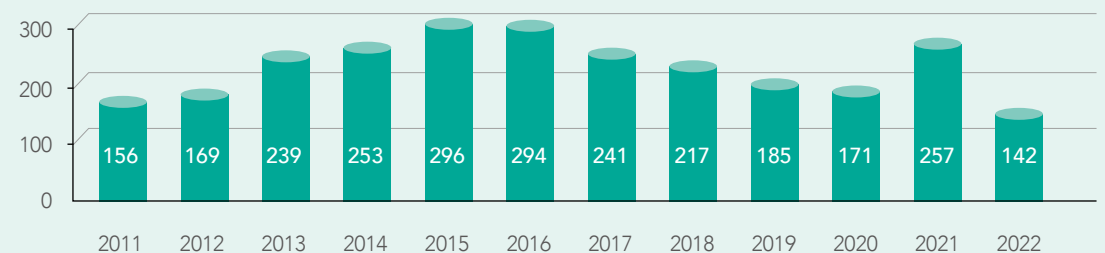
According to the statistics, most of the junior high school graduates in the tutoring classes gained more opportunities for selecting schools based on their interest.

【Education Quality】

Implemented the Waldorf Teacher Training System and Professional Teacher Training Programs

Wistron Foundation began to sponsor the new classroom building of the Anthroposophy Education Foundation's "Ci-Xin Waldorf School" in 2010. In addition, Waldorf teachers in the Chinese-speaking area are trained and teacher studies and workshops are held to help deepen the professionalism of on-site teachers. The education team conducts nine-year consistent Waldorf education in Yilan County in the form of a public school managed by the private sector commissioned by the government. The education work on the development of children's life essence in Taiwan has been continuously explored with the support of teacher training workers in international Waldorf education organizations. 142 people participated in the teachers' preparation program, and 536 people participated in the workshops and reading clubs in 2022.

2011-2022 Waldorf Teachers' Preparation Program in Taiwan Unit : person





A Total of 141 Intergenerational Education Activities Held | 3,221 People Participated

Program Partner: The Alliance Cultural Foundation, and Cixin Children Education Foundation

【Education Development】 Huatung (Hualien/Taitung) Project to Promote Comprehensive Education and Diverse Experimental

Since 2011, when we started working with the Alliance Cultural Foundation on the "Huatung (Hualien/Taitung) Project", we has promoted the reform of rural education and form a cross-school alliance for rooting in education; Hualien - Taitung Sustainability builds a cross-ethnic exchange platform for aboriginal people in order to create a sustainable future for the land; Promotion of art and culture brings life towards humanistic literacy; Talent cultivation creates diverse learning opportunities through theme camps. We have established a resource integration platform through the integration to develop future professionals in the Hualien-Taitung area.



▲ Grandma Chun-Shu, the founder of Cixin Waldorf, especially demonstrated life education for the children.

【Intergenerational Education】 Satoyama Action Plan

Education can be different! There is a kind of education that takes life knowledge and life wisdom as cultural inheritance, so that we can wander in the world and see the value of family education and family culture. The Wistron Foundation supports the Cixin Children Education Foundation to promote the concept of "intergenerational education". "Elders and children learn together" and "generations learn together (integration)" are implemented. The environmental co-construction of the intergenerational educational life field is created, including fire cooking kitchens, sensory gardens, and educational farms through arrangement of the natural base and preparation of the environment. Co-cooking and co-eating from the farmland to the dining table has been realized. Interaction and integration incur between different generations. Moreover, living and life are infused with nutrition and health through the workshops of cross-generational learning theme in the living field. Ecologically sustainable environmental education and food culture are also integrated into life education. "Culinary Kitchen" was completed in September 2021. The kitchen is shared by the Waldorf students and community residents. In 2022, 141 lessons and workshops were held with 3,221 participants.



▲ The Fire Kitchen uses the big stove as a platform to convey the cultivation of youth empowerment, generation-skipping emotion, and healthy diet.

<Huatung (Hualien/Taitung) Project> Work Results in 2022

| Work Content | Results of Actions |
|-------------------------------------|--|
| Basic Education | Experimental multi-characteristic education courses are carried out through the promotion of "Junyi Experimental High School", "Junyi International Campus", "Rural Education Seed Cultivation Program", and "Innovative Study Abroad Program". Students are trained to broaden their international horizons. The economically underprivileged children in the rural areas of Hualien - Taitung are supported in their learning and development to cultivate more international talents in Hualien - Taitung. |
| Sustainability in Hualien - Taitung | "Plan for new stores to visit each other like friends" and " platform of binbin ecotourism alliance" jointly integrate resources to connect local operators for creating a slow travel tourism industry to share life. The projects, such as "Hawaii Cultural Sustainability Study Program", "Sustainability in Hualien - Taitung's Study Group Program", and "Stanley Yen's Reception Room", cultivate talents in Hualien - Taitung. Also, Sustainability in Hualien - Taitung uses these to find a concrete vision. |
| Theme Camps | Self-talent is discovered through the diverse courses of camp activities. In addition, students' self-confidence, teamwork and volunteer service spirit are cultivated. The content of the plans includes "2022 Hualien - Taitung Youth Choral Music Camp", "Gosh Art Creation Camp" |
| Arts Support Programs | "2022 Paul Chiang Solo Exhibition" promotes artistic creation through the integration of artistic experience and marketing plan. Also, the "Paul Chiang Park" being built into the vision of a new world-class art settlement in Hualien - Taitung. "Taiwan Connection" performed a small chamber music performance to share the colorful timbre of orchestral music and to bring music to campuses and enterprises. The "Campus Photography Deep Cultivation Course" is developed in line with the school's characteristic teaching plans to cultivate aesthetic education for a long time. |



Our Actions

- Strengthen partnerships with non-profit organizations and groups
- Encourage employees to volunteer for self-initiated social welfare projects
- Organize charity related activities
- Implementation of community care

Problems to be Solved by Us

Uneven distributions of resources are common among non-profit organizations and social welfare groups in Taiwan. Because of the discrepancy in resources, many groups require more resources and care.

Our Role

Through its corporate influence, Wistron continues to work with and provide resources to charity organizations with the purchasing power of bulk purchases. We use the promotion of our corporate culture and themes to encourage our employees to voluntarily donate money and resources. Meanwhile, the Company organizes charity projects to allocate resources to the organizations in need.

**【Employee Participation】
Employees are Called Upon to Join Charity Activities**

To encourage employee participation in charity activities, Wistron actively donates funds as a corporation and mobilizes our employees through our internal promotion platform.

Recognizing the uneven distribution of resources among domestic charity groups and the need to provide more support to smaller organizations, Wistron engages in dialogues with various groups to understand their stories and promote specific themes such as "solitary elders," "rare diseases," "rural healthcare," "underprivileged families," and "study companionship programs." By simplifying our internal donation platform, we aim to increase the number of participants. In 2022, we successfully carried out voluntary donation projects, raising a total of NT\$3.92 million.

**【Charity Procurement】
Helps on Public Welfare Organizations with Practical Actions**

Wistron is famous for its diverse and rich employee activities. The "social welfare lucky bag" and "charity festive couplet" projects are well received by our colleagues. During the lunar new year holiday, we cooperate with charity organizations to buy charitable goods as the contents of the lucky bag for giving the most practical help. In addition, the Company sponsors lottery prizes to increase the richness of activities. Every year, thousands of colleagues respond to social welfare lucky bags. Since its launch in 2019, the cumulative sales

Employees Donated NT\$3.92 million | 6,000 Charity Gift Bags were Sold

have reached 6,000 bags. Wistron gives priority to the selection of goods sold by public welfare groups as gifts for major festivals, and the purchasing power and benefits of bulk purchases are brought into play. Meanwhile, we introduced the concept of public welfare organizations through the internal publicity system so that our colleagues can also deeply understand the meaning behind it when they receive the gift box. In 2022, we won the first prize in the "Buying Power" procurement award, creating a win-win situation with practical actions.





Our Actions

- We plan internal events with nonprofit partners
- Our colleagues and family members are invited to personally participate in the Company's long-term investment in public welfare projects.
- "Entertain as well as teach" are implemented to bring the concept of sustainability into life.

Problems to be Solved by Us

Our colleagues demonstrate and actively respond to the spirit of sustainability, and give it back to their daily lives.

Our Role

Wistron and its long-term cooperative public welfare partners jointly plan a variety of cultural activities. Our colleagues experience art education, environmental protection, ecological integration and other topics from life. They are also encouraged to invite their family to respond together.

**【Participation in Culture】
Cultural Event Connects Colleagues and Family Members**

Wistron has a long-standing commitment to investing in humanities and environmental education. In 2022, the company organized a three-month-long Culture Festival, bringing together support from enterprises and public welfare partners to create a vibrant atmosphere of culture and care. The festival featured a diverse range of 37 special events, including "A Date with Cloud Gate," "Roaming Tour," "Humanities Lecture," "Wistron Cinema," and "Office Concert," among others. The highlight of the festival was the "A Date with Cloud Gate" series, which focused on art performances. Combining local cultural resources with a deep understanding of dance development and the troupe's history, this series provided a unique experience. Collaborating with the "Chi Po-Lin Foundation" and "Guandu Nature Park," Wistron organized cultural and ecological guided tours, allowing participants to not only appreciate art and cultural activities but also gain insights into various investment projects undertaken by Wistron and its public welfare partners. The "Roaming Tour" was another exciting event that blended ecological guides with historical tours. Participants, including Wistron employees and their families, were taken to fascinating locations such as Fuyang Eco Park, Long Chi Badlands, Baishalun,



37 Activities Related to the Culture Festival | Nearly 3,000 People Participated

Program Partner: The Alliance Cultural Foundation (ACF), etc.

and Guandu Moon Pond. Through the guidance and exclusive itinerary planning of program partners, the historical background of conservation work in these areas was explained, providing a rich cultural experience and creating lasting memories for all participants. Overall, Wistron's Culture Festival successfully combined the realms of arts, culture, and environmental conservation. Through their investment in humanities and environmental education, Wistron demonstrated a deep commitment to fostering a well-rounded and sustainable society.

**【Experience in person】
Art Enters the Offices**

During the culture festival activities, the social organization's public welfare platform arranged for the internationally renowned violinist, Mr. Nai-Yuan Hu, and Taiwan Connection (TC Chamber Orchestra) musicians to hold office concerts at the Taipei NeiHu Headquarters and the Kaohsiung R&D Center. The melodious music brings a precious music feast to Wistron colleagues. Our colleagues can also absorb rich humanistic connotations in their spare time, and

Wistron's humanistic spirit is deeply rooted in the hearts of colleagues. Nearly 3,000 colleagues participated in the series of activities. Therefore, the spirit of humanities and environmental education in which the Company has invested for a long time can be reflected in the most practical way for our employees and implemented in their daily work and life.



▲ TC co-founders, Nai-Yuan Hu and President Stanley Yen, brought TC musicians to Wistron to convey the quality of humanity through music.



Focal Point 5
Natural Ecology Protection

Our Actions

- We work with charity organizations to invest in habitat protection, sponsorship, and ecological conservation and protection through long-term surveys and tracking.

Problems to be Solved by Us

- The deterioration of habitats and introduction of foreign species has caused the loss of biodiversity
- The improper disposal of hazardous waste has caused food safety problems and environmental pollution

Our Role

Habitat protection has always been a focus of the Wistron Foundation. We work with various professional charity organizations on different environmental protection projects through long-term support models. In 2022, we invested NT\$10,627,465. Besides the investment of funds, we also trained professional management personnel, implemented environmental monitoring and surveys, and sponsored ecology conservation and protection for habitats. We aimed to reduce the impact and influence of various environmental dangers on ecology to protect the environment.

【Environmental Protection】
Soil/Water Investigational Monitoring and Land Protection Plans

Wistron Foundation began working with Tainan Community University Research & Development Association in 2010. We have established a survey team to work with NGOs and public departments. Environmental pollution incidents in 2022 were continuously investigated and tracked in 27 locations including Taoyuan, Changhua, Tainan, Kaohsiung, and Pingtung, etc. In addition, we hold relevant discussion meetings with the public agencies and NGOs. We improve from the source to reduce potential water

and land pollution through the promotion of law amendments. The long-term survey data of waste on Tainan Beach has been accumulated and recorded, and the complete data can present the current situation of Tainan's marine waste. Ecological surveys are continued in Tainan Long Qi Niupu Bad Land Nature Reserve and Geopark, and Tainan Beimen intertidal zone. Also, the accumulated environmental information is recorded and transformed into educational materials, which are used to promote environmental education to the public. In the end, we hope to have the opportunity to promote the amendment of the relevant bills, and the polluted land can be restored to its original appearance.



▲ 「野地龍騎士 - 穿山甲課程」孫敬閔博士指導社大及在地學員操作野生動物追蹤發報器

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| <p>Hazardous waste investigation and tracking</p> | <ul style="list-style-type: none"> • The investigation and records of new and old pollution sites, with the focus on 27 cases • Public agencies have cleared the slag from the Qishan farmland, and a total of 395,000 tons have been excavated since 2013. |
| <p>Beach waste long-term monitoring activities</p> | <ul style="list-style-type: none"> • The sources and causes of major wastes are analyzed through investigation and monitoring. Improvement actions to reduce marine waste pollution are promoted. There were 39 events of monitoring and investigations of beach waste, and 610 volunteers were involved. |
| <p>Protecting the longqi landscape in tainan</p> | <ul style="list-style-type: none"> • A total of 14 ecological surveys have accumulated ecological information which can be used as reference materials and media for geopark planning and environmental education. • A total of 200 persons participated in the local commentary team which were cultivated to participate in the ecological survey through the establishment of " Wildland dragon Knight at Longqi" and "Longqi Bad Land Geopark - Ecological Survey Volunteer Training" with Longqi as the ecological education base. The establishment of ecological patrol teams and tour guide volunteers is the goal in the future. |
| <p>Beimen ecological education base</p> | <ul style="list-style-type: none"> • In cooperation with Tainan Sancu Elementary School, we enter the campus and community to promote environmental education with the theme of "Horseshoe crab". • The "Small Trip to Beimen Fishing Village" was held to train local fishermen to act as guides and promote the importance of food independence. |
| <p>Environmental education promotion</p> | <ul style="list-style-type: none"> • The surveys, photographs, and records of the area were transformed into environmental education materials and were combined with on-line courses for promotion • In 2022, a total of 60 sessions were held through workshops, courses, etc., reaching 1,797 people, and 3 environmental education exhibitions were held, reaching 500 people. • 13 sessions of volunteer training courses were conducted with a total of 185 participants. |

Focal Point 5
Natural Ecology Protection

[Habitat Restoration]
Long-Term Promotion Plan for Shuanglianpi Wetland Habitat Restoration

Shuanglianpi is a rare low-altitude inland wetland in Taiwan. There is a rare natural floating island ecological landscape, and it is also one of the wild animal protection areas announced by the Council of Agriculture. There are also a variety of aquatic plants and conservation animals, and it is also one of the sources of Yilan's tap water. However, Shuanglianpi has lost its former glory due to human interference.

Wistron Foundation and the Society of Wilderness have continued to accumulate habitat restoration energy and technologies since 2010 through habitat restoration, species conservation, and research and investigation, etc. The surrounding farmland in Shuanglianpi is promoted to cultivate friendly land and farmland leases to reduce environmental pollution. We have also implemented environmental education to show the people the uniqueness of Shuanglianpi and the importance of protecting wetlands. Our ultimate goal is to restore the original beauty of Shuanglianpi.

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| <p>Habitat conservation</p> | <ul style="list-style-type: none"> • Habitat maintenance, the maintenance of aquatic plant refuges, the improvement experiments of the restoration of the north embankment gradient, the conservation of habitat and species, ecological surveys, and the removal of foreign species are conducted to effectively protect the native species and preserve biodiversity. • A total of 15 sessions of working holiday were held for habitat protection, with 218 people participating. • We protected 19 plant species in Shuanglianpi • 137 people were mobilized to remove a strong invasive species - <i>Salvinia molesta</i>, and a total of 455 sacks were removed. |
| <p>Annual ecological survey</p> | <ul style="list-style-type: none"> • A total of 28 ecological surveys were conducted, and periodic ecological monitoring is conducted for frogs, aquatic insects, birds, fish, plants, floating island plants, and key aquatic plants. |
| <p>Environmental education activities and promotion</p> | <ul style="list-style-type: none"> • We organized environmental education in Shuanglianpi and nearby areas to make full use of the functions and benefits of the environmental education site • Organized school field trips, camping groups, and volunteer training. 83 environmental education activities were organized, with 1,043 participants in total. |
| <p>Promote eco-friendly farming</p> | <ul style="list-style-type: none"> • Promoted eco-friendly farming to reduce the effects of pesticides and fertilizers on soil and water quality, in order to protect the ecology of Shuanglianpi. • The Eco-Friendly farmland is 0.11 acre, and the farming experience and food farming education are held with a total of 6 sessions with 122 participants. • The foundation's agricultural crops from contract farming are all donated to local vulnerable care institutions. A total of 7 units including "Tzih Hwai Welfare Foundation", "Slow Flying Angel Family Care Association", and "Lan-chui Social Welfare Foundation" were benefited. |
| <p>Shuanglianpi picture book of e-book "The Pond of Childhood"</p> | <ul style="list-style-type: none"> • Wistron Foundation cooperated with the future parenting learning platform to edit the picture book "The Pond of Childhood" for the story of Shuanglianpi, which was officially published in January 2022. The picture book reproduces the childhood memories of Shuanglianpi residents. The children seem to be in the natural scenery of Shuanglianpi through the guidance of the story. While learning about the ecology of wetlands, the children also experience the value of conservation and restoration through vivid and realistic illustrations of aquatic animals and plants. The picture book has also been specially made into e-books, resulting in more widely conveying the environmental education concept of protecting wetlands made by the picture book. |



Focal Point 5
Natural Ecology Protection

【Habitat Protection】
Guandu Natural Park - Moon Pond Project

Guandu Nature Park in Taipei City has major landscapes such as freshwater and brackish freshwater ponds, mudflats, grass marshes, rice fields and forests. This is an important wetland in the Tamsui River Basin and an important bird habitat listed by BirdLife International. The natural park preserves the wetland environment of Guandu, and various diversified environmental courses are conducted here. Wistron Foundation and Guandu Nature Park jointly launched the "Adoption Project of Moon Pond" this year to protect the freshwater pond biological habitat and carry out various tasks including wetland environmental protection and education. Therefore, the public can realize and understand the importance of wetlands, and can jointly protect the ecology of freshwater ponds and maintain the natural landscape of habitats.

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| Professional research | <ul style="list-style-type: none"> The aquatic life in Moon Pond was investigated. Explanatory illustrated books on aquatic animals and plants were created to turn basic survey data into environmental education materials. |
| Habitat conservation | <ul style="list-style-type: none"> Moon Pond has 0.36 hectares. Routine maintenance management carried out includes water levels, vegetation, removal of invasive alien species, landscaping, etc. Works carried out include freshwater fish species conservation, etc. |
| Eco-friendly field | <ul style="list-style-type: none"> Self-guided illustrations and ventilation improvement works were completed on the wall of <No. 2 Bird Watching Cabin> for the public to enjoy bird watching. |
| Environmental education | <ul style="list-style-type: none"> The learning in the classroom is extended to the real wetland field through activities, such as the school wetland study tour held in Feishanfei City with a total of 9 sessions with 274 participants. |



Focal Point 5
Natural Ecology Protection

【Ecology Maintenance】
Fuyang Eco Park Habitat Plan

In order to save rare natural habitats in Taipei urban areas, Wistron Foundation has begun sponsoring the Fuyang Eco Park in Taipei City with the Society of Wilderness since 2006. In order to protect the ecology in the park, we implemented "eco-actions for the park" and conducted habitat improvement and foreign species removal. We carried out continuous ecological surveys and convened expert meetings to understand the improvements and effects for the habitat. We continued to promote the monthly ecological tours and other environmental education activities. Wistron invited the public to learn about the environment and rare urban greenery in Fuyang to protect the area together.

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| <p>The Fuyang experience influences policy</p> | <ul style="list-style-type: none"> • The results and data related to the Fuyang Eco Park conservation experience were provided to the public departments, in order to move towards the goal of an eco park. • The "Taipei Eco Park Zoning Management Plan" selected Fuyang as a demonstration park in 2022. • In 2022, the ecological experience of Fuyang Park was extended to Shulintou Park in Hsinchu in addition to Tainan Barclay Memorial Park and Chiayi Beixianghu Park. |
| <p>Ecological survey and monitoring</p> | <ul style="list-style-type: none"> • Formulate improvement actions for Fuyang Park based on the survey data and information on changes in the environment • Various ecological surveys were conducted, including 12 insect surveys, 11 frog surveys, 12 bird surveys, 4 aquatic invertebrate surveys, 2 herbaceous and woody plants surveys with a total of 41 ecological surveys was completed in 2022. |
| <p>Habitat improvement and protection</p> | <ul style="list-style-type: none"> • We regularly conduct park inspections, habitat improvements, fencing off of exposed land for protection, and removal of introduced species • A total of 8 sessions of working holiday were held for habitat protection, with 141 people participating |
| <p>Environmental education and promotion</p> | <ul style="list-style-type: none"> • We train volunteers and organize ecological guided tours to help people learn more about Fuyang Eco Park • In response to the International Day for Biological Diversity, Fuyang Eco Park introduced the Fuyang Eco Week, in order to show the public the beauty of Fuyang and the importance of ecology protection on-line. • Completed 11 guided tours of Fuyang Eco Park for 397 participants. |



Focal Point 6
Environmental Education

Our Actions

- We worked with charity organizations to make long-term investments in environmental education and courses for all ages.
- We supported and promoted quality ecology video related projects

Problems to be Solved by Us

We improved environmental literacy and knowledge among the public and established environmental protection concepts and environmental sustainability awareness.

Our Role

The Foundation has long been focused on environmental education and has introduced environmental education projects suitable for all ages with charity organizations. We invested NT\$15,147,875 in 2022. Apart from investing economic resources, we have also invested professional management personnel training and organized environmental advocacy, education, and event planning, in order to improve environmental awareness and develop environmentally conscious citizens. We aim to create more diversified ecological education materials to provide other possibilities for education.

[Series Events]
Scientific and Natural Humanities Series

Wistron launched Scientific and Natural Humanities Series in 2011. We cooperate with outstanding public welfare partners sponsored by the foundation to lead our colleagues to participate the topics that the foundation cares about through activity design and actions. The ecological environment has attracted attention and humanistic quality has been improved by organizing activities, such as working holidays, day studies and humanistic lectures, etc. Also, these become the volunteer forces to protect the environment.

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| Walks and lectures cultural activities | A total of 4 activities was held in 2022. Director Ke Chin Yuan was invited to introduce <The Power of Video>, which conveys environmental care through videos. In cooperation with Chi Po-Lin Museum, "Reflection of Rivers" is organized with immersive experience and interactive courses. In cooperation with Grass Mountain Raptor Center, our colleagues were led to know birds of prey <OpenWings in Autumn> in Yangmingshan. A total of 119 people participated. |
| Shuanglianpi working holiday volunteer events | In 2017, The Foundation cooperated with the Society of Wilderness and began calling on the employees of Wistron and their family and their friends to volunteer for the restoration of Shuanglianpi in 2017. They routinely contribute their time in the form of working holidays to create and maintain the native aquatic plant sanctuary, and restoration of aquatic plants, etc. We supply uninterrupted manpower to increase the guardianship energy, and also let the participants learn more about the importance of Shuanglianpi and habitat conservation. A total of 5 sessions of working holiday were held in 2022, with 105 people participating. |
| Fuyang working holiday volunteer events | In 2022, Wistron called on the employees, their relatives and their friends to protect the Fuyang Eco Park. Working holidays were provided to meet Fuyang's actual maintenance needs. The works included the removal of exotic plants for horticultural planting, the removal of alien species including polypedates megacephalus/ procambarus clarkii, etc., and the implementation of native planting plans. Ecology professional lecturers were invited to conduct training courses/ecological tour courses in order to deepen Wistron and Fuyang volunteers' understanding of ecology. Volunteers began to actually participate in working holidays after completing their trainings. Some working holidays are held on weekdays, and volunteers used their personal vacations to go to Fuyang to participate in habitat protection, making the protection action more meaningful. In 2022, 4 training sessions and working holidays were held, with a total of 75 participants. |



Focal Point 6
Environmental Education

【Nature Camp】
Program of Nature Camp for Children

Since 2004, the Wistron Foundation and the Society of Wilderness have jointly organized the "Nature Camp for Underprivileged Children". Children from underprivileged families in children's welfare organizations and schools are fully sponsored to participate. In 2022, the themes of "Understanding Water Resources", "Live a Life Following Solar Terms", "Environmental Activists", and "Citizen Scientists" were



planned to guide children to experience and discover environmental problems. They used their creativity to implement environmental actions in their lives and thought about how to solve problems by asking questions.

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| <p>Taipei flying squirrel club</p> | <p>We cooperated with the elementary sector of Wulai Elementary and Junior High School to explore the Tamsui River basin as the theme. The close relationship and mutual influence between life and the environment were found to be connected through tribal roots and urban activities. A total of 70 children and 43 volunteers participated.</p> |
| <p>Chiayi flying butterfly club</p> | <p>Love the Earth Diary records the theme of examining green life and developing the ability to independently plan simple trips with environmental activists to implement environmental protection actions. We worked with Giao Ping Elementary School and the activities were attended by 150 children and 54 volunteers.</p> |
| <p>Hsinchu rolling club</p> | <p>We visited farms to learn about different seasonal crops in different solar terms. Also, we observed and recorded for the theme of food and agriculture education. We worked with Dazhuang Elementary School and Dongyuan Elementary School in Hsinchu City and the activities were attended by 30 children and 28 volunteers.</p> |
| <p>Culture seed cultivation camp</p> | <p>Children who are highly interested in the natural environment are recommended by each group to participate in the Nature Camp for Children. They can become young seeds in the future, helping to promote the concepts of habitat protection and natural ecological protection through advanced camp activities and trainings. A total of 13 children and 5 volunteers participated.</p> |

【Conservation and Rescue】
WildOne Wildlife Rescue Center

In August 2020, the first wildlife hospital in eastern Taiwan was established. The "WildOne" is responsible for wildlife rescue, rehabilitation, and conservation education in the Hualien-Taitung region. To date, the hospital has rescued about 300 injured animals. By the end of 2022, the total number of rescued and injured reached 989. In 2022, there was a case of the Taitung County Stadium Improvement Project affecting the habitat of house swifts (*Apus nipalensis*). 218 house swifts thereof were rescued, which also became one of the reasons for the increase in the total number of rescues this year. Wistron Foundation began supporting Taiwan WildOne Wildlife Conservation Association in 2021. We worked together to provide medical resources and a chance to heal injured animals. We help the animals return to the forests. In 2022, the Pangolin Tracking Project was added as the first project in Taiwan to track pangolins released into the wild after being rescued and recovered from injuries. It is hoped that the survival rate after release and the cause of death in case of accidental death will be known through the rescued and released pangolins. A total of 3 pangolins were tracked in this project, one of which was

named the cute and blessed "Wistron baby sister" by Wistron. Currently, the pregnant Wistron baby sister is about to give birth to a new life. WildOne has rescue operations and promotes environmental education at the same time. The 2nd Anniversary Photography Educational Exhibition was held at the East Coast Dulik Visitor Center. Photos and stories of animal rescue were displayed to let more people know about the field of wildlife conservation. The organization held 57 education promotion lectures and events in 2022. The participants of the events included students and faculty from schools, tribal residents, and the general public. Over 3,305 people participated in the events.



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| <p>Medical aid and rehabilitation for wildlife</p> | <ul style="list-style-type: none"> • 80 mammals, 556 birds, and 20 reptiles, totaling 658 animals, were rescued in 2022. • Since the establishment of WildOne, the organization has rescued 989 animals |
| <p>Wildlife release</p> | <ul style="list-style-type: none"> • 157 animals were released into the wild in 2022 • Since the establishment of WildOne, the organization has released 267 animals |
| <p>Environmental education and promotion</p> | <ul style="list-style-type: none"> • The Wildlife Rescue Education Corridor officially opened to the public in June. • A total of 57 education lectures and guided tours were organized, with 3,305 participants. |

Focal Point 6
Environmental Education

【Conservation and Rescue】
Grass Mountain Raptor Center

Wistron Foundation has cooperated with Raptor Research Group of Taiwan from 2022 to launch the operation plan of "Grass Mountain Raptor Center". The foundation's sponsorship is used to create an educational display area and multi-functional classrooms. The center was officially opened on March 17, 2022. It is an exhibition hall that uses raptors as the protagonists to integrate raptor research, rescue and conservation, and education and promotion. It is also an important conservation base and educational site for northern raptors.

Education and promotion specialist

- One education and promotion specialist and one part-time temporary staff were hired to be responsible for handling the work of Grass Mountain Raptor Center, including education promotion activities, teaching plan design, exhibition activities, etc.

Environmental education promotion

- Guided tours by appointments for groups: It is open every Tuesday to Saturday with free guided tours by appointment for groups and a total of 749 visitors.
- A total of 10 courses were conducted, including understanding birds of prey, environmental poisons, wild animals, etc. in both on-site physical and on-line modes with a total of 1,767 people signing up to participate.
- Teachers and students learned about raptor biology, survival crisis and improvement strategies in a multi-course manner, and a total of 205 students from 6 remote mountainous areas participated.
- A total of 2 special exhibitions were held. The first exhibition "Retrospective Exhibition of Raptor Group's Research-Looking for the Shadow in the Sky" was held with the exhibition period of 3/17-7/31. The public could see the mysterious world of birds of prey through delicate paintings. The second exhibition "Raptor is poisoned - the food safety problem of raptors", was held with the exhibition period of 8/16-12/4. More people paid more attention to the issue of food safety through the exhibition, and a total of 1,050 people visited during the special exhibition period.



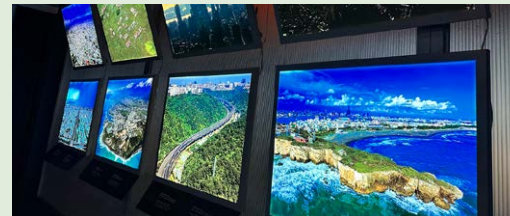
Focal Point 6
Environmental Education

[Excellent Media]
Utilizing Video and Sound Recordings of Taiwan's Ecology and Culture

Since its establishment, the Wistron Foundation has continued to contribute in the production of quality documentaries, and there were still four eco-cultures documentaries being filmed in 2022, such as "Smangus", "A Town Called Success", "Ebb and Flow", "Beyond Beauty: Taiwan from Above", "Terraced Fields", "FLY, KITE FLY", "Secrets of the Pangolin", and "Night Hunters: Taiwan Grass Owls". It is hoped to attract public attention to environmental issues and the importance of habitat protection through real audio-visual recording and dissemination. In addition, the Quality radio program - The Voice and Harmony of Taiwan has been supported by the foundation from 2020. The host, Chang-Jie Yuan, traveled around Taiwan to record the first-hand environmental sounds. The program is designed to match the seasons and topics from its inception to the present to speak for this land through the air.

[High Quality Aerial Footages]
Chi Po-Lin project

"Chi Po-Lin Foundation" continues to systematically sort out and revitalize the director Chi Po Lin's video works throughout his life under the core project of digital archives. Moreover, aerial images are combined with professional teachers to develop multiple teaching materials and lesson plans in order to deepen environmental education in Taiwan. Meanwhile, it is looking for the next Chi Po Lin, inheriting the cause of video recording environment for Taiwan. "Chi Po-Lin Museum" was established in Tamsui and was built as a base for holistic environmental education. The themes related to the special exhibition are combined to plan and design various teaching materials to promote and continue to cultivate the concept of land and environmental education in Taiwan. The special exhibition of <Reflection of Rivers> successively won domestic and foreign design awards, such as <Germany Red Dot Design Award>, <Japan Good Design Award> and <Taiwan Golden Pin Design Award>. The exhibition was extended to December, leading the public to continue to explore issues related to the "river" and human beings. The new exhibition <The City, The Flâneur> on 2022.12.27 was to allow the public to change the viewing angle and height. In each photo, we seemed to be in the story of the city and saw the life of the city that belongs to us.



[High-Quality Radio Show]
IC broadcasting
"The voice and harmony of Taiwan"

Starting in 2020, we has cooperated with IC Broadcasting to launch the radio program "The Voice and Harmony of Taiwan". The goal is to pay attention to environmental sustainability, listen to the voice of the local people, let the local people make their own voices, and achieve the connection and influence of citizens. The vision of symbiosis, co-creation, and co-prosperity between nature and humanities has thus been achieved as well. The host, Chang-Jie Yuan, made the show more immersive with visits in person, and on-the-spot interviews from the mountain to the sea. With this year's topic "The Breeding Road is Long, How to Solve the Land Crab Crisis in Gaomei Wetland?", it won the Excellence Award in the 6th Global Standard Chinese Sustainability Reporting Awards, Professional Group/Audio Group. The judges highly affirmed that "from the on-site interview to the provision of data analysis evidence, the report has both breadth and depth", which also confirmed the value of the program. The Voice and Harmony of Taiwan is on IC Broadcasting FM97.5 and new episode premieres every Wednesday from 07: 30-08: 00. A total of 74 episodes have been produced since the show aired in 2020. The episodes can be played on demand starting from the day after they first air(<https://www.ic975.com/formosa-voice/>)



[2022 Taiwan Photo Contest]
The public is led to pay attention to environmental issues through videos

"Taiwan Photo Contest" especially limited the submissions in 2022 to take Taiwan as the shooting location in order to encourage photography lovers to view the beauty of Taiwan from every possible angle. The solicitation category added the theme of "Ecological Sustainability" exclusively sponsored by the Wistron Foundation in addition to the existing "People", "Places" and "Nature". The wave of citizen photo reporting will hopefully be aroused to convey concern for ecological sustainability through the lens. A total of 3,892 photos joined the competition. In particular, the theme of "Ecological Sustainability" is more difficult to present because the contestants need to tell stories about "animal and plant conservation", "water, land and wetland ecology", "marine conservation" or "climate change". In the end, there were as many as 1,650 photos joined the competition. The importance of nature and ecology is felt, and the beauty of coexistence and co-prosperity between human beings and all things is also seen through each image and the story. Wistron held a special photography exhibition to expand the power of the theme image, "Ecological Sustainability". In addition to sharing the special exhibition with nearly 500 VIPs at the Wistron Global Partner Conference, it was also held at the Wistron Foundation's long-term public welfare organizations, including Yilan Ci-Xin Waldorf, Tainan Community University Research & Development Association, etc. More teachers, students and the general public can pay attention to Taiwan's ecological environment through the videos.



5 Corporate Governance



5.1 About Wistron

- Company Profile
- Products and Services

5.2 Corporate Governance

- Functions of Board of Directors
- Ethical Management
- Legal Compliance

5.3 Risk Management

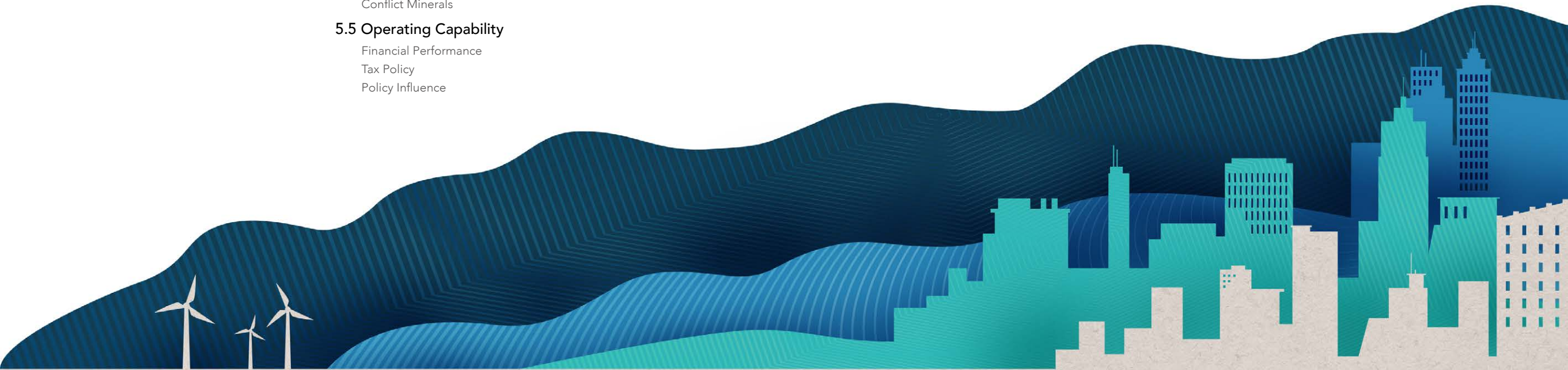
- Business Risks
- Financial Risks
- Information Security
- Intellectual Property

5.4 Moving Towards Sustainable Supply Chains

- Supply Chain Overview
- Supply Chain Sustainability Management
- Conflict Minerals

5.5 Operating Capability

- Financial Performance
- Tax Policy
- Policy Influence



Management Approach

| Topics | Strategies | 2022 Targets | 2022 Results | Progress Signal | 2023 Targets | 2025 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 Obtain the external verification and evaluation on corporate governance system of the Board of Directors Link Executive Compensation to ESG Indicators | <ol style="list-style-type: none"> Obtained the top 5% in listed companies for the corporate governance evaluation Obtained the certificate of external performance evaluation of the Board of Directors Link Executive Compensation to ESG Indicators Improve the ESG ratings and performance (eg: Being selected in the DJSI Emerging Markets Index) | ● | <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 attendance rate of individual director to 75%. | <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 Complete Board of Directors external performance evaluation Link Executive Compensation to ESG Indicators Increase attendance rate of individual director to 75%. | <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 attendance rate of individual director to 80%. |
| 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% of signing rate for the "Code of Conduct" Statement | ● | 100% of signing rate for the "Code of Conduct" Statement | 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"> The risk management team reports the implementation of risk management to the ESG Committee and also submits risk management reports whose content included the assessment results of each aspect of risk, and the team also explained the control and supervision procedures aimed at the higher risk aspects. Furthermore, the ESG Committee reports the results of risk management implementation to the Board of Directors. No material pecuniary losses occurred in 2022. | ● | <ol style="list-style-type: none"> The key risk indicators (KRI) of the enterprise are established to actively strengthen early warning capabilities. No material (amount exceeding NT\$100 million) risk events occurred in the enterprise risk management. | <ol style="list-style-type: none"> Risk reports are annually submitted to the Board of Directors on an ongoing basis. No material (amount exceeding NT\$100 million) risk events occurred in the enterprise risk management. | <ol style="list-style-type: none"> Risk reports are annually submitted to the Board of Directors on an ongoing basis. No material (amount exceeding NT\$100 million) risk events occurred in the enterprise risk management. |
| | | Regularly perform self-assessment of internal control and reach a reliability coefficient >= 95% | ICS (Internal Controls Self-assessment): 99.92% (1H) 99.93% (2H) ICE (Internal Controls Evaluation): 99.98 | ● | Regularly perform self-assessment of internal control and reach a reliability coefficient >=95% | Regularly perform self-assessment of internal control and reach a reliability coefficient >=95% | Regularly perform self-assessment of internal control and reach a reliability coefficient >=95% |

Note: The progress light is ● green light with more than 95% ● yellow light with 90%~95% ● red light with 90% or less.

Management Approach

| Topics | Strategies | 2022 Targets | 2022 Results | Progress Signal | 2023 Targets | 2025 Targets | 2030 Targets |
|---------------------------|---|---|--|-----------------|---|--|--|
| 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). | Employees No material violations of laws (fines exceeding NT\$1,000,000). | ● | Employees No material privacy/personal data protection violations of laws (fines exceeding NT\$1 million) | Employees No material privacy/personal data protection violations of laws (fines exceeding NT\$1 million) | Employees No material privacy/personal data protection violations of laws (fines exceeding NT\$1 million) |
| | | Shareholder / Securities Related 1. Compliance and no penalty 2. Changes in the policies or laws of the competent authorities are always concerned and the Company's relevant management measures are adjusted to respond. | Shareholder / Securities Related 1. Compliance and no penalty 2. Changes in the policies or laws of the competent authorities are always concerned and the Company's relevant management measures are adjusted to respond. | ● | Shareholder / Securities Related 1. Compliance and no penalty 2. Changes in the policies or laws of the competent authorities are always concerned and the Company's relevant management measures are adjusted to respond. 3. Compliance Training for Internal Managers | Shareholder / Securities Related 1. Compliance and no penalty 2. Changes in the policies or laws of the competent authorities are always concerned and the Company's relevant management measures are adjusted to respond. | Shareholder / Securities Related 1. Compliance and no penalty 2. 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 1. To move with the times and to comply without material penalty (fines exceeding NT\$1 million) 2. 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. | Environmental Health and Safety 1. There is no material penalty (fines exceeding NT\$1 million). 2. Compliance and goals achieved | ● | Environmental Health and Safety 1. To move with the times and to comply without material penalty (fines exceeding NT\$1 million) 2. 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. | Environmental Health and Safety 1. To move with the times and compliance without material penalties (fines exceeding NT\$1 million) 2. 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. | Environmental Health and Safety 1. To move with the times and to comply without material penalty (fines exceeding NT\$1 million) 2. 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. |
| | | 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. | Customers / Suppliers / Litigation / Patent / Trademark The digitalization of contract and intellectual property asset management has reached 85% | ● | Customers / Suppliers / Litigation / Patent / Trademark The digitalization of contract and intellectual property asset management has reached 90%. 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 The digitalization of contract and intellectual property asset management has reached 100%. 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. |

Note: The progress light is ● green light with more than 95% ● yellow light with 90%~95% ● red light with 90% or less.

Management Approach

| Topics | Strategies | 2022 Targets | 2022 Results | Progress Signal | 2023 Targets | 2025 Targets | 2030 Targets |
|---|--|--|--|-----------------|--|--|--|
| Supplier Sustainability Management | Supplier Risk Management | Risk identification 1. Tier 1 suppliers' compliance rate 100% 2. Critical non-tier 1 suppliers' compliance rate > 100% | 100% (1,427/1,427) 100% (241/241) | ● | Risk identification 1. Tier 1 suppliers' compliance rate 100% 2. Critical non-tier 1 suppliers' compliance rate 100% | Risk identification 1. Tier 1 suppliers' compliance rate 100% 2. Critical non-tier 1 suppliers' compliance rate 100% | Risk identification 1. Tier 1 suppliers' compliance rate 100% 2. Critical non-tier 1 suppliers' compliance rate 100% |
| | | Ratio of sustainability audit on high-risk suppliers > 100% | 100% (92/92) | ● | Ratio of sustainability audit on high-risk suppliers > 100% | Ratio of sustainability audit on high-risk suppliers > 100% | Ratio of sustainability audit on high-risk suppliers > 100% |
| | | Improvement and guidance of audit deficiency NCR : 100% | 100% (92/92) | ● | Improvement and guidance of audit deficiency NCR : 100% | Improvement and guidance of audit deficiency NCR : 100% | Improvement and guidance of audit deficiency NCR : 100% |
| | Optimize regional supply chain | Machinery and materials in the Chinese plant > 98% | 98.10% | ● | Machinery and materials in the Chinese plant > 98% | Machinery and materials in the Chinese plant > 98% | Machinery and materials in the Chinese plant > 98% |
| | | - | - | - | Machinery and materials in the Vietnam plant > 25% | Machinery and materials in the Vietnam plant > 65% | Machinery and materials in the Vietnam plant > 85% |
| | Signature of major statements | Signing rate of the code of conduct for tier 1 suppliers 100% | 95.90% | ● | Signing rate of the code of conduct for tier 1 suppliers 99.5% | Signing rate of the code of conduct for tier 1 suppliers 100% | Signing rate of the code of conduct for tier 1 suppliers 100% |
| | | Signing rate of the "Declaration of Non-use of Conflict Minerals" 100% | 95.82% | ● | Signing rate of the "Declaration of Non-use of Conflict Minerals" 99.5% | Signing rate of the "Declaration of Non-use of Conflict Minerals" 100% | Signing rate of the "Declaration of Non-use of Conflict Minerals" 100% |
| | Greenhouse gas reduction and water source inventory | 350 suppliers | 354 suppliers | ● | 370 suppliers | 400 suppliers | 600 suppliers |
| | Suppliers with high energy usage obtaining GHG external verification (ISO 14064-1) | 35% | 62.96% | ● | 55% | 70% | 100% |
| | Annual supplier conferences | Group: 300 suppliers/ Department: 210 suppliers | Group: 330 suppliers/ Department: 213 suppliers | ● | - | - | - |
| Suppliers with high energy usage obtaining energy management system external verification (ISO 50001) | - | - | - | 55% | 70% | 70% | |

Note: The progress light is ● green light with more than 95% ● yellow light with 90%~95% ● red light with 90% or less.

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 used 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, with the development of cloud computing, Wistron combines hardware devices and cloud data systems through software services 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 in 12 manufacturing sites, 10 R&D centers, and 14 after-sales service centers worldwide. 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 of Taiwan headquarters with overseas sites. For more information of global operations, please visit [Wistron's official website](#).



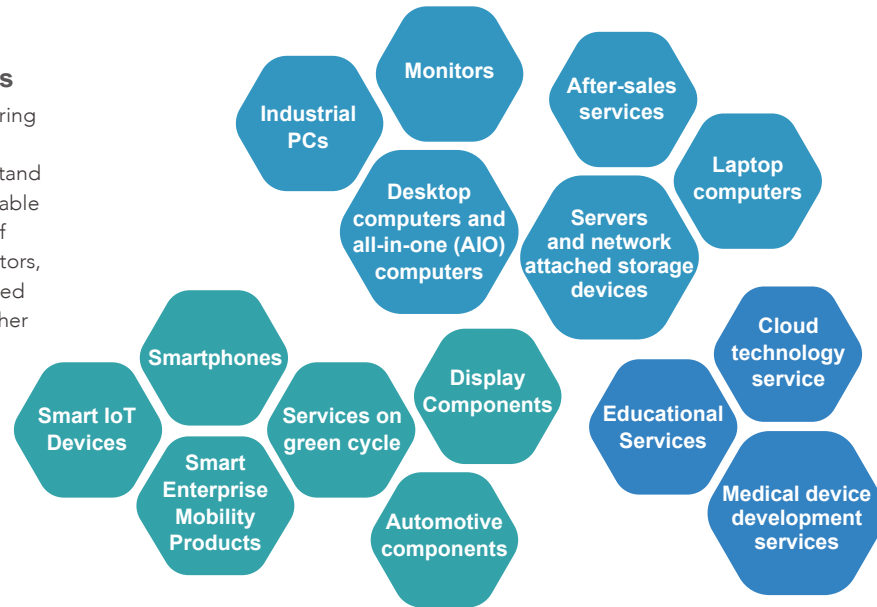
| | | |
|--|---|--|
| 2001 Year of establishment | Operating revenue of NT\$984.6 billion (TWD) in 2022 | 65,000+ Employees across the globe |
| 25 Global manufacturing, technology, and service centers | | |

5.1.2 Products and Services

Wistron retains strong R&D and technological innovation capabilities. Powered by the growth and development of a diverse ICT product portfolio, we provide environmentally friendly products with high added value, and we are committed to our transformation into a comprehensive technology service provider (TSP). Following cloud application development trends, Wistron has integrated hardware devices such as computers and smart devices with cloud data systems through software services to provide technical service platforms and solutions and meet customer and consumer demands.

Main Products and Technology Services

Wistron's revenue mainly comes from the manufacturing of consumer electronics. Besides actively acquiring orders from international companies, we also understand the key factors of controlling cost and maintaining stable profit margin amid intensifying price wars. In terms of the performance of Wistron's products in 2022, monitors, smart products, and enterprise products have achieved more prominent growth while the performance of other products remained the same or declined slightly.



Wistron Introduction Video

Video URL



Table of Product Sales Status

| Year | 2021 | | | | 2022 | | | |
|------------------------|----------------|--------------|----------------|----------------|----------------|---------------|----------------|----------------|
| | 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 Electronic products | 942 | 7,727 | 99,088 | 797,696 | 1,546 | 20,507 | 84,022 | 904,941 |
| Other products | 717 | 803 | 42,769 | 55,857 | 809 | 1,138 | 27,483 | 58,033 |
| Total | 1,659 | 8,530 | 141,857 | 853,553 | 2,355 | 21,645 | 111,505 | 962,974 |

Sales volume unit: thousand units/thousand pieces/thousand products
 Sales value unit: NT\$ million

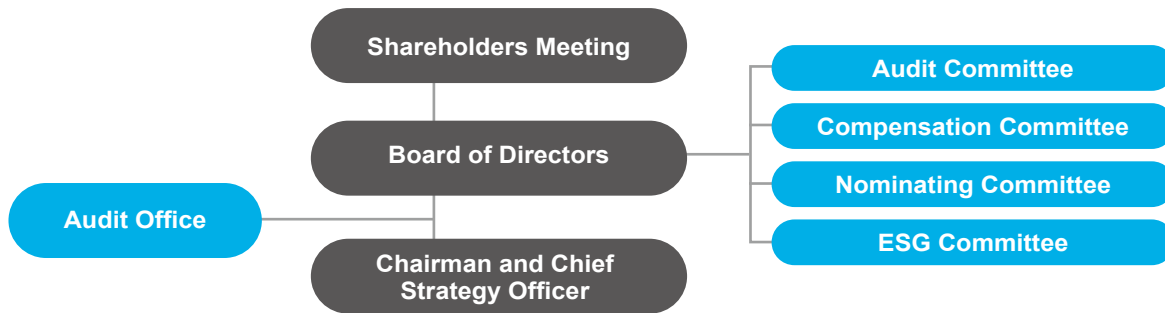
5.2 Corporate Governance

TOP 5%
in the Corporate
Governance Evaluation

**Taiwan Corporate Governance
100 Index constituent stock**

Wistron believes that good corporate governance is the foundation for corporate sustainable developments. Therefore, for many years, we have been dedicated to establishing an effective corporate governance structure, protecting shareholder interests, strengthening the functions of the Board of Directors, respecting stakeholder interests, and improving information transparency. We gradually promote various systems and measures to continuously improve corporate governance quality and effects, in order to implement the spirit of corporate governance. Our goal is to maximize shareholder interests and pursue sustainable corporate management.

5.2.1 Functions of Board of Directors



Composition and diversity of the Board of Directors

According to the Articles of Incorporation, the Board of Directors shall be composed of 7 to 9 individuals, who shall serve for 3 years. The directors shall be nominated and elected by the Shareholders' Meeting according to the nominee list. The elected candidates will be appointed as directors. The current Board of Directors of the Company consists of nine directors, who have served for an average of 8.44 years. Among the directors, five are independent directors, accounting for 56% of the Board. The independence of the directors comply with the related regulations in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies". For the procedures related to Board of Directors elections, please see the [company website](#). The Board of Directors of the Company consists of directors with extensive industry experience and reputations. According to Article 20 of Wistron's "Corporate Governance Best Practice Principles", the composition of the Board of Directors was determined by taking diversity into consideration. The Board had one female independent director in 2021. In addition

to the number of the Company's directors who also serve as managers should not exceed one third of the board, the Company shall formulate appropriate policies on diversity based on the Company's business operations, operating dynamics, and development needs. Please refer to the [Company website](#) for the information on the diversity and the professional background of the industry of the Company's board members. The specific management objectives of the diversified policies and their achievement are as follows:

| Management Goals | Implementation Status |
|--|-----------------------|
| Independent Directors exceeding one-half of the total director seats | ✔ |
| Number of Directors who concurrently serve as Company managers do not exceed one-third of the total director seats | ✔ |
| At least one seats of director is female | ✔ |

The company's Chairman is elected by the Board of Directors and represents the company externally. The Chairman of the Company also serves as the CSO, responsible for the Company's strategic planning, construction, promotion and long-term development and other related matters. Please refer to our website and annual reports for the detailed biography of each member of the Board.

The board meeting shall be held at least once a quarter, and the attendance rate of the board members shall reach 80% every year in accordance with the requirements of Article 38 of "Corporate Governance Best Practice Principles". The Company has held a total of 6 meetings in 2022 with the directors' average attendance rate of 94%. The Board of Directors is mainly responsible for improving supervision function and strengthening the management mechanism. The Board members oversee the operations team to ensure that the team strictly abides by all regulations and enhances information transparency. Moreover, it instructs the operation teams in major decision-making instances by using its own experience, so as to achieve sustainable operations for the company and further guarantee the shareholders' rights and interests. The management team regularly reports to the Board regarding the operations, development strategies, and other important issues. (For example: material topics, communication with stakeholders, etc.). Smooth and good lines of communication with the board are maintained.

Please refer to the Company's Annual Report and [website](#) for information related to the continuing education of directors in 2022.

With regards to meeting agendas that present conflicts of interest to the Directors or the legal entities they represent, the matter shall comply with Article 15 of the "Rules and Procedures of Board of Directors Meetings". They shall explain the important information related to the conflict of interest in the matter during the meeting. If their relationship with the matter may harm company interests, they shall recuse themselves from the discussion and voting. The related director shall abstain from the discussion and resolution, and shall not exercise their voting rights through other directors. If the spouse or relative within second degree of kinship of the director, or company where the director holds a controlling interest is a stakeholder in the meeting agendas, the director shall be deemed to have a conflict in interest.

The remuneration of the Directors of the Company is paid in accordance with the provisions of Articles 11 and 16 of the Company's Articles of Incorporation, and is paid in accordance with the "Principles of Remuneration for Directors and Functional Committees". It has also been approved by the Compensation Committee and the Board of Directors before the release.

Board of Directors and Functional Committee

| Committee | Responsibilities | Members | Attendance Rate | Key Resolutions |
|------------------------|---|---|-----------------|--|
| Audit Committee | Supervise the adequacy and accuracy of the Company's financial reports, 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 Internal control system Loaning of Material Funds and Making of Endorsements/Guarantees |
| Compensation Committee | 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 | 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 manager position adjustment Suggestions for managers promotion |
| ESG Committee | Stipulate the corporate social responsibilities and sustainable development directions and goals. Formulate related management approaches and specific implementation plans. Monitor and review the implementation and effects. Promote and implement corporate ethical management and risk management. | Robert Hwang (Po-Tuan Huang) as 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 FC 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 of the implementation of sustainability goals in 2021 Settings of the Company's short, medium, and long-term sustainability goals Establishment of the Company's "Management Measures for the Preparation and Verification of Sustainability Reports" Amendments to the Company's "Code of Conduct", "Risk Management Policies and Procedures", and "ESG Committee Charter" Plan to commit to join the Science Based Targets initiative (SBTi) Sign the green power purchase agreement |

Note: Job title after the organization adjustment of the Company on 2023.01.01

Performance Evaluation of the Board of Directors and Functional Committees

In order to implement corporate governance and improve the functions of the Board of Directors, Wistron has established performance goals, and it strengthened the operational efficiency of the Board of Directors. The Company has stipulated the "Board of Directors and Functional Committee Performance Evaluation Guidelines", which states that a Board of Directors and Functional Committee Performance Evaluation shall be conducted each year. It also states that an external professional and independent institution or external expert group shall perform a Board of Directors Performance Evaluation at least once every 3 years. The evaluations related to the operations of the Board of Directors, Audit Committee, Remuneration Committee, Nomination Committee, and Corporate Sustainable Development Committee were completed in 2022. After the various procedures and evaluations were completed, the performance scores for the Board of Directors and Functional Committees were 99.94, 99.80, 99.67, 100, and 98.57, respectively. The evaluation results were all "exceed the standard", and the results were reported to the Board of Directors and Functional Committees. Meanwhile, the Company also commission the Corporate Governance Association to complete the external performance evaluation of the Board of Directors in 2022. The evaluation results give positive affirmation to the Company's board structure, discussion and operation atmosphere, training arrangements and ESG developments. For detailed performance evaluation report content, please refer to the [company website](#).

5.2.2 Ethical Management

In order to implement ethical management, Wistron has formulated the "Code of Ethical Conduct", "Ethical Corporate Management Best Practice Principles" and "Corporate Governance Best Practice Principles". Apart from requiring all employees to clearly understand and comply with the ethical requirements, employees must respect the confidentiality agreements with customers, and shall not accept gifts or special treatment. We hope to invite all customers, suppliers, business partners, and other cooperating organizations to share and support our core values of integrity. In 2021, Wistron formulated the "Code of Conduct", which is approved by the Board of Directors, to establish shared values and a share culture among all employees. The code acts as the highest behavioral regulations for the Company, subsidiaries, and joint ventures where the Company has major influence. All employees are expected to comply with the code when conducting business activities. The implementation status of the annual ethical management is reported to the Board of Directors at the end of each year.

Code of Conduct Training and Promotion

In order to ensure that our employees fully understand the related regulations, Wistron implemented education, training, and promotion, including asking all foreign plants to conduct ethics training for all new employees. The new employees are asked to sign the statement of "Code of Conduct". The signing rate in 2022 reached 100%. In Taiwan, Wistron asks all new employees to undergo on-line ethics training and implements annual training for all employees, strengthening the culture of integrity. In addition, the Company also classifies capital, procurement, supply chain management, and administrative units as units with potential risks. Such units are subject to internal audits or job rotations at regular intervals, and the Company also invites professional entities to provide compliance awareness training to supervisors at Wistron.

Code of Conduct Signing and Training

| Company | Item | 2019 | 2020 | 2021 | 2022 |
|---------|--|-------|-------|-------|------|
| Wistron | Code of Conduct coverage (%) | 100% | 100% | 100% | 100% |
| | Code of Conduct signing (%) | 99.9% | 99.7% | 99.9% | 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 (%) | 99.9% | 99.7% | 99.9% | 100% |

Whistleblower Protection

Wistron encourages all internal and external employees to report any unethical behavior of commerce to the Company through the reporting channels while anonymous reports are also accepted. The Company has established an email address (ethic@wistron.com) for reporting cases that violate the Code of Conduct. The Global Human Resources and Administration unit act as the main handling unit and the matters are reported to the Board of Directors each year. The measures state that the whistleblower shall not be unfairly punished for reporting the violation. With our strong and transparent corporate culture, Wistron did not discover material (penalties exceeding NT\$1 million) violations of the integrity and ethics of commerce in 2022. No cases of unethical actions or corruption occurred between 2019 and 2022.

| Number of Reported / Filed Cases of Code of Conduct | 2019 | 2020 | 2021 | 2022 | |
|--|----------|----------|----------|--------------------------|-----------------------|
| | | | | Number of Cases Reported | Number of Cases Filed |
| Corruption and bribery | 0 | 0 | 0 | 2 (Note1) | 0 |
| Conflicts of interest | 0 | 0 | 0 | 1 (Note2) | 0 |
| Fair competition | 0 | 0 | 0 | 0 | 0 |
| Insider trading | 0 | 0 | 0 | 0 | 0 |
| Trade secrets | 0 | 0 | 0 | 0 | 0 |
| Privacy/personal data protection | 0 | 0 | 0 | 1 (Note3) | 0 |
| Others (Political Contributions, Charitable Donations, and Social Participation) | 0 | 0 | 0 | 0 | 0 |
| Total number of cases related to business ethics and operations | 0 | 0 | 0 | 4 | 0 |
| Discrimination | 0 | 0 | 0 | 0 | 0 |
| Harassment | 0 | 0 | 0 | 7 (Note4) | 3 |
| Occupational Safety and Health | 0 | 0 | 0 | 0 | 0 |
| Total number of cases related to protection of human rights | 0 | 0 | 0 | 7 | 3 |
| Total number of cases related to environmental protection | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 11 | 3 |

Note 1: Corruption and bribery: There was a report that the equipment operators of the Indian plant demand bribes, and there were corrupt practices in the adoption of new equipment in the Kunshan plant. It has been verified that the relevant personnel have not handled relevant business, and the relevant equipment adopts compliance management procedures.

Note 2: Conflicts of interest: There was a report to the unit manager of the Kunshan subsidiary who used the position to add suppliers with personal relationships to the Company's procurement list. After verification, there was no specific evidence to prove that the materials mentioned had abnormal contacts with suppliers.

Note 3: Privacy/personal data protection: There was a report that the client's personal information was leaked during a business trip in Taiwan ten years ago. After repeated investigations and information requests, there was no specific evidence of violation of the management procedures.

Note 4: Harassment: Harassment was reported in the Americas plant. After communicating with HR of the plant, it was confirmed that there was no relevant incident. The sexual harassment case in the Malaysian plant was filed, and the relevant discipline were carried out. A total of 5 cases were reported in Taiwan, 3 cases had no relevant evidence, and 2 cases were filed for the relevant discipline.

Regarding the cases reported and filed, relevant actions are described as follows:

1. Carry out relevant discipline measures against the wrongdoers and complete the closing procedure after the whistleblower approves.
2. We proactively provide relevant consultation and counseling resources for the whistleblower to ensure that our colleagues receive sufficient care and assistance.
3. The Company re-examined the current training/publicity measures and content. Afterwards, a new version of the training course is planned to be launched in 2023, and all employees are required to complete relevant learning activities within the time limit.

Anti-Competitive Behavior

Ethical management is the most fundamental social responsibility of companies. Wistron has established the Ethical Corporate Management Best Practice Principles which require the Company to conduct business activities in accordance with applicable competition laws and regulations. The Company may not fix prices, rig bids, restrict output or set quotas, or share or divide markets by allocating customers, suppliers, territories, or businesses. The Company understands that compliance with fair-trade practices is crucial in business activities. Wistron strictly complies with all related laws and regulations in every matter. From 2019 to 2022, the Company was never penalized by the competent authority for matters related to anti-competitive behavior and monopolistic measures.

Political Contributions

The Company has always remained politically neutral. Wistron has always maintained an objective and discreet stance on public policies. We do not actively participate in political parties or political activities, and do not actively participate in lobbying. From 2019 to 2022, the Company did not make any political donations. Employees have the freedom to express their political beliefs, and are encouraged to fulfill their civic duty, and vote for their preferred candidate during elections.

Ethical Management and Anti-Corruption Management Mechanisms

With regard to the operations of the Board of Directors, Directors may express their opinions and respond to inquiries for meeting agendas that conflict with interest between the Company and themselves or the legal entities they represent. Directors may not participate in discussions or exercise their voting rights, and they are required to recuse themselves from discussions and voting. They also may not exercise voting rights on behalf of other Directors. Wistron pays close attention to anti-corruption management. We have established

an internal control system that includes the accounting system in accordance with related laws and regulations. We evaluate the effectiveness of the design and implementation of the system each year and perform self-inspections. The auditors are responsible for reviewing the results. The Company always evaluates the legality, ethical policies, and records of unethical conduct of distributors, suppliers, customers, or other transaction counterparties before establishing business relations with such entities.

When engaging in business activities, our employees are required to explain the Company's ethical management regulations to the transaction counterparty. They must also expressly refuse to provide, promise, request, or accept, directly or indirectly, any illegitimate interests in any form or name. Where the Company discovers unethical conduct, it shall immediately suspend transactions and blacklist the entity. Meanwhile, the Company also includes anti-corruption policies into the terms and conditions of business contracts, such as: clear and reasonable payment terms, handling of unethical matters, commission restriction for violations, rebates, or terms related to other rights and interests.

Internal Control and Internal Audit

Wistron's internal control system is designed by the management in accordance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" in consideration of the Company's overall business activities and approved by the Board of Directors. The internal control system includes constituent elements and key control points for sound operations to reasonably ensure that the following objectives are achieved:

1. Effectiveness and efficiency of operations.
2. Reliability, timeliness, transparency, and regulatory compliance of reportings.
3. Compliance with applicable laws, regulations, and bylaws.

The internal control self-assessment is conducted on a digital platform. The President supervises internal units and subsidiaries which are required to perform at least



one internal control self-assessment each year. The Audit Office reviews the self-assessment reports of all units and subsidiaries and uses the internal control discrepancies and irregularities found by the Audit Office in the past as the basis for the Chairman and President's evaluation of the effectiveness of the overall internal control system and the preparation of the Internal Control System Statement.

The internal Audit Office reviews the suitability of the internal control system and ensure the implementation of general operations according to the "Internal Auditing Enforcement Rules". The unit conducts continuous and project based audits, which cover all internal operations and subsidiaries of the Company. The internal Audit Office formulates the annual audit plan according to the risk assessment results, which is implemented after receiving approval from the Board of Directors. The monthly audit reports must be reviewed by the Audit Committee. The deficiencies identified in the audit must be continuously tracked until improvements are done. The internal Audit Office supervisor must attend the Audit Committee and Board of Directors meetings to report the findings every quarter. Due to the effective implementation of internal control systems, Wistron did not discover major internal deficiencies in 2022.

Supplier Anti-Corruption Policy

Wistron communicates its Anti-Corruption Policy to all suppliers through the Wistron Global Learning

Platform and has a reporting hotline. We reiterate the Ethical Corporate Management Policy and ideals in annual supplier conferences and the company profile provided to our suppliers. The Company also reviews the implementation status of our suppliers each year. According to the promotion measures and management mechanisms described above, there were no cases of corruption or unethical behavior among the suppliers in 2022.

5.2.3 Legal Compliance

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

The Company has therefore established the "Code of Conduct" to provide guidance to the employees and the supervisors of all levels. The Company's management pays close attention to any domestic or foreign policy or regulation that may affect the Company's finance and businesses. We have also established related risk management procedures and employee continuous education and training to improve employees' legal expertise. The Company complied with the laws and regulations between 2019 and 2022. Therefore, the Company did not receive material fines or other non-monetary punishments for matters related to social and economic regulatory compliance.

5.3 Risk Management

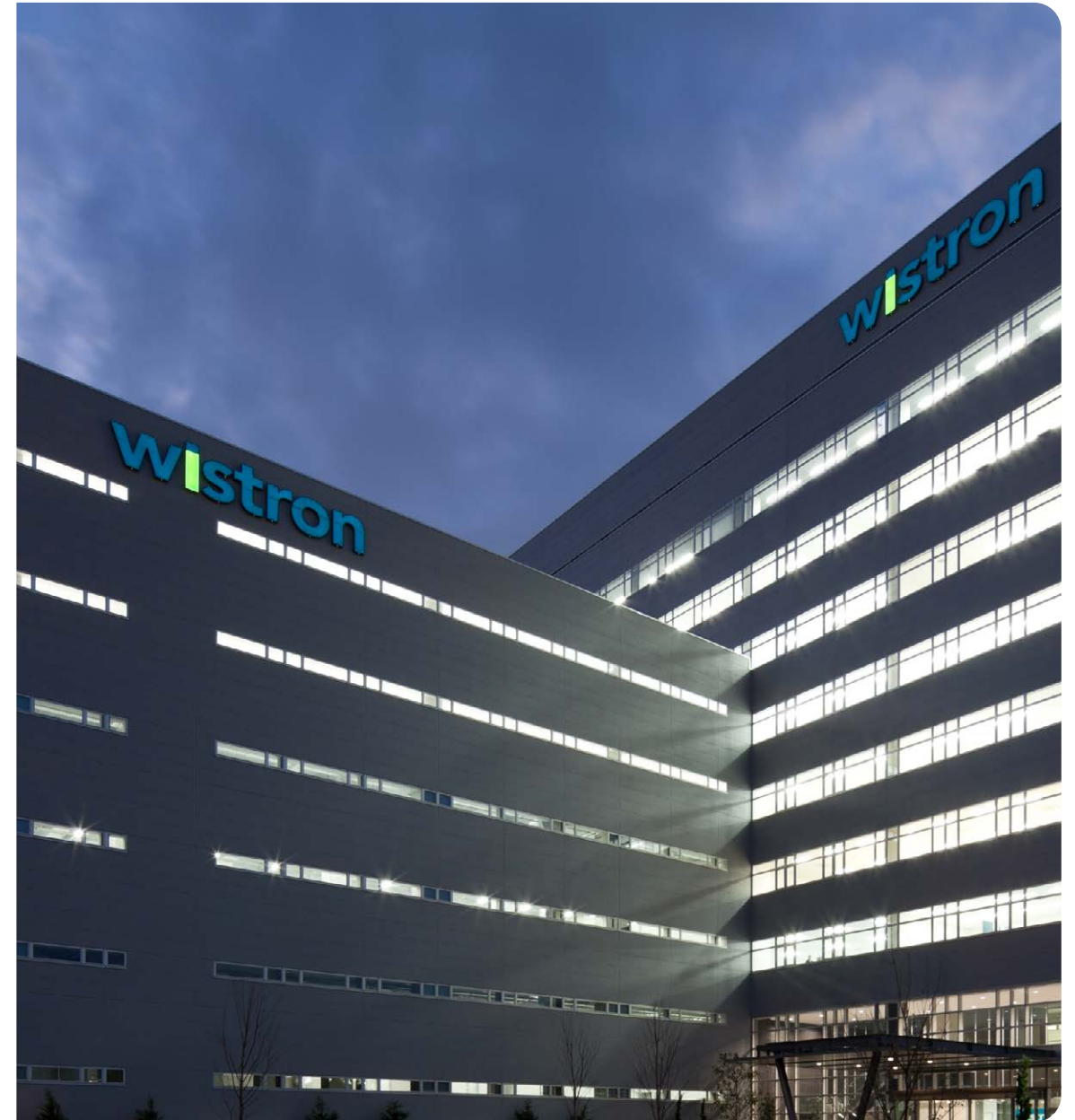
Risk Management and Business Continuity Policy

The Company upholds its sustainable development philosophy and, through the establishment, implementation, and maintenance of active risk management mechanisms, continuously monitors changes in internal and external issues and the environment while implementing business impact analysis and preparing effective and flexible responses to meet challenges. The Company regularly performs self-assessments and continues to improve the Company's resilience to ensure business continuity and protect the rights and interests of customers and stakeholders. In addition, the Company can effectively grasp the risks related to operations and establish a risk control culture through continuous optimization of education and training, performance management, risk assessment, early warning notification, public disclosure and other mechanisms.

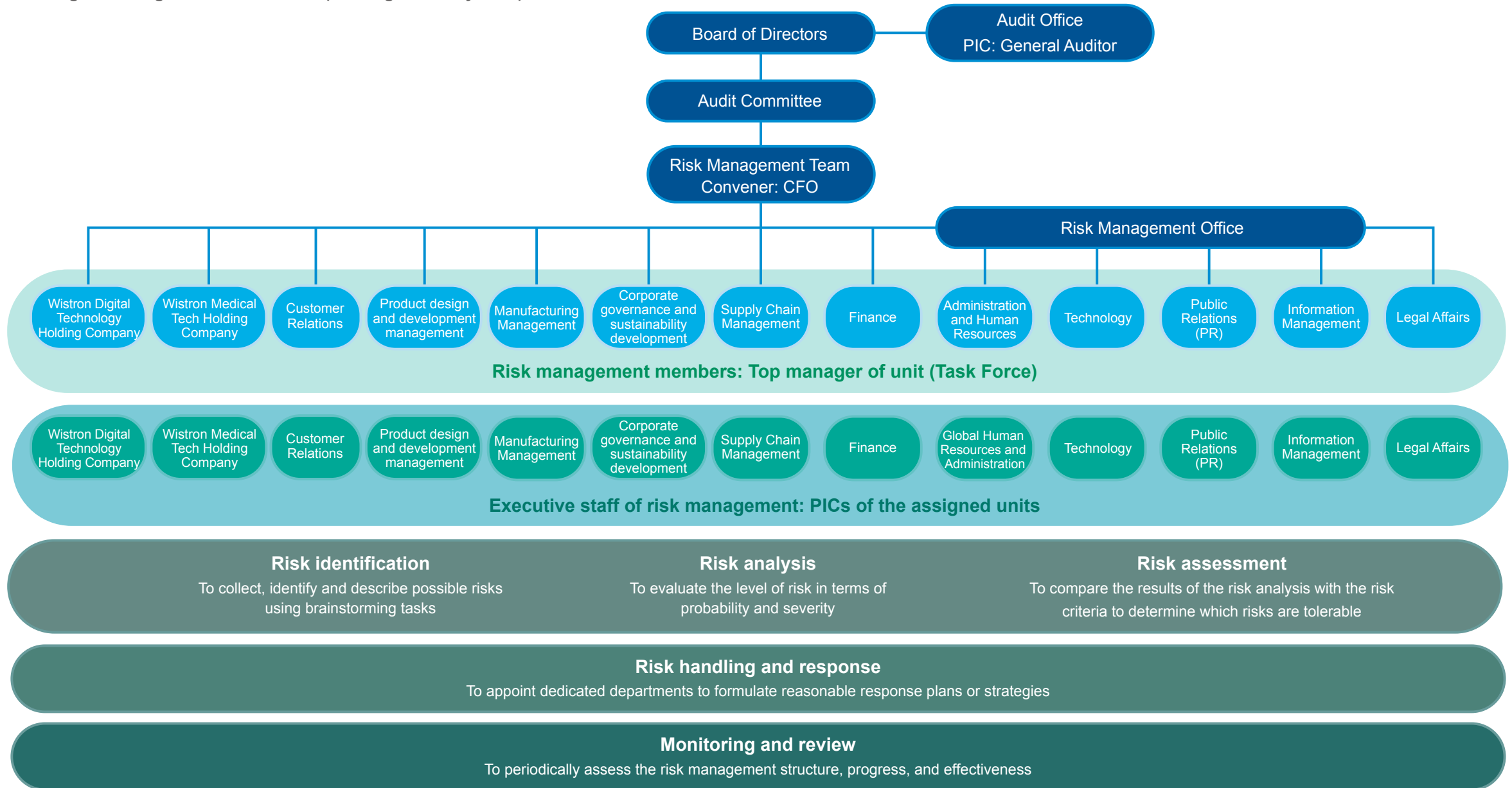
In order to implement sustainable development, Wistron not only follows the existing organizational management system and internal control system to manage the risks at all operation levels to oversee and control the risks that should be considered at strategic levels, but also promises to assess the potential impact of each risk on the Company's operations through the participation of the Board of Directors and the implementation of systematic management in accordance with the spirit of ISO 31000. Therefore, the corporate governance is implemented, the goal of sustainable management is achieved, and the rights of stakeholders are protected. The Company established the systematic "Risk Management Policy and Procedures" in accordance with the relevant provisions of "Regulations Governing Establishment of Internal Control Systems by Public Companies" promulgated by the Financial Supervisory Commission and the "Best Practice Principles on Risk Management for TWSE/ TPEX Listed Companies" of the Stock Exchange in 2022. To better tackle relevant risks, we adopted proactive and effective methods for assessing company governance, social inclusion, environmental protection (including climate and natural resources), and innovation value risks across the world and their potential threat to the Company's sustainable development.

The highest responsible unit for risk management in the Company is the Board of Directors. The ESG Committee regularly reports the implementation and the results of risk management to the Board of Directors every half a year, and it supervises the operation and overall implementation of the risk management mechanism. The ESG Committee belongs to the Board of Directors and assists the Board of Directors in reviewing the implementation of risk management. The composition of the Committee includes the Vice Chairman (Chairperson), President, Chief of Staff, Chief Technology Officer, Chief Digital Officer and Chief Information Security Officer, and an independent director. The Committee owns a risk management team. (Starting from May 2023, the reporting responsibility has been shifted from the ESG Committee to the Audit Committee and the Board of Directors.)

The CFO serves as the convener of the risk management team. The convener also assigns personnel to serve as members of the risk management office to be responsible for promoting risk management-related matters and mechanism operations, and to assist and coordinate various units in implementing risk management activities. The risk management team includes risk management members and executive staff of risk management. The risk management members thereof are the top executives of each business unit, while the risk management executives are assigned by risk management members (unit PIC). The risk management team develops risk response strategies every year by comprehensively analyzing and evaluating various operational risks, and emerging risk scenarios. It also produces annual risk management reports for submission to the ESG Committee. (Starting from May 2023, the reporting responsibility has been shifted from the ESG Committee to the Audit Committee and the Board of Directors.)



Risk Management Organization Structure (Starting from May 2023)



Risk Management Procedures

Risk Management Procedures

The Company's risk management procedures include risk identification, risk analysis, risk assessment, risk response and monitoring, risk reports and disclosure. The ESG Committee convenes regular meetings each year and requests the Committee Members and Work Group responsible for each aspect to evaluate and discuss the Company's potential risks and emerging risks based on the frequency, level of impact, and level of control on the 4 areas of company governance, environmental protection (including climate and natural resources), social inclusion, and innovation value. Regular reports are made to the Board of Directors. (Starting from May 2023, the reporting responsibility has been shifted from the ESG Committee to the Audit Committee and the Board of Directors.)

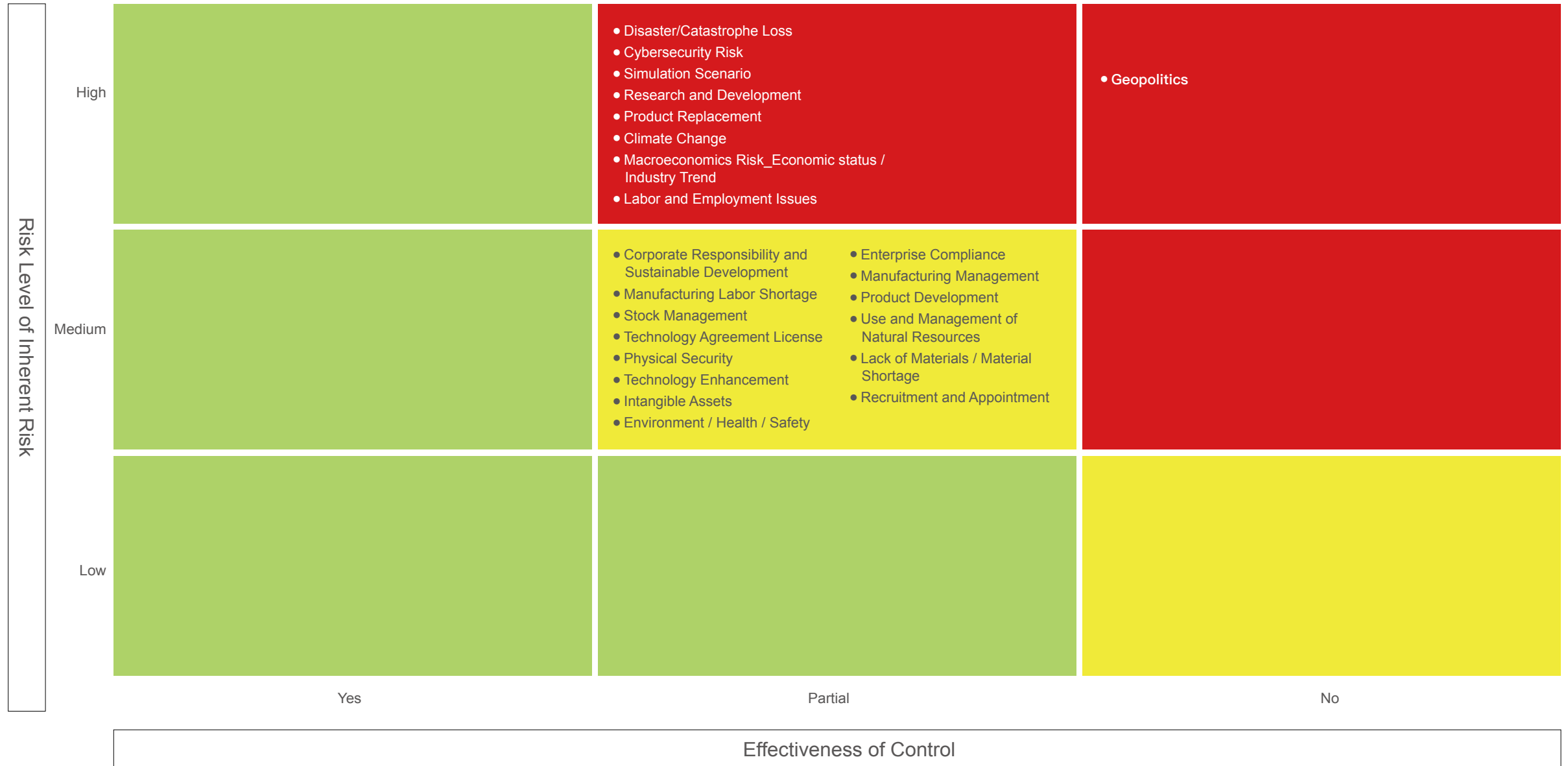
Risk Identification and Operations

The members of the Company's risk working group cover the customer relationship management, product design and development management, manufacturing management, corporate governance and sustainable management, supply chain management, financial management, human resources and administration, technology, public relations, information management, Wistron Digital Technology Holding Company, Wistron Medical Tech Holding Company and legal affairs, etc. These units collect events, sources and consequences of the risks in four dimensions: company governance, environmental protection (including climate and natural resources), social inclusion, and innovation value to construct the Wistron risk database. The risk management team discussed and amended, and identified a total of 23 major medium and high risk projects. The residual risk level of 9 annual risk project assessments thereof is serious (T - Take Immediate Action, need to improve immediately), and 14 items are medium (I - Improve Controls, control or response measures need to be improved). The risk authority and responsibility unit plan corresponding risk response action plans and implement risk mitigation plans for the risks, including the residual risk levels of T-Take Immediate Action and I-Improve Controls. Furthermore, the risk management executives cooperate with the operating units to assist in the production of key risk indicators (KRI), and the risk management team are continuously reported every month with relevant records.

The senior management and the risk management team jointly held a regular risk calibration meeting to review the results of risk management implementation. After completing the risk assessment and calibration works, the Company's 2022 Top 3 risks were selected, including geopolitics, disaster/disaster loss, and information security risk, respectively. Moreover, the corresponding risk response action plans are proposed by the risk authority. After review and confirmation by the supervisor of the unit, it is included in the regular definition and inspection of the ESG committee. (Starting from May 2023, the reporting responsibility has been shifted from the ESG Committee to the Audit Committee and the Board of Directors.)



Annual Risk Map

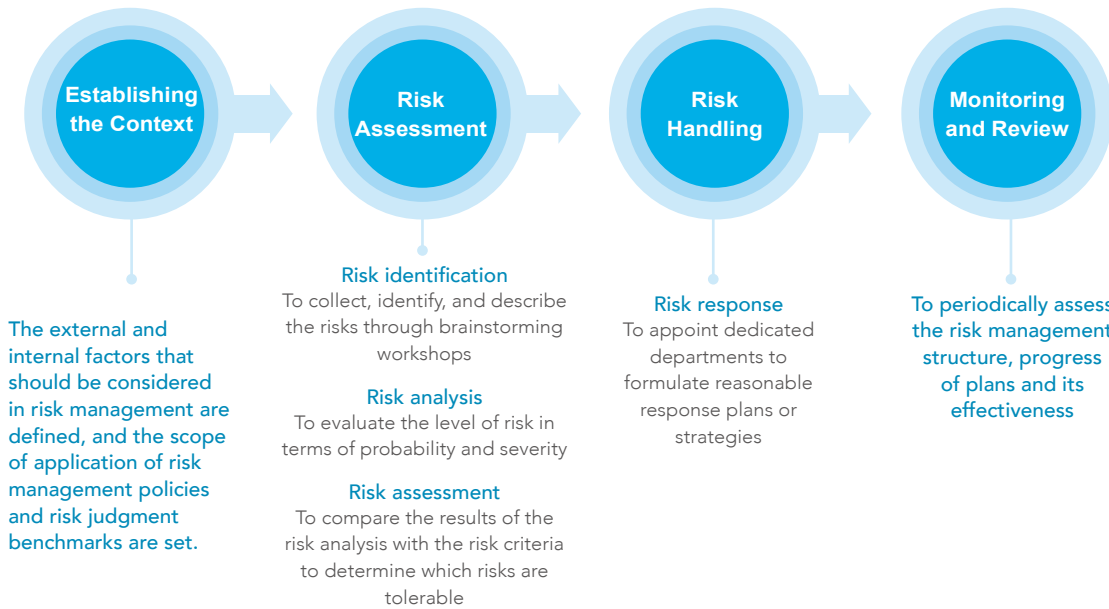


Effectiveness of Control

- M** Monitor Assurance (safety phase, keep it as it is)
- I** Improve Controls (Moderate, controls or countermeasures need to be improved)
- T** Take Immediate Action (severe, immediate improvement needed)

Emerging Risk Management

Starting in 2020, Wistron has referred to the emerging risk reports released by external institutions every year (such as the Global Risk Report by the World Economic Forum) in order to identify emerging risks through the 4 main processes of "confirm the environment and background of the industry, evaluate the risks (risk identification, risk analysis, and risk assessment), risk handling, and monitoring and review". We compiled the comments of the managers to identify emerging risks and formulate risk reduction measures. The results are reported to the ESG Committee for early deployment and response. (Starting from May 2023, the reporting responsibility has been shifted from the ESG Committee to the Audit Committee and the Board of Directors.) The main emerging risk items are transition risks: difficulty in obtaining regional renewable energy, geopolitical risk, and cost of living risk according to the identification results of emerging risks at the end of 2022 and early 2023.



Risk Management Operating Status

The Company actively promotes and implements risk management mechanisms. The operating status is reported to the Board of Directors once every half a year. The main operating status in 2022 was as follows.

- It uses the "governance", "strategy", "risk management", and "indicators and goals" frameworks of the Task Force on Climate-related Financial Disclosures (TCFD) to identify climate risks and opportunities and used it to create measurement indicators and targets for management.
- It convenes risk management meetings to conduct sensitivity analysis and stress testing on financial risks, climate change risks, water resource risks, information security risks, geopolitical risks, new technology risks, and intellectual property rights risks of the Company and important subsidiaries. We aim to strengthen risk awareness within the Company and our subsidiaries and further quantify the tolerability of the risks mentioned above.
- When conducting comprehensive enterprise and operation-level risk identification, the aspects of risk include but are not limited to the operational risks, the market risks, the legal compliance risks, the information security risks,

the environmental risks, the climate change and natural resources risks, the operational risks, and other operational-related risks. Through "bottom-up" and "top-down" analysis and discussion, the potential risk events that may cause the Company's goals to fail to be achieved, cause losses or negative impacts are fully identified. In addition, risk response strategies or implementation of risk mitigation plans are selected based on the strategic objectives, views of internal and external stakeholders, risk appetite and available resources of the Company. Then, the risk management executives continue to monitor together with the relevant personnel of each operating unit. They also report to the risk management team in a timely manner, and make relevant records.

- The President supervises internal units and subsidiaries which are required to perform two internal control self-assessments each year. The Audit Office reviews the self-assessment reports of all units and subsidiaries and it uses the internal control discrepancies and irregularities found as the basis for the annual Internal Control System Statements.
- The risk management team reports the implementation of risk management to the ESG Committee and also submits risk management reports whose content included the assessment results of each aspect of risk, and the team also explained the control and supervision procedures aimed at the higher risk aspects. Furthermore, the ESG Committee reported the results of risk management implementation to the Board of Directors. (Starting from May 2023, the reporting responsibility has been shifted from the ESG Committee to the Audit Committee and the Board of Directors.)
- We revised the Company's risk management policies and procedures, and established the Risk Management office under the Risk Management team.

Shaping Risk Culture

Wistron places importance on the cultivation and shaping of everyone's risk awareness. We have separately established performance indicators and evaluation standards for our employees of different levels indeed incorporating risk culture in daily operation activities.

| | |
|--|---|
| <p>Senior managers</p> | <ul style="list-style-type: none"> • In addition to the types of regular operations and finance, the Company also focuses on the management results of "human resources capital" and other specific risks. • In order to accelerate the digital transformations of the organization and the cultivation of key digital talents, the "digital transformations and talent cultivation" management indicator is included in the annual targets for senior managers. • Apart from regularly evaluating related management results, the achievement rate of related performance indicators will be involved as the basis for calculating bonuses. |
| <p>Middle and junior managers</p> | <ul style="list-style-type: none"> • In addition to the regular work goals and performance, the Company also focuses on the management results of "human resources capital", "information security", and other specific risks. • In terms of "human resources capital", the Company is dedicated to the cultivation of key digital talents in the face of challenges of new technology development. In order to accelerate the achievement of digital transformation goals, the "digital transformation project promotion" and "digital talents cultivation" management indicators are included in the annual targets of most department supervisors. Regular evaluations are also conducted for the related performance results. |
| <p>General employees</p> | <ul style="list-style-type: none"> • In terms of "information security", the Company has actively adopted education and training, social engineering drills, and other measures to instill the concepts of information security in every employee and reduce the impact of information security risks on company operations in order to improve employee awareness of and sensitivity to information security. Wistron has also included information security violations by departments and employees in the management indicators for the unit supervisor. We regularly conduct evaluations for related performance results. |

Risk Management Courses

The Company has included the topics of risk management in the scope of training, and has specifically implemented programs for human resources capital management risks faced by senior and middle managers. In Taiwan, a total of 9,714 people completed the trainings with a total training hours of 13,503. For the higher risk levels of the topics about intellectual property rights and litigation risks, courses were organized for all general employees, such as patent concepts and practices, patent primary schools, trademark concept introductions, the Copyright Act & labor Law, and legal knowledge courses for new employees. A total of 21,390 people completed the trainings with a total training hours of 29,046. Occupational safety and health issues that are often faced in the workplaces, especially in the manufacturing area, have received special attention. The Company arranges for all employees and supervisors of these departments to participate in education and training courses on the related topics in accordance with relevant regulations and operating standards. A total of 337,562 people completed the trainings with a total training hours of 524,452.

To implement the concepts of information security in its employees, the Company provides e-Learning resources and executes social engineering exercises every six months to enhance the information security awareness and vigilance of each employee. For employees who violate the Information Security Policy, the Company carries out disciplines in accordance with the "Implementation Guidelines for Employee Rewards and Penalties" and includes the records as the basis for performance management to reduce information security risks and the impact on the Company's operations. In 2022, the Company completed 21,906 hours of employee information security training for 42,652 participants, including "Information Security Primary School", "Social Engineering Drills", "Cybersecurity Training Courses for New Employees" and so on for new employees.

Facing the challenges of new technology development, the Company established the digital academy in 2019, which provides training to key digital talents. We used systematic online and offline structures to conduct trainings related to digital transformation information and tools, including training for translators, product owners (PO), tech leads, robotic process automation (RPA) experts. To date, 982 people have completed the training. 55,794 participants have taken related basic training courses.

Risk Reporting Mechanism

Apart from the active risk management, Wistron has also set up the related organizational structures and the corresponding responsibilities. We have included all employees in the scope of overall risk management. Our employees can use the "President's mailbox", "employee opinion box", "employee complaint hotline", and "counselor on-site interview" to report potential risks in order to help manage the impact of various internal and external risks. For special risks, such as the Covid-19 pandemic, Wistron established specific reporting channels, including the "Wistron Epidemic Prevention Hotline 21995". If an employee receives a home quarantine or isolation notice, he/she can report the matter through the channels, so that the Company can immediately adopt related responses and preventative measures. The Company have also revised the "Implementation Guidelines for Employee Rewards and Penalties" and other internal management measures. Every employee may submit proposals related to corporate risk reduction, work environment health and safety, and environmental improvements. Those who create significant benefits are commended orally, rewarded with written document, celebrated, recommended for commendation, or rewarded with project bonuses. In 2022, the Hsinchu Plant was awarded a project bonus by the Company for its outstanding performance in preventing occupational safety risks. In addition, we praised its outstanding contribution in reducing the Company's operational risks in internal public activities.



5.3.1 Business Risks

To protect the shareholder interests, Wistron focuses on business performance in its own industry and does not engage in high-risk investment activities. We carefully evaluate the risks and benefits of adopting new technologies and take appropriate response measures for ensuring information security. Wistron has accelerated the development of new businesses with the rise of 5G, AI and electric vehicles. We also use the regular operation development meetings convened every 6 months to discuss future long-term development strategies. We are committed to providing more comprehensive products and services.

5.3.2 Financial Risks

With the rapid changes in the global financial market, the fluctuations in exchange rates, interest rates, and even commodity prices, all these created additional challenges for the Company's operations. If such risks are not adequately managed, they may erode the Company's profitability and impact the shareholders' interests. As approximately 98% of Wistron's sales derives from export businesses, which are mainly quoted in U.S. dollars, most of foreign currency positions can be automatically offset and neutrally hedged. Furthermore, the Company established the Rules and Procedures of Derivative Transactions to specify the qualified hedging tools and authorization procedures, and to mitigate the financial risks under suitable regulations through timely applying the various types of financial instruments, such as spot/forward, swaps, and options.

5.3.3 Information Security

Wistron's information security management mission is "to build a resilient, secure and trustworthy enterprise", and it is committed to promote 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. Also, the Company regularly implements internal exercises and trainings for information security to increase our employees' information security awareness and vigilance. We ensure the information security of customers and products.

ISO 20000 Information Technology Service Management System

In February 2018, Wistron obtained the information service management system international standard ISO/IEC 20000-1:2011 certification. The Company seeks excellent IT service management and internationally recognized IT management standards to ensure that our information technology infrastructure library (ITIL) operations meet the required the standards. Wistron completed the certification for the updated ISO 20000-1:2018 in January 2021 and continues to optimize the IT service management system and related procedures to continue to strengthen data governance. The current certificate is valid until February 22, 2024.

ISO/IEC 20000 changes the method for implementing internal IT services or outsourcing IT services. The benefits are as follows:

- Meet best-practice standards for international IT management
- IT services support the fulfillment of company goals
- Integrate personnel, processes, and technologies to support company goals
- Use control measures for evaluation and to maintain consistent service quality
- Compatibility between ISO/IEC 20000 and Information Technology Infrastructure Library (ITIL) supports continuous improvement

ISO 27001 Information Security Management System

In August 2017, Wistron obtained ISO/IEC 27001: 2013 verification implemented the "Plan-Do-Check-Act (PDCA) cycle according to the standards and conduct with at least one internal self-audit and one audit by an impartial third party every year. To ensure the Company's implementation of ISO 27001 management mechanisms, the Company executes re-certifications every three years to maintain the validity of the ISO 27001 certification. The current certificate is valid until August 22, 2023.

- Regarding the critical infrastructure and the important information systems required for continuous operations, Wistron's headquarters (Neihu and Xizhi office areas), Hsinchu plant and all overseas manufacturing plants have successively obtained ISO/IEC 27001: 2013 verification. Also, we achieved the verification of ISO/IEC 27001: 2013 the international standard for information security management for all manufacturing plants in 2022 with a coverage rate of 100%.
- In 2022, no material cybersecurity incidents occurred, nor has we received complaints regarding breach of customer privacy or loss of customer information.

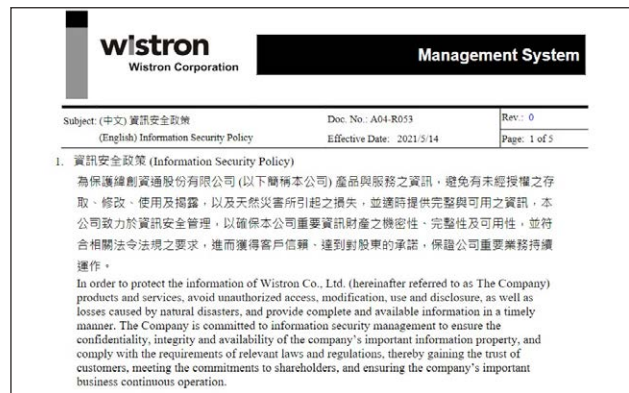


Information Security Policy and Organization

Wistron seeks to implement the requirements of 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 help us uphold our commitment to shareholders and customers and ensure the continuous operations of the Company.

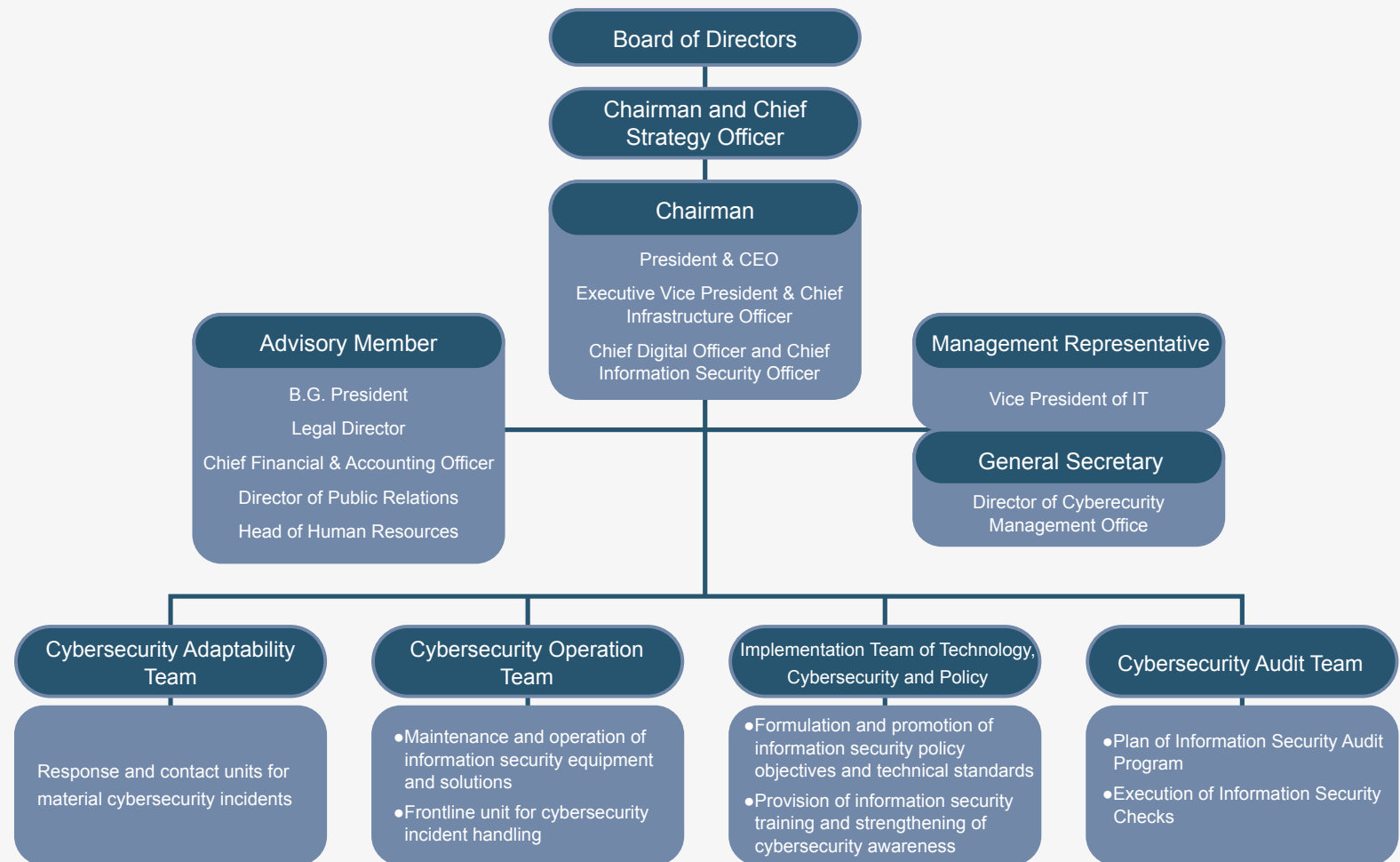
Wistron established the Information Security Committee to supervise the Company's information security management system, technical standards, and maintenance operations. The President & CEO, Executive Vice President & Chief Infrastructure Officer, Chief Digital Officer and Chief Information Security 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 organize information security matters. 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



Information Security Committee Structure

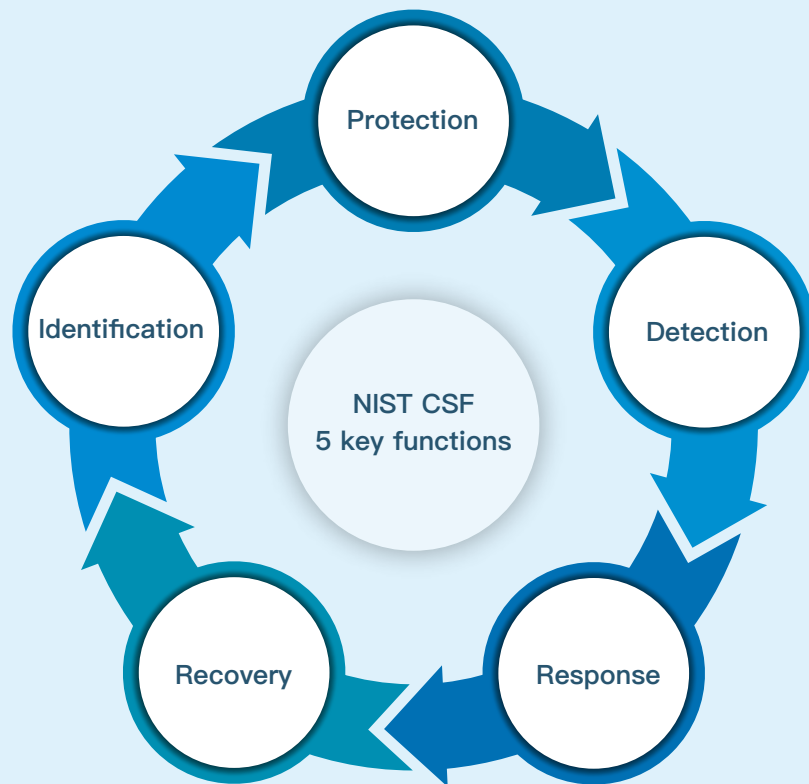
The Information Security Committee convenes once per quarter. Extraordinary meetings may be convened when necessary and members of the teams must attend. The agenda of the meeting includes information security incident reports, the report of each team on the implementation of the team's affairs, issues that require the cooperation of different units, other related suggestions, or extemporary motions.



Information Security Management Strategies

Regarding the information security management, Wistron has gradually established comprehensive network and defense in depth computer cybersecurity measures from the aspects of personnel, process, and technology in response to the changes in internal and external environments. A dedicated cybersecurity organization was established to coordinate the formulation and the implementation of cybersecurity policies and the cybersecurity risk management. The internal cybersecurity measures have been continuously strengthened, and we have also joined the cybersecurity information sharing organizations to obtain information on cybersecurity early warning information, and cybersecurity threats and weaknesses in addition to information technology cybersecurity, operational technology cybersecurity, and cloud cybersecurity. For example: High-Tech Cybersecurity Alliance, Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC). Meanwhile, external information security vendors and expert resources are combined for us to continuously pay attention to new cybersecurity information, technologies and trends. The methods of defense or the management keep pace with the times to improve our rapid response capabilities to effectively block new types of cybersecurity threats. Therefore, the resilience of information services is ensured, and the influence or impact on operations is also reduced.

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 continuously implementing improvement plans. 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, the scope of cybersecurity protection will be continuously extended to cloud cybersecurity (including public cloud and private cloud) and operational technology (OT) cybersecurity. The related cybersecurity standards and assessment models will also be introduced, such as Cybersecurity Capability Maturity Model (C2M2), CSA Consensus Assessments Initiative Questionnaire (CSA CAIQ), and ISO/IEC 62443. Therefore, the overall cloud cybersecurity and operational technology cybersecurity defense capabilities will definitely be strengthened.



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 (including customers' demands for information security).
- Execute 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.
- Continuously 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 for operations.

Information Security Initiatives and Execution Results

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 in 2017. The self-evaluations use NIST CSF and ISO/IEC 27001: 2013 standards. The external third-party audits use ISO/IEC 27001: 2013 standards and the information security regulations of customers. The aforementioned information security audit operations ensure the Company's implementation of information security regulations and continues to maintain the validity of ISO/IEC 27001 verification.

In 2022, Wistron also strengthened the internal control mechanism to ensure the effective implementation and continuous improvement of cybersecurity measures in each plant. The self-examination of the maintenance and operation units, the audit of the cybersecurity management office and the Audit Office are included in the mechanism of the three lines of cybersecurity defense. Wistron strengthens its Third Party Risk Management (TPRM) program. The classification and grading of suppliers is implemented throughout the supplier management life cycle from the perspectives of security, risk and privacy. This cycle includes the procurement phase (grade assessment, risk scores assessment, contracts), ongoing cooperation (, risk scores assessment and remediation), and finally termination of cooperation.

In 2022, a total of 224 suppliers were counted. Suppliers are graded based on factors such as the importance of the services they provide, direct access to confidential information, etc. There were 11 tier-1 suppliers, 13 tier-2 suppliers, and the rest were tier-3 suppliers. It also requires the tier-1 and tier-2 suppliers to meet the Wistron Cybersecurity Assessment Level based on individual cybersecurity guidelines.

Strengthen Information Security Awareness Among Employees

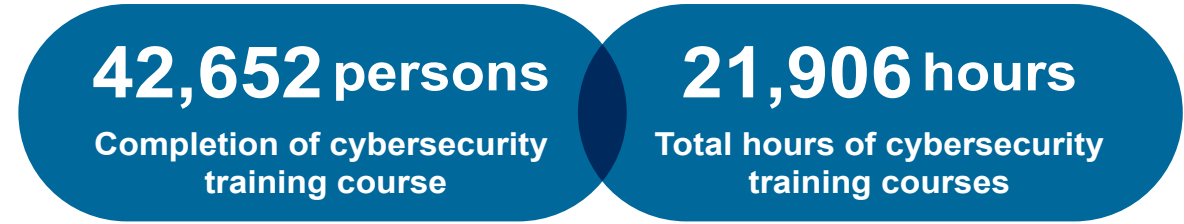
To implement the concepts of information security in its employees, the Company provides e-Learning resources and executes social engineering exercises every six months to conduct phishing email simulations, reviews of employee information security awareness, and information security education and training. In addition, the Company publishes cybersecurity e-newsletter every month to enhance our employees' awareness and vigilance of cybersecurity. The content includes the latest cybersecurity trends and recent major cybersecurity events at home and abroad. If an employee commits a violation of the Information Security Policy, the Company imposes penalties in accordance with the "Implementation Guidelines for Employee Rewards and Penalties" and includes the results as the basis for performance management to reduce information security risks and the impact on the Company's operations.

The phishing email click rates for social engineering drills conducted in the last 4 years on all company employees are as follows

| Initiatives | Goals | 2019 | 2020 | 2021 | 2022 |
|--|--|--------------------------|--------------------------|--------------------------|-------------------------|
| Execute social engineering drills every six months | The social engineering drill email click rate among employees was < 15%. | H1 : 14.5% H2 : 12.9% | H1 : 10.6% H2 : 10.5% | H1 : 10.8% H2 : 10.7% | H1 : 9.3% H2 : 10.2% |

From 2021, the cybersecurity professional talent cultivation plan has been developed. Four roles are distinguished through manpower inventory, including cybersecurity governance, cybersecurity engineering, cybersecurity analysis, and software development security. Five levels of competency standards have been established, and capacity assessments are conducted every year. Therefore, the human capacity training and upgrading program is developed well. In 2022, a total of 115 people joined the cybersecurity talents training program to confirm the ability of cybersecurity talents to move forward with the times.

- The training conducted for general employees through on-line or in-person lessons in 2022 mainly consisted of information security awareness training, information security lessons, and phishing email awareness and prevention. The Company completed 21,906 hours of employee information security training for 42,652 participants. There were 784 punishment records for violating cybersecurity regulations.
- In 2022, 1,005.5 hours of information security related seminars and training were completed by 228 cybersecurity personals. The course content mainly consisted of the annual Wistron information security seminar, ISO 27001 information security management system lead auditor training, EC-Council CEH (Certified Ethical Hacker) certification course, Trend TrendMicro Certified Security Expert (TCSE) certification course, CISA (Certified Information Systems Auditor) International Computer Auditor Certification Workshop, CISSP (Certified Information Systems Security Professional) Information Security System Expert Certification Course, CISM (Certified Information Security Manager) International Information Security Manager Certification Special Course, CCSP (Certified Cloud Security Professional) cloud information security expert certification course, and information security updates and related technologies seminars organized by Gartner, Microsoft, and information security suppliers.



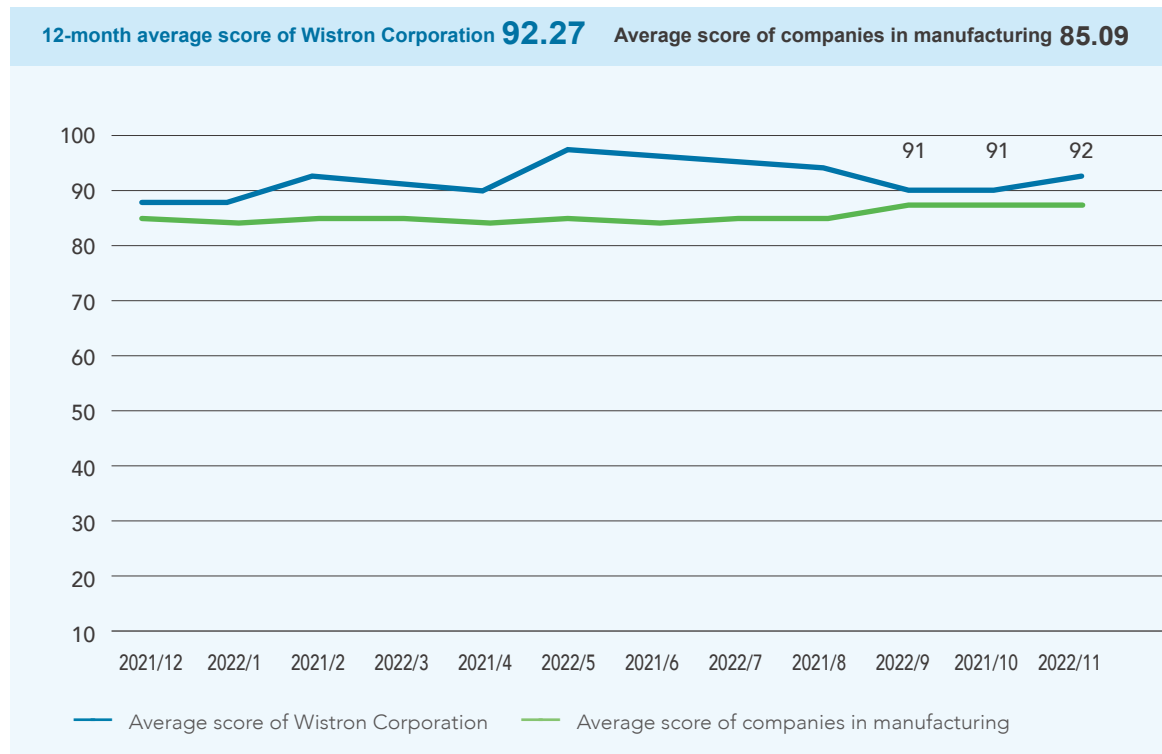
Vulnerability Detection for Networks and Systems

Apart from monthly internal vulnerability scans, Wistron entrusts a third party professional organization to conduct network and system penetration tests each year to protect the 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.

Red team drills was introduced in 2021. External information security teams simulated attacks on the Company and attempted to achieve the specified goals without affecting the Company's operations. The company's services were comprehensively reviewed and the Company's network was examined for vulnerabilities and human errors in deployment. Moreover, we checked if the identification, protection, detection, and response mechanisms of the information security maintenance and response team were functioning smoothly.

In 2022, Wistron's average information security review score by third party evaluations was 92.27, which was higher than the average for international manufacturers. (Different assessment tools were used from November 2022)

Wistron's Third Party Information Security Evaluation Results in 2022



Software Development Security

Wistron has introduced the DevSecOps (Development, Security and Operations) mechanism, and strengthened the collaboration among the development team, the maintenance and operation team and the cybersecurity team. The reasons for these actions are the early control of the security of the software development lifecycle (Software development lifecycle, SDLC), and the achievement of shift left (Shift Left) security to reduce the maintenance and operation cost of cybersecurity in the application systems. Meanwhile, Software Composition Analysis (SCA) technology is added to the development process to improve the security quality of the software.

Information Security Alerts and Incident Management

According to the information security incident management regulations, we can ensure the institutionalization and systemization of information security incident reporting, sorting, classification, handling, recording, and tracking. When an information security incident occurs, Wistron can quickly report and handle the situation. We are able to respond in the shortest possible time to ensure normal operations. Wistron has introduced Advanced Persistent Threat (APT) monitoring and Security Operation Center (SOC) operations. Together with the resources of external information security experts, the information security operations and response teams can quickly grasp the information security alerts and incidents, strengthening and accelerating 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 key moments, in order to maintain key applications and systems and prevent operation interruption of the Company. Furthermore, backup management personnel of the IT center conducts recovery testing for selected backup storage mediums or recovery equipment at least once a year, in order to confirm the readability of the backup data, the usability of the storage medium, and the possibility of important asset recovery. We aim to create effective backups and recovery procedures that can be completed within the allocated time.

The global IT center also chose 30 backup storage mediums for 7 key functions' systems and database in 2022. Recovery testing was successfully completed for the 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 0.9 hours. After a disaster occurs, the maximum tolerable information service recovery time (Recovery Time Objective, RTO) is 18.83 hours. The results of the drills in the last 4 years have met the Company's targets. The details of statistics can be found in the table below.

| Strategies | Goals | 2019 Results | 2020 Results | 2021 Results | 2022 Results |
|---|---|---------------------------------|--------------------------------|--------------------------------|---------------------------------|
| Disaster recovery simulations are conducted for key applications and systems every year to ensure continued operations and the uninterrupted provision of Company services. | RPO of SC2 Services ≤ 4 hours RTO of SC2 Services ≤ 24 hours | RPO=0.9 hour RTO=19.95 hours | 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: Recovery Point Objective (the maximum tolerable data loss time during disasters)

*RTO: Recovery Point Objective (the maximum tolerable information service recovery time after a disaster occurs)

Wistron also organizes cybersecurity accident response drills every year in addition to the disaster recovery drills for the information systems. Members of the cybersecurity committee are invited to actually simulate the cybersecurity events. Situational drills are carried out to ensure that the Company has sufficient cybersecurity protection and control mechanisms, emergency notification, and emergency response capabilities in case of hacker attacks. Thereby, the overall cybersecurity resilience is enhanced.

Purchased Information Security Insurance to Mitigate 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. We provide preventative solutions to strengthen existing information security measures, in order to respond to growing information security threats and achieve the goals of corporate sustainable management.

Information Security Incidents in the Most Recent 4 Years

No major information security incidents occurred between 2019 to 2022. No confidential information leaks affected the personal information of customers and employees, and no fines were issued.

| Number of Information Security Violations and Fines /Year | 2019 | 2020 | 2021 | 2022 |
|--|------|------|------|------|
| Number of information security or network security violations | 0 | 0 | 0 | 0 |
| Data leak incidents (number 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 (number of people) | 0 | 0 | 0 | 0 |
| Amount of fines for information security or network security related incidents (NTD) | 0 | 0 | 0 | 0 |



5.3.4 Intellectual Property

Wistron places great importance on the management of intellectual property and 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 smart asset management policy. Wistron has establishes, accumulates, maintains, and manages a more comprehensive IP portfolio for the future. Furthermore, we use risk management to enhance the competitive capabilities of the Company and increase profits. In the future, we will continue to implement our intellectual property and capital management plan. We integrated the Company's strategic considerations and operating goals to implement the real time production, management, and application of intellectual property rights.



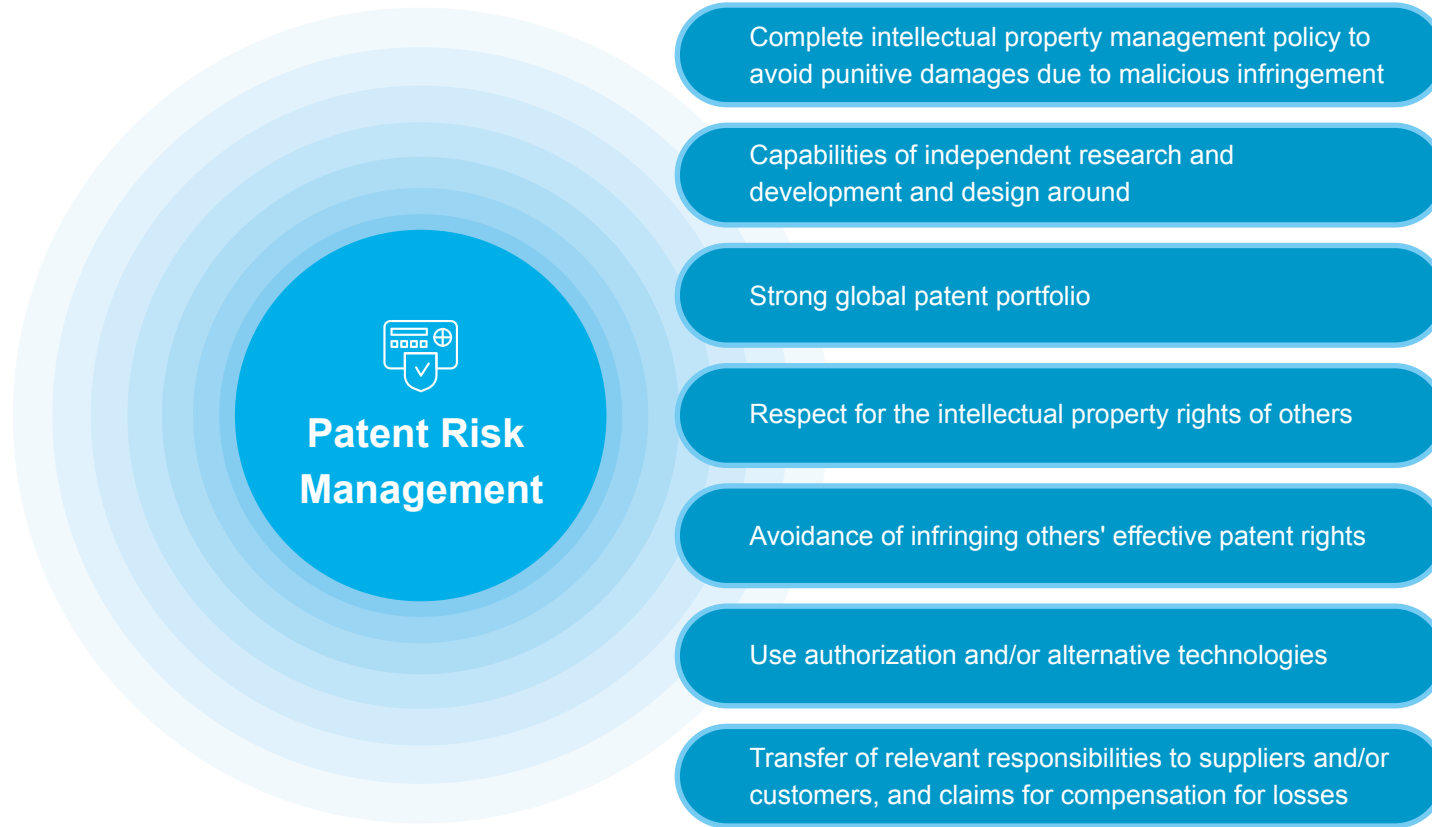
Patent Portfolio Management

Wistron's patent strategy is based on developing healthy and high performing global patent portfolios. As of today, we have acquired over 6,000 approved international patents. We protect all technologies, designs, and inventions developed by the company through the comprehensive patent portfolios, in order to maintain customer interests. When implementing the overall strategy for patent portfolio management with the strategic considerations and operating goals of the Company, we promote immediate inventions and creations, production, right protection, and patent operations. The patent team does not merely work closely with the technology and product development units. The team also develops excellent ideas and production oriented inventions based on the brainstorming meetings, big data analysis for patents, proposal review meetings, and other related mechanisms. We have established more than two hundred review items to strengthen the inspection of the content of the patent specification and to implement strict management of patent quality. The items cover the entire patent application process, from the invention proposal, indexing, design of the protection label and scope, drafting and translation of the manual, application strategy, rejection response and appeal, and pre- and post-certification review. The team maintains the level of quality of each patent. We continue to improve the expertise ability of patent personnel and the patent knowledge of all employees internally, and evaluate patent agencies externally. In order to encourage employees to invent and create, we have stipulated the creativity reward measures to improve service and product quality and functions, strengthen our competitive capabilities, and explore future development opportunities. We provide bonuses and rewards for inventors and publicly recognize their efforts during the annual patent commendation meeting.

For the quantity and quality control of patents, we sell or eliminate unused patents in addition to self-producing, co-development, purchasing, and investing in acquisition and accumulation of high value patents. We use consistent standards to quantify patent evaluations in order to clearly grasp the scope covered and the value of patents and improve the deployment of patent portfolios through various indicators. While maintaining the scale of patent portfolios, 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 patent portfolios. Wistron promotes the vitalization of patents to achieve the optimization and value maximization of patent operations and patent portfolios.



Patent Risk Management

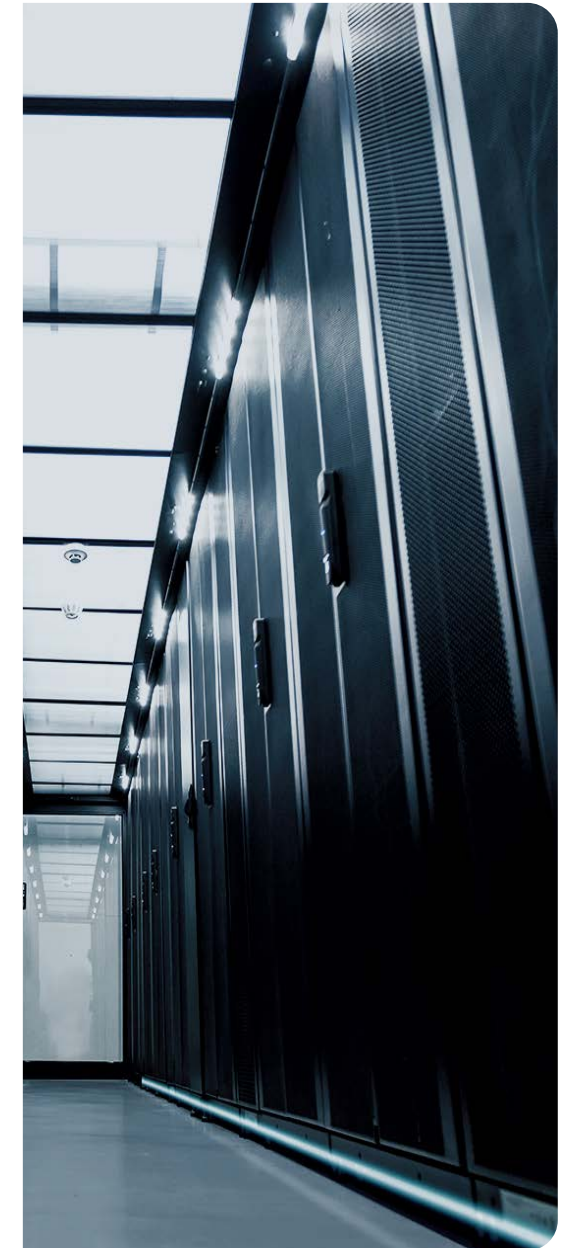


Protect Trade Secrets and Confidential Information

Trade secrets and confidential information are important intellectual properties of Wistron. We use related control mechanisms to ensure the protection of trade secrets and confidential information. Apart from maintaining our competitive edge, the protected information provides the drive for innovation and ensures the customer's rights and interests. No substantiated complaints concerning breaches of customer privacy and losses of customer data were received by the Company in 2022.

In order to protect the confidential information of Wistron and our customers, Wistron obtained the information security management system international standard ISO/IEC 27001 certification and implemented management. We conduct social engineering drills once every 6 months to improve employee awareness of phishing emails. The click rate in the 2022 drill has been lowered to 10.2%. Meanwhile, we conduct confidential information and trade secret protection training for all new employees, in order to ensure that employees fulfill our confidentiality commitments to our customers.

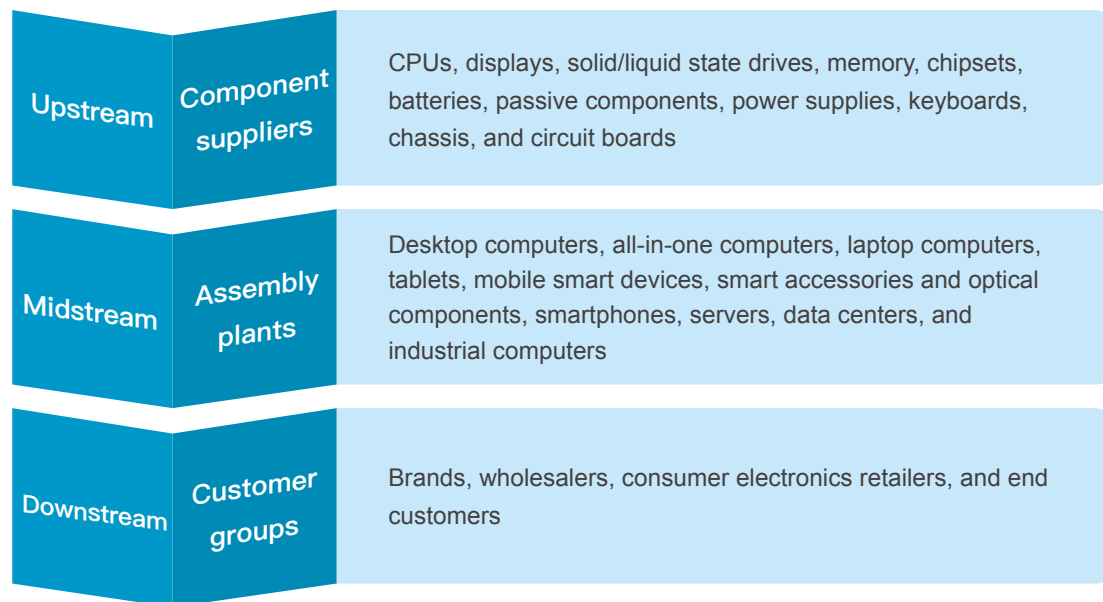
We have signed confidentiality agreements with our customers and related suppliers. Both parties are required to protect confidential information. In the past 5 years, we have signed an average of 400 to 700 confidentiality agreements every year. Customer information is handled by designated units to 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 Sustainable Supply Chains

Sustainable supply is an important commitment to the sustainable operation and the corporate governance of enterprises. The matters of geopolitics are developing and have not yet reached the end. The challenges of short chains and broken chains highlight the importance of sustainable supply chain management strategies and execution performance. In order to improve the sustainable resilience of the supply chain, we work closely with suppliers to create mutually beneficial industry chains. On this basis, our suppliers are the important partners. Therefore, Wistron has set up a platform to share knowledge and grow together with suppliers. We work with suppliers to create more resilient and influential supply chain, and the specific actions include promoting carbon reduction projects, implementing green products, and purchasing materials. In 2010, Wistron became a member of the Responsible Business Alliance (RBA) to fully support the vision and goals of RBA. We aim to ensure that the work conditions for labor in the supply chain are safe and secure, and that the employees receive the respect they deserve. Wistron also ensures that our operations and activities comply with environmental protection regulations and ethical business practices. Wistron is a leading company in the global ICT (Information and Communications Technology) industry. The upstream and midstream of the entire industry chain consists of component suppliers, while the downstream consists of various customer groups. We vertically integrate the industry chain through customer needs and are dedicated to providing competitive products.

Wistron Industrial Chain



5.4.1 Supply Chain Overview

Taiwan is an important global supplier of IT products, in which, Wistron holds a place of importance. In order to provide more convenient and full services to customers, we deployed a comprehensive global manufacturing and service network to support customers in different regions. As of the end of 2022, Wistron has partnered with 2,445 suppliers around the world. To effectively manage our suppliers, we have classified and divided suppliers for management, in order to grasp the status of the entire supply chain.

| Region | Total Number of Suppliers |
|---------------------|---------------------------|
| Taiwan | 656 |
| China | 1,516 |
| Asia Pacific region | 107 |
| Europe | 39 |
| Americas | 102 |
| Others | 25 |
| Total | 2,445 |

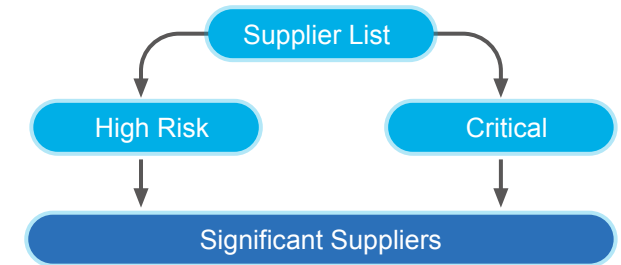
| Category of Tier 1 Suppliers and Regional Distribution | Number of Mechanical Parts Suppliers | Number of Electronic Parts Suppliers | Number of Maintenance Repair Operation Suppliers | Number of Logistics Suppliers |
|--|--------------------------------------|--------------------------------------|--|-------------------------------|
| Taiwan | 138 | 192 | 69 | 13 |
| China | 440 | 173 | 222 | 8 |
| Asia Pacific region | 38 | 27 | 6 | 0 |
| Europe | 14 | 7 | 0 | 1 |
| Americas | 27 | 28 | 1 | 2 |
| Others | 12 | 9 | 0 | 0 |
| Total | 669 | 436 | 298 | 24 |

Significant Suppliers

Wistron's suppliers are distributed around the world. Considering differences in procurement amounts, we have defined tier 1 suppliers as those who have had at least 6 transactions with Wistron in the current year and the total amount of the transactions is over NT\$1 million. In 2022, there were 1,427 tier 1 suppliers. Also, we define significant suppliers as high-risk suppliers and critical suppliers. The main suppliers of Wistron are electronic parts and mechanical parts suppliers. In 2022, maintenance repair operation and logistics suppliers were included in the scope of management. We screen out significant suppliers¹ through amount of procurement amounts and related conditions. In 2022, 639 suppliers were listed as significant tier 1 suppliers. Regarding significant non-tier 1 suppliers, these suppliers are defined as suppliers who trade through agents or the upstream suppliers of direct suppliers. In 2022, there were 241 significant non-tier 1 suppliers.

¹ High-risk suppliers (tier 1 + non-tier 1) with SAQ score below 80 belong to high-risk suppliers + critical suppliers (tier 1 + non-tier 1). Critical suppliers: high proportion of turnover (top 80% of annual transaction amount); ability of technology pioneering; the only source of supply is irreplaceable.

Significant Suppliers



Significant Non-tier 1 Suppliers

| Supplier Types | 2020 | 2021 | 2022 |
|--|------|------|------|
| Number of non-tier 1 suppliers | 520 | 279 | 385 |
| Number of significant non-tier 1 suppliers | 423 | 256 | 241 |

Significant Tier 1 Suppliers

| Supplier Types | 2020 | 2021 | 2022 | |
|------------------------------|--|--------|--------|--------|
| Electronic parts | Number of tier 1 suppliers | 549 | 426 | 436 |
| | Number of significant tier 1 suppliers | 344 | 214 | 241 |
| | Share of amount of procurement spent on significant tier 1 suppliers | 85.99% | 96.91% | 97.49% |
| Mechanical parts | Number of tier 1 suppliers | 627 | 658 | 669 |
| | Number of significant tier 1 suppliers | 153 | 222 | 310 |
| | Share of amount of procurement spent on significant tier 1 suppliers | 89.00% | 90.89% | 91.85% |
| Maintenance repair operation | Number of tier 1 suppliers | 373 | 353 | 298 |
| | Number of significant tier 1 suppliers | 46 | 39 | 76 |
| | Share of amount of procurement spent on significant tier 1 suppliers | 56.87% | 48.50% | 58.73% |
| Logistics | Number of tier 1 suppliers | 36 | 25 | 24 |
| | Number of significant tier 1 suppliers | 20 | 11 | 12 |
| | Share of amount of procurement spent on significant tier 1 suppliers | 89.69% | 89.41% | 91.27% |
| Total | Number of tier 1 suppliers | 1,176 | 1,084 | 1,427 |
| | Number of significant tier 1 suppliers | 563 | 486 | 639 |
| | Share of amount of procurement spent on significant tier 1 suppliers | 88.06% | 94.66% | 94.53% |

Note: Maintenance repair operation/logistics added in 2022

5.4.2 Supply Chain Sustainability Management

In the ESG process of Wistron's supply chain management, the basic requirements for existing suppliers and new suppliers include compliance with Wistron's supplier code of conduct, green product procurement, CMRT surveys, and supplier self-assessment questionnaires, supplier performance management, sustainability audit and coaching improvement, etc. There are qualification training of supply chain personnel and training and management of suppliers. Through the management of Wistron Sustainable Supply Chain, our suppliers have basic sustainable capabilities and continue to become Wistron's cooperative partners.

The basic (to which not limited) training of procurement and related personnel of the sustainable general education course includes the Responsible Business Alliance (RBA) general education courses. Based on this, it is necessary to understand Code of Ethical Conduct, ethical management and corporate governance, basic training of sustainable general education courses, conflict minerals, green management, green partners, legal course training, negotiation skills courses, etc. Supplier audit personnel must accept and pass the supplier audit course training with the subject score (written test) of 80 points (inclusive) in order to obtain the identification of auditors and perform supplier audits.

Meanwhile, our employees within the supply chain participate in supply chain-related training courses. 260 people participated in the training on ethical management, corporate governance and other related issues with a total of 260 hours of training. A total of 883 people participated in training courses related to sustainable management with a total of 609 hours of training. 28 people also participated in the training of auditors with a total of 97 hours of training.



Sustainable Supply Chain Strategy

Wistron focuses on cooperation and growth with our suppliers, and our strategy is based on sustainable procurement. We have responded to customer demands and established the Sustainable Supply Chain Strategy, which includes, quality performance and implementation, technical manufacturing capabilities, cost/operation management, local supply chain prioritization, and sustainability. We hope to strengthen our partnerships to create new opportunities. Wistron has established a global procurement unit and supplier quality management unit to conduct supplier management. The units manage the standards and the procedures for the supplier selection based on partnerships with suppliers. They conduct risk evaluations, performance evaluations, audit guidance, education and training, and organize supplier conferences, in order to implement the sustainability requirements in the daily management of supply chains.

Sustainable Supply Chain Strategy

| | | |
|--|---------------------------------------|--|
| Optimize Core Competitiveness of Suppliers | Deepen Regional Strategic Cooperation | Strengthen Supply Chain Sustainable Resilience |
| Quality Performance and Implementation Technology and Process Capability Cost/Operation Management | Local Supply Chain Priority | Sustainability |

Supplier Screening Mechanism

Wistron refers to the Supplier Selection Criterion for supplier screening in order to understand and identify potential risks in the supply chain. Sustainability factors or business operation perspectives are also considered during the process of screening, and then supplier investigation and evaluation are carried out. Screening includes but is not limited to dimension of environment, social, governance, business relevance, country-specific, sector-specific, and commodity-specific.

| Aspects | Evaluation Item |
|--------------------|---|
| Environmental | <ul style="list-style-type: none"> Prioritize local suppliers to reduce transportation energy consumption and emissions. |
| Social | <ul style="list-style-type: none"> Review public litigation records or media information to assess the potential negative impact risks associated with social topics, including but not limited to human rights and labor rights. |
| Governance | <ul style="list-style-type: none"> Publicly disclose information or corporate governance assessment records (such as annual reports or sustainability reports). Financial statement review and analysis. |
| Business relevance | <ul style="list-style-type: none"> The diversity of the products or services it manufactures and provides. The substitutability of the products or services it manufactures and provides. Whether the products it manufactures and provides belong to technological pioneers or exist in niche markets. Industry research and business analysis: Investigation of its target customer base and brand perception, as well as the industry reputation regarding its technology and quality. |
| Country-specific | <ul style="list-style-type: none"> Prohibition on the use of conflict minerals and materials on the U.S. prohibited list. Take note of international sanctions regulations to avoid inadvertent violations of sanction norms, such as the U.S. sanctions list (SDN List). Pay attention to the prohibition of importing or exporting specific countries or items from sanctioned countries (such as the Taiwan SHTC list regulations). |
| Sector-specific | <ul style="list-style-type: none"> The manufacturing process involves risks related to resource intensity and energy consumption (such as the stability of power supply for production and contingency measures). Take into account the regional regulatory trends concerning industries with potential pollution issues (such as environmental regulations for the painting or electroplating industry, or the presence of trends towards migration bans). |
| Commodity-specific | <ul style="list-style-type: none"> The resource intensity in the region where the goods are manufactured, such as the expandability of land use, labor force structure, integrity of the upstream and downstream supply chain, and delivery lead time. Suppliers that meet specific product certification requirements, such as choosing factories certified by UL to manufacture specific goods. |

Supplier Code of Conduct

Wistron is fully aware that in the pursuit of the company's continuous growth, our operating strategy must take into account the impacts of society and the environment. Therefore, Wistron invites all our suppliers to work together on sustainability and has established the supplier code of conduct, as a basis for supplier compliance. The content covers the 5 major aspects of labor, health and safety, the environment, code of ethics, and management systems. It also includes biodiversity, prevents any deforestation activities, or land conservation. Meanwhile, the supplier's compliance with this code is taken as one of the main evaluation items for our procurement decisions. We have revised our Supplier Code of Conduct in 2022 to continuously improve the sustainability of the supply chain. Our suppliers are also required to re-sign the code of conduct, and they were given relevant education and training. The signing rate and training rate of the Code of Conduct are 95.90% and 100%, respectively.

Signing of the Supplier Code of Conduct

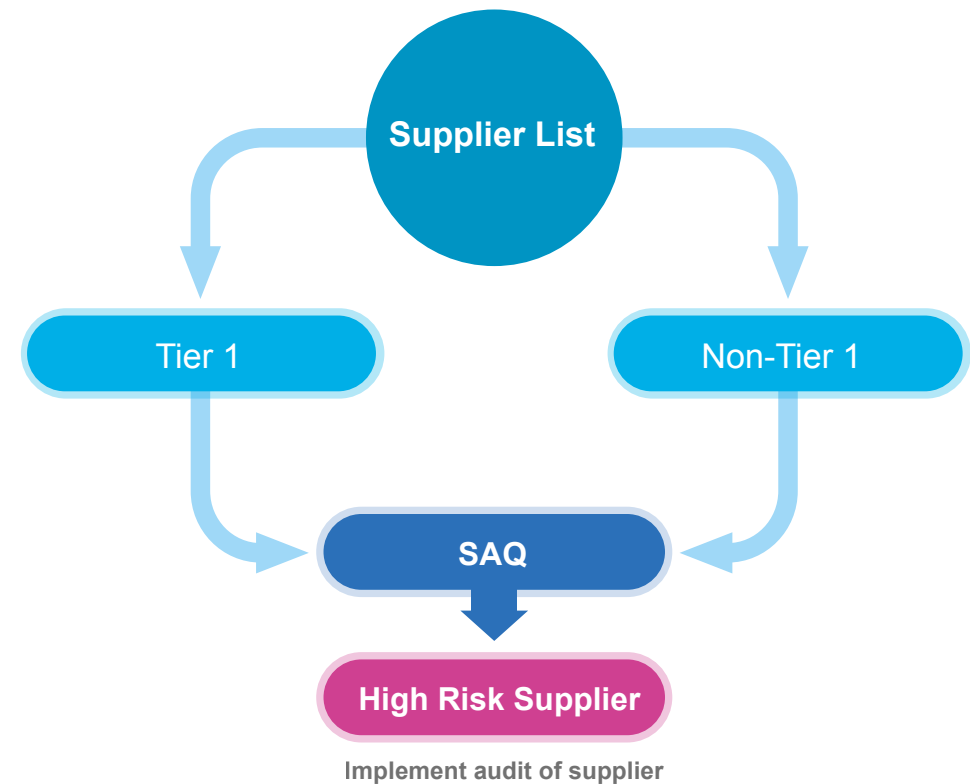
| Year | | 2021 Performance | 2022 Targets | 2022 Performance | 2023 Targets |
|------------------------|--------------------------------------|------------------|--------------|------------------|--------------|
| Existing suppliers | Number of suppliers that should sign | 1,055 | - | 1,293 | - |
| | Percentage of signed suppliers (%) | 87.20% | 100% | 95.90% | 100% |
| New suppliers | Number of suppliers that should sign | 117 | - | 150 | - |
| | Percentage of signed suppliers (%) | 53.85% | 100% | 89.33% | 100% |
| New critical suppliers | Number of suppliers that should sign | 16 | - | 7 | - |
| | Percentage of signed suppliers (%) | 93.75% | 100% | 85.71% | 100% |



Sustainability Risk Assessment for Supply Chains

In order to understand the risk related to sustainability in the supply chain, Wistron distributed the Self-Assessment Questionnaire (SAQ) to all our tier 1 suppliers and non-tier 1 suppliers. The suppliers must describe their implementation of the 5 major sustainability aspects (sustainability and operational risk management, supply chain and operation continuation, environmental protection, human rights and labor security, and occupational safety and health) in the questionnaire, and provide related evidence, such as management system certification or related documents. The supplier self-assessment result will be used as reference for future sustainability risk management. The response rate for the SAQ among tier 1 suppliers was 100% in 2022. The response rate among significant non-tier 1 suppliers was also 100%.

Supplier Sustainability Risk Assessment Flowchart



2022 Self-Assessment Questionnaire

| Year | | 2021 Performance | 2022 Targets | 2022 Performance | 2023 Targets |
|----------------------------------|------------------------------|------------------|--------------|------------------|--------------|
| Tier 1 suppliers | Number of surveyed suppliers | 1,084 suppliers | - | 1,427 suppliers | - |
| | Response rate (%) | 100% | 100% | 100% | 100% |
| Significant tier 1 suppliers | Number of surveyed suppliers | 430 suppliers | - | 639 suppliers | - |
| | Response rate (%) | 100% | 100% | 100% | 100% |
| Significant non-tier 1 suppliers | Number of surveyed suppliers | 256 suppliers | - | 241 suppliers | - |
| | Response rate (%) | 100% | 100% | 100% | 100% |

Through the analysis of the SAQ results, the main sustainability risk factors for suppliers in 2022 are unimplemented energy conservation and carbon reduction mechanisms for energy management, non-certified Greenhouse Gas Inventory certified management, and no use of green electricity or renewable energy. In the aspect of environmental protection. In the aspect of sustainability and operational risk management, the most important risk factors are unimplemented response plan management for continued operations and non-participation in responding to carbon disclosure plans. We defined suppliers which scored less than 80 points as high risk suppliers, and identified the potential risks within the supply chain. In 2022, we identified 92 high risk suppliers (including 16 critical suppliers). We later conducted sustainable audits of the high risk suppliers, in order to confirm and understand the risks of the suppliers.

2022 Sustainability Risk Factors for Suppliers

| Aspects | Risk |
|--|--|
| Environmental protection | Energy conservation and carbon reduction mechanisms for energy management have not been implemented. |
| | Uncertified Greenhouse Gas Inventory Certification Management |
| | Non-use of green electricity or renewable energy |
| Sustainability and operational risk management | Response plan management for continued operations has not been implemented. |
| | Non-participation in responses to the Carbon Disclosure Project |

2022 Results of Self-Assessment Questionnaire

| | | |
|-------------------------------|-------------------------------|-------|
| Tier 1 suppliers | Number of high risk suppliers | 92 |
| | Percentage of high risk (%) | 6.45% |
| Critical tier 1 suppliers | Number of high risk suppliers | 16 |
| | Percentage of high risk (%) | 2.84% |
| Critical non-tier 1 suppliers | Number of high risk suppliers | 0 |
| | Percentage of high risk (%) | 0% |

Supplier Audit

Wistron has established supplier sustainability audit procedures to conduct audits on significant suppliers in order to implement supplier sustainability risk management. Sustainability audit types² include desk assessment (on-site assessment)/2nd party (supplier audit/consultant)/3rd party (third-party assessment) and industry standards (obtain relevant industry certification). If the supplier has a score of lower than 80 points in the audit results, the Company will ask the supplier to propose improvement measures for discrepancies found in the audit. The supplier is required to complete the improvements for the discrepancies, report back, and file a re-audit application within two months. If the supplier still can't pass the re-audit, it may not file another application within six months. Where the issues discovered affect the quality of materials supplied, the materials/supplier will be replaced with an alternative.

According to the supplier performance management method, if the elimination mechanism cannot be implemented immediately because of the shipment involved, it can be implemented after the introduction of the alternative plan is completed. Suppliers who are still unable to cooperate with improvement within two years will have their purchase amount reduced or stop purchasing from them, or their supplier qualifications will be disqualified.

²Sustainability audit types include:

- (1) Desk assessment: After suppliers complete self-assessment, due to subjective and objective factors preventing Wistron from conducting on-site assessment, video or remote audit/review are carried out based on the supplier's self-assessment report.
- (2) On-site assessment: After the supplier's self-assessment is completed, Wistron's audit personnel conduct on-site assessment/reviews based on the supplier's self-assessment report.
- (3) Supplier audit/consultant (2nd party assessment): Non-tier 1 suppliers are audited by the tier 1 suppliers or consultant using Wistron's audit criteria, and the audit results and improvement reports of non-tier 1 suppliers are obtained.
- (4) 3rd party assessment: Conducting on-site assessment through the third-party verification agency, we obtain audit results and improvement reports. The scope of the third-party audit includes:
 - (4.1) Social Accountability 8000 Standard;
 - (4.2) Non-VAP report for third-party Review + improvement and prevention report;
 - (4.3) CMA (Customer Managed Audit), AMA (Auditee Managed Audit) + improvement and prevention report.
- (5) Industry standards: For example, the electronics industry undergoes the VAP based on the RBA Code of Conduct. In 2022, the focus of the certification was primarily on material categories such as IC/LCD/TouchPad/SSD.

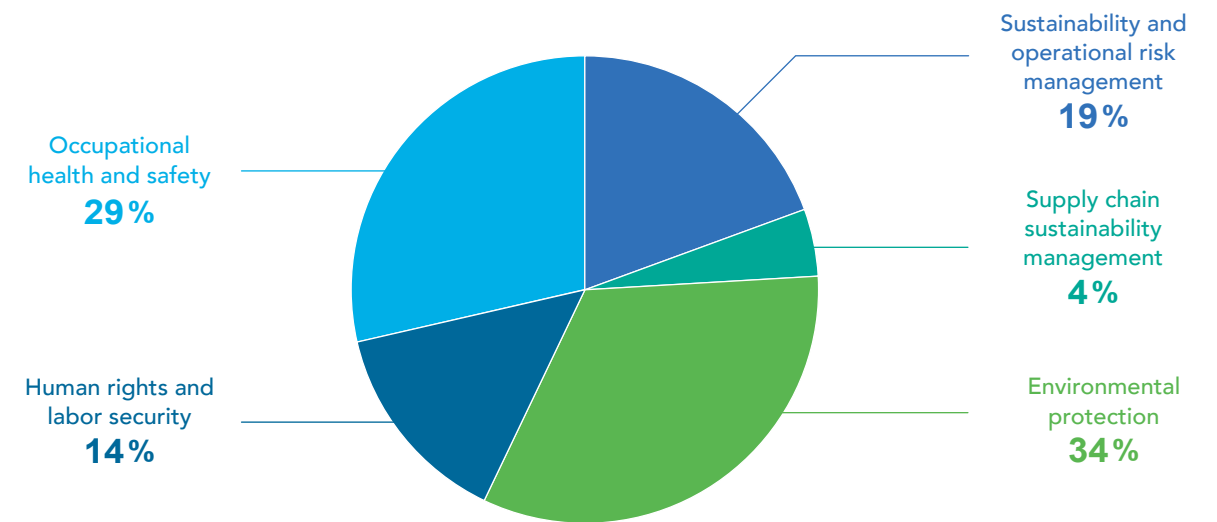
| Item | 2021 Performance | 2022 Targets | 2022 Performance | 2023 Targets |
|---|------------------|--------------|------------------|--------------|
| Number of audited significant suppliers | 686 suppliers | - | 880 suppliers | - |
| Number of audited high risk suppliers | 50 suppliers | - | 92 suppliers | - |
| Percentage of audited high risk suppliers (%) | 100% | 100% | 100% | 100% |
| Number of audited high risk significant suppliers | 14 suppliers | - | 16 suppliers | - |
| Percentage of audited high risk significant suppliers (%) | 100% | 100% | 100% | 100% |
| Deficiency improvement rate (%) | 100% | 100% | 100% | 100% |

Deficiencies in the Audit and the Percentage of Related ESG Items

A total of 880 suppliers were audited according to the audit procedures above. 833 non-compliant reports were found, and the number of suppliers who have implemented correction, counseling and improvement measures was 267, including 162 cases of sustainability and operational risk management, 36 case of supply chain sustainability management, 279 cases of environmental protection, 119 cases of human rights and labor security, and 237 cases of occupational health and safety.

| Audit Method | 2021 | 2022 | Goal |
|---|-----------------------|------|--|
| Number of audited suppliers | Desk | 367 | 719 |
| | 2 nd party | 0 | 10 |
| | 3 rd party | 0 | 59 |
| | Industry Standard | 0 | 92 |
| | Total | 367 | 880 |
| Percentage of audited high risk significant suppliers (%) | 53.50% | 100% | 100% (Percentage of audited significant suppliers) |
| Number of audited high risk suppliers | 50 | 92 | - |
| Ratio of completion in CAP (%) | 100% | 100% | 100% |
| Number of suppliers eliminated | 0 | 0 | - |

| Item | 2022 | Goal |
|--|---------------|---------------|
| Number of suppliers counseled | 267 suppliers | 267 suppliers |
| Percentage of significant suppliers be counseled | 100% | 100% |



Improvement Actions for Deficienc From Supplier Audits

| Aspects | Topics | Improvement Actions |
|--|---|--|
| Sustainability and operational risk management | Business continuity management | <ul style="list-style-type: none"> • Promotion of corporate social responsibility, including employee care, corporate governance, environmental protection. and social welfare • Focus on compliance with government regulations, protection of work rights, and promotion of occupational health and safety • Development of green products, reduction of environmental impact, social and environmental responsibilities, etc. • We prevent the interruption of business activities, and minimize the disruption of business operations caused by disasters and management failures with combination of preventive and recovery controls and programs. |
| Supply chain sustainability management | Supplier selection / management | <ul style="list-style-type: none"> • Establish a comprehensive supply chain risk management plan • Identify all risks at every point of the supply chain • Improve the accuracy of demand prediction and establish a secure inventory |
| Environmental protection | Energy management / emission reduction plan | <ul style="list-style-type: none"> • We formulate energy policies and emission reduction plans and targets with combination of relevant emission reduction actions. • We carry out energy monitoring, such as the establishment of identification of relevant regulations and the clear quantification of indicators, the formulation of energy resource control programs, and the implementation of carbon reduction in accordance with the programs. |
| Human rights and labor protection | Control time-out of overtime working hours / non-discrimination | <ul style="list-style-type: none"> • Electronic overtime application control systems were established, overtime needs be applied in advance, and the system automatically generate early warning signals when the number of overtime hours is exceeded • Regarding anti-discrimination issues, anti-discrimination education and training programs are regularly organized and included in the annual training plan. Staff training is conducted and record keeping management is implemented. |
| Occupational safety and health | Emergency preparation/ lack of knowledge about chemicals management | <ul style="list-style-type: none"> • Enhance employee operation safety awareness • Marking escape routes clearly • Evacuation education and training • Post warning signs and regulations on related facilities and in areas • Add safety improvement facilities where appropriate, Conduct inspection of chemical safety information |

Supplier Performance Evaluation Mechanism

In order to implement sustainability and performance management for our suppliers, Wistron has implemented the supplier performance evaluation system. The scores, from high to low, go from A to E (A is over 85 points and E is lower than 46 points). The performance evaluation mechanisms are the basis for supplier selection and the evaluation mechanisms are as follows. In 2022, no supplier was rated as E in the supplier performance evaluation and no suppliers were eliminated.

- Suppliers who scored lower than an E in the quarterly evaluation are required to propose improvement measures. Wistron will discuss adjustments to the supplier's strategy and the cancellation of the supplier's current projects and qualifications for new projects according to the improvements implemented by the supplier.
- If a supplier is given an E rating for 3 consecutive quarters, the suspension of the supplier's qualifications to join new projects will be discussed in the quarterly meetings.

Schedule Award Mechanism and Elimination Mechanism

Through quarterly Spend Performance Management (SPM) meetings, relevant departments conduct evaluations and rate suppliers based on a graded system, following appropriate management procedures. The implementation of measures and mechanisms is as follows:

- Award: Suppliers consistently rated as "A" grade for three consecutive quarters within a fiscal year will be honored with the Excellent Supplier award during the annual supplier conference. They will receive a larger share of business cooperation opportunities, along with the chance to participate in new projects.
- Penalty: Suppliers consistently rated as "D" grade for three consecutive quarters will be placed on an observation list. Their senior management will be required to attend review sessions at our company, where they must present improvement strategies.
- Disuse: Suppliers consistently rated as "E" grade for three consecutive quarters will have new project eligibility temporarily suspended. Order quantities will be reduced and shifted to secondary suppliers. Implementation of the elimination mechanism depends on the feasibility of alternative solutions post-completion of ongoing shipments. Suppliers failing to meet improvement requirements within two years will experience reduced procurement or complete cessation, leading to supplier qualification termination.

Improvement of Supplier Sustainability

In order to strengthen the connection and interaction between Wistron and the suppliers, information transparency, and real-time transmission of information and knowledge on sustainable issues, we have developed a digital learning platform for our suppliers. The problem of insufficient training caused by frequent personnel turnover is improved to improve the supplier's sustainable service quality and skills. Therefore, the supplier can continue to improve and create a win-win situation. The platform has been officially launched on 2022/9/15. The course has 30 lessons, including general education (7), policies and regulations (5), supply chain management (8), quality management (7), environmental occupational safety and health (1), and cross-domain management (2). The number of registered suppliers is 1,071 suppliers, and the reading rate of completed compulsory courses is 100%.



Supplier Benchmarking for Learning

Excellent suppliers are used as benchmarks to be learned: 2022/08 Sustainability Report and DJSI excellent Nanya Technology was specially invited to share the sustainable organization and effectiveness of Nanya Technology.

Development of Suppliers' Sustainable Ability

Wistron continues to improve the sustainability of suppliers in the form of projects every year. It includes Y2022 supplier sustainability project promotion plan, and carbon reduction plan of suppliers with high energy usage (supplier carbon reduction target 2.5%). 27 suppliers participated in PCB, LCD, and ME. After more than 8 months of internal and external guidance and requirements, 17 suppliers obtained ISO14064-1 (62.96%); 16 suppliers obtained ISO50001 (59.26%); emission reduction data inventory: 100% , and substantial carbon reduction results have been achieved.

| Item | 2022 | Goal |
|--|--------------|--------------|
| Number of suppliers with capacity building | 27 suppliers | 27 suppliers |
| Proportion of significant suppliers (%) | 3.07% | - |



Supplier Sustainability Evaluation

Wistron has stipulated ESG standards for suppliers (including new and existing suppliers). In order to become a Wistron supplier, who must sign the Code of Conduct and are required to pass ISO 9001, ISO 14001, IECQ QC 080000, and ISO 45001 certification. Furthermore, the supplier's ESG performance is included in the selection criteria. Regarding the evaluation of new suppliers, the supplier quality system evaluation form will be used for evaluation. The Non-ESG considerations factor accounted for 86.67%. The ESG factors account for 13.33% of the score, and include:

- Established appropriate and effective documents and procedures related to the RBA Code of Conduct (2.22%)
- Complies with labor standards (2.22%)
- Complies with health and safety standards (2.22%)
- Complies with environmental standards (2.22%)
- Complies with ethical business standards (2.22%)
- Complies with management systems (2.22%)

The ESG performance of existing suppliers is regulated by the supplier performance evaluation. The regulated items include suppliers' quality, reliability, compliance, supply capabilities, price, ESG and sustainability. Among these factors, sustainability accounts for 20% and includes:

- Quarterly review of ESG sustainability activities (10%)
- ISO14064-1 Certification Annual Review (1%)
- ISO50001 Certification Annual Review (1%)
- Annual ESG sustainability audit score (3%)
- Major Missing Events of ESG Sustainability On-site Assessment (5%)

ESG risk management and avoidance plan (Description: Human rights issues: whether the supplier conducts human rights risk assessment, and whether the supplier is reported due to related issue of violating human rights. Operational risk: whether the supplier provides financial statements or financial indicators, and whether there is an explanation or plan for the risks revealed by the indicator. Disaster preparedness: including fire, and natural disasters).

Supplier Partnership Projects

Through communication and cooperation with the suppliers, Wistron continues to identify their needs while they improve on sustainability. We maximize the impacts of the investments and improve the sustainability awareness and capabilities of suppliers, in order to face the ever-changing sustainability standards and trends

| Supplier Partnership Projects | Cooperation Description | Qualitative Benefits | Quantitative Benefits |
|---|--|--|--|
| <p>Supplier Sustainability Carbon Reduction Project (Critical suppliers with high energy usage)</p> | <p>We and our suppliers cooperate with each other to reduce carbon from the upstream and downstream, and the concept of bringing the big to the small is also established. We cooperate with partners of critical supplier with high energy usage to carry out annual carbon reduction plans. Starting from the improvement of software and hardware equipment, the compliance of the inventory data is confirmed, and assistance and suggestions are given according to various types of suppliers. An annual carbon reduction target of 2.5% was also defined. In the end, the annual 3% carbon reduction benefit was achieved, and the audit and certification of ISO14064-1 was completed.</p> | <ul style="list-style-type: none"> The goal of energy efficiency and carbon reduction is achieved to realize the digital management of energy efficiency and carbon reduction, manpower saving, optimization of process, and improvement of efficiency through the optimization of the hardware and software supporting facilities of suppliers' equipment. The carbon reduction project plan that is regularly coordinated with our suppliers every year has established a solid foundation for the sustainable supply chain. Meanwhile, the risk of out-of-stock caused by the replacement of suppliers due to non-compliance with Wistron's regulations is reduced. | <p>There were averagely 45% of Carbon emissions and 65% of water saved in compliance with project suppliers, and Wistron's Scope 3 carbon emissions was reduced synchronously.</p> <ul style="list-style-type: none"> 50.3% of Carbon emissions was saved. (total carbon emissions of 3,240,028 tCO₂e in 2021 v.s. carbon emissions of 2,466,439 tCO₂e until September in 2022) Annual carbon emission of transactions with Wistron 2021 total carbon emission 113,001tCO₂e v.s. 2022 carbon emission 54,047tCO₂e as of December |
| <p>The packing suppliers and our upstream value chain suppliers use the pulp certified by the Forest Stewardship Council</p> | <p>We support the concept of global environmental protection and sustainable and responsible forest management, and our actions also substantively support biodiversity, deforestation or land protection. Wistron encourages our critical suppliers of packing and the non-tier 1 value chain suppliers to only use the pulp and the recycled paper produced by the wood from the responsible forest management. Our critical suppliers of packing and the non-first-tier value chain suppliers have all obtained the certification of the FSC™-CoC forest management system.</p> | <ul style="list-style-type: none"> The balance of humans and ecology has obtained many benefits. The point is the protection of natural life and forests by reducing deforestation through proper management. Tree-based production with minimal damage can be ensured, and the commitments to biodiversity and no deforestation are met. | <ul style="list-style-type: none"> 83.33% of Wistron's critical suppliers of packing and the non-tier 1 value chain suppliers use responsible forest management to manage the wood and the pulp raw materials. They have also obtained the certification FSC™ CoC forest management system. Wistron continue to persuade the upstream supply chain to achieve the goal of using the wood and the pulp raw materials 100% from responsible forest management. |

Supplier Conference

Every year, the Wistron team invites with suppliers to achieve friendly, mutually beneficial, and common growth for sustainability. In the 2022 Supplier Conference, the main focus will remain on global climate change. The Wistron Group Partner Conference is hosted to honor the suppliers with outstanding performance in sustainability, and greenhouse gas inventory reports. During the 2022 sustainability/GHG Supplier Conference, consultant companies were invited to provide education and training to suppliers. In addition, we also explained Wistron's management policies for sustainability to suppliers, with the aim of promoting Scope 3 of the GHG inventory and the importance of water resource management.

Key Performance Indicators for Sustainable Supply Chains

| Year | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | 2025 | 2030 |
|--|------------------|-------|------------------------------|-------|------------------------------|-------|----------------------------------|----------------------------------|-------|-------|-------|
| | Achievement Rate | Goals | Achievement Rate | Goals | Achievement Rate | Goals | Achievement Rate | Goals | Goals | Goals | Goals |
| Signing rate of the code of conduct for tier 1 suppliers | 80.00% | 80% | 90.50% | 82% | 86.50% | 90% | 95.90% | 100% | 99.5% | 100% | 100% |
| Risk assessment completed for tier 1 suppliers | 89.60% | 90% | 90.00% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Audit rate for high risk suppliers | 67.10% | 70% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Suppliers signing rate of "Declaration of non use of conflict minerals" | 90.00% | 85% | 89.80% | 92% | 86.26% | 90% | 95.82% | 100% | 99.5% | 100% | 100% |
| Number of attendees at the supplier conference - groups/departments | - | - | 176 persons / 290 persons | - | 354 persons / 366 persons | - | 330 suppliers / 213 suppliers | 300 suppliers / 210 suppliers | - | - | - |
| Suppliers with high energy usage obtaining GHG external verification (ISO 14064-1) | - | - | - | - | - | - | 62.96% | 35% | 55% | 70% | 100% |

5.4.3 Conflict Minerals

Wistron formulates the conflict minerals policy and the management process of responsible minerals procurement to achieve the goal of responsible and sustainable procurement. Moreover, Wistron promises that the source of the used minerals conforms to the standards of the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or the standards set out in equivalent recognized due diligence frameworks. Regarding the procurement, We conduct due diligence, and we also determine which smelting plants and refinery plants can be verified as having the systems conforming the current global standards of responsible mineral sourcing. Consequently, we purchase through smelters or refineries with 100% execution and third-party verification. Also, conflict minerals originating from high-risk areas are prohibited. Conflict minerals reporting templates are provided to help the company disclose and communicate with smelting plants in their supply chain.

We follow the findings of the Responsible Minerals Initiative (RMI). In 2020, it is clearly regulated in the supplier's social responsibility management - "Conflict Minerals Management Procedures" to avoid inadvertently obtaining metals from conflict minerals³. We and our suppliers are explicitly required that the supply chains should have policies in place to reasonably assure the source and the chain of custody of Gold (Au), Tantalum (Ta), Tungsten (W), Tin (Sn), Cobalt (Co) and Mica contained in the products they manufacture with the conduct of due diligence. Their sources are ensured to comply with the OECD Guidelines, or the sources of the minerals have been excluded from the conflict-affected and the high-risk areas as defined by the equivalent recognized organizations.

Every year, Wistron re-evaluates the current list of smelting plants/ refinery plants used in Wistron products in accordance with the conformant smelters list announced on the RBA official website. In addition, conflict minerals investigations are carried out through the Wistron SQP (Supplier questionnaire platform) questionnaire system and the audits. The content of the questionnaire is systematically managed and recorded and tracked. In addition, Wistron fully implements due diligence to understand the source of the suppliers' minerals with the RMI's Conflict Minerals Investigation Template and Conflict Minerals Reporting Template, and Extended Minerals Reporting Template (hereinafter referred to as CMRT and EMRT) as the investigation. In addition, our suppliers are required to disclose the source of minerals and to sign the declaration of non-use of conflict minerals while they are subject to a policy of not using conflict minerals. Meanwhile, Wistron also further manages to ensure that the suppliers' procurement sources are not from conflict-affected areas and high-risk areas, which also meet the requirements of the customers and the regulations.

The above survey methods are all in accordance with the process of the conflict minerals management process defined by Wistron. During the process, Wistron shall confirm with the supplier for the reason and necessity of the conflict minerals used. If it is not necessary, the supplier shall be required to stop purchase and use the conflict minerals. Also, new mineral sources shall be reselected. Moreover, effective evidence needs to be provided to prove that the new minerals are conflict-free minerals that meet RBA requirements. If it is necessary, the supplier shall be required to propose a removal plan or improvement measures.

³ Conflict Minerals refers to minerals mined in situations of armed conflict and human rights violations. Gold (Au), Tantalum (Ta), Tungsten (W), Tin (Sn), Cobalt (Co) and Mica are the main objects of regulation. Not limited to the eastern provinces of the Democratic Republic of the Congo controlled by the Congolese government forces and many other armed rebel groups in and around the nine countries. The mines used to extract resources are controlled by these countries including Angola, Burundi, the Central African Republic, the Republic of Congo, Uganda, Sudan, Tanzania, Rwanda and Zambia. Minerals from conflict-affected and high-risk areas as defined by the OECD or an equivalent recognized organization are also included.

From 2023, Wistron will post "CMRT-free" (Conflict Mineral-Free) statements on the outer boxes of the products to declare that the Company does not use conflict minerals (such posting can be adjusted according to different business units).



Through the supplier assessment procedure, we require our suppliers to sign the "Declaration of Non-use of Conflict Minerals". The signing rate in 2022 reached 95.82%, with a total of 1,215 suppliers signing the declaration. Wistron hopes to use our combined strength with our suppliers to fulfill the corporate responsibilities together. We aim to build a sustainable corporation based on the principles of never engaging in the matters of non-humanitarian and violating human rights.



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

Suppliers signing the "Declaration of Non-use of Conflict Minerals"

95.82%

1,215 suppliers

5.5 Operating Capability

5.5.1 Financial Performance

Wistron's consolidated revenue in 2022 was NT\$984.6 billion. The net operating profit was NT\$27.4 billion. The net profit after tax was NT\$19 billion. The revenue and profit showed growth compared to 2021 and the net profit after tax reached a 10-year high. In response to the intense industry competition, we continue to improve our operation efficiency, material cost management, and manufacturing productivity in our operation management. In addition, we aggressively engaged in product innovation and business transformation.

Financial Performance Indicators for the Most Recent 4 Years

Unit: NT\$ million

| Year / Item | 2019 | 2020 | 2021 | 2022 |
|---|---------|---------|---------|---------|
| Operating revenue | 878,255 | 845,012 | 862,083 | 984,619 |
| Net operating profit | 13,300 | 14,471 | 16,375 | 27,472 |
| Consolidated net income after tax (including minority shares) | 9,726 | 12,908 | 14,728 | 19,018 |

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



5.5.2 Tax Policy

Wistron is a global citizen and upholds the ideals for the continuous creation of value in the Company's sustainable development and innovation. We are committed to information transparency and sustainable development, and we support social responsibilities by paying reasonable taxes in all countries of 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 operate transactions in countries with low tax rates for the purpose of tax avoidance.
- 5 We fully present the 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.

Note: Please refer to Wistron [Tax Policy and Management Measures](#) for details.

Tax Information in the Most Recent Two Years

Unit: NT\$ thousand

| Item | FY2021 | FY2022 | Average |
|-----------------------|------------|------------|------------|
| Net profit before tax | 19,234,277 | 24,710,914 | 21,972,596 |
| Income tax expenses | 4,506,466 | 5,693,367 | 5,099,917 |
| Income tax rate (%) | 23.43% | 23.04% | 23.21% |
| Income tax paid | 4,643,279 | 5,641,991 | 5,142,635 |
| Cash tax rate (%) | 24.14% | 22.83% | 23.40% |

Note: Please refer to Wistron's 2022 Consolidated Financial Report for related information.

Income Tax Paid in Various Regions Between 2021 and 2022

Unit: NT\$ thousand

| Year | FY2021 | | FY2022 | |
|----------------------|------------------|----------------|------------------|----------------|
| | Amount | Percentage (%) | Amount | Percentage (%) |
| Asia | 4,300,582 | 93% | 4,891,737 | 87% |
| Americas | 146,682 | 3% | 632,923 | 11% |
| Europe | 43,648 | 1% | 117,331 | 2% |
| Others | 152,367 | 3% | - | 0% |
| Total payment | 4,643,279 | 100% | 5,641,991 | 100% |

5.5.3 Policy Influence

Participation in External Organizations and Associations

Wistron has established positive cooperation with or become members of cross-industry or cross-sector associations and organizations. They help expand exchanges and participation levels and receive the latest news on international developments and trends to achieve continuous growth and progress.

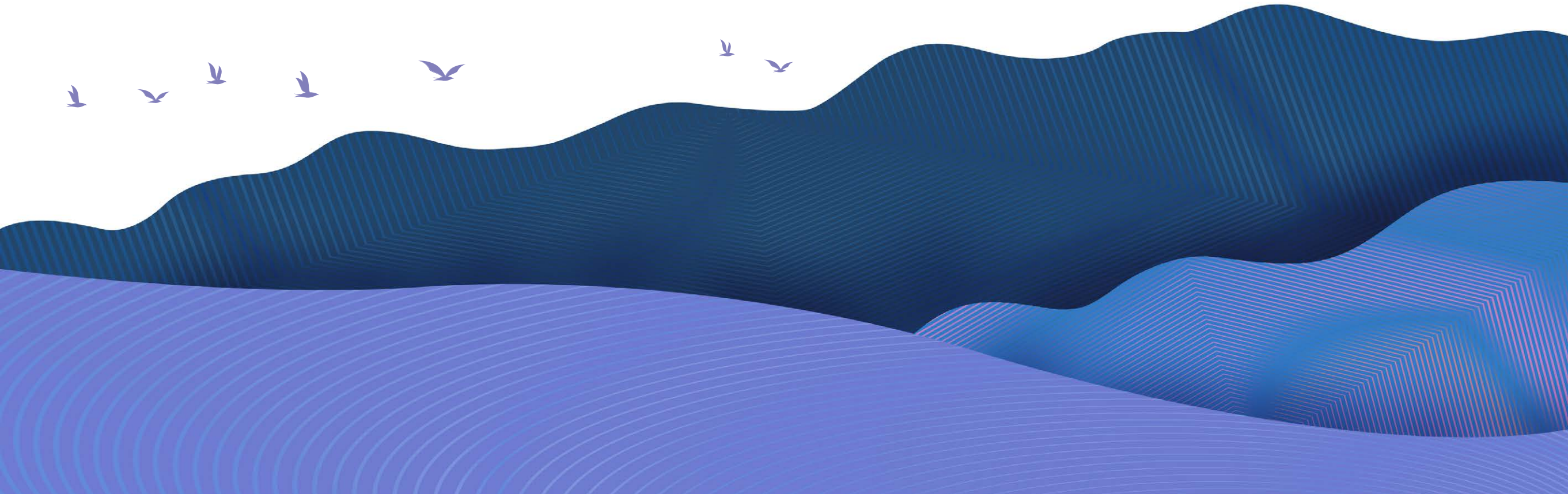
Organizations and Associations Wistron Participated in in 2022

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



6 Appendix

- 6.1 Statistics of Employees
- 6.2 Human Capital Return on Investment
- 6.3 Summary Table of Financial Perform
- 6.4 Greenhouse Gas Emissions
- 6.5 GRI content index
- 6.6 SASB Index
- 6.7 TCFD Index
- 6.8 Sustainability Reporting Indicators
- 6.9 Climate-related information
- 6.10 Statement



6.1 Statistics of Employees

| Resignation statistics and distribution | | 2019 | | 2020 | | 2021 | | 2022 | |
|---|------------------------|---------|--------|---------|--------|---------|--------|---------|--------|
| Number of people who resigned | | 188,020 | | 199,046 | | 143,623 | | 70,869 | |
| Number of people who resigned / Distribution | Male | 140,881 | 74.93% | 150,117 | 75.42% | 107,469 | 74.83% | 76,037 | 72.19% |
| | Female | 47,139 | 25.07% | 48,929 | 24.58% | 36,154 | 25.17% | 29,287 | 27.81% |
| Number of people who resigned / Distribution | Under 30 years old | 156,579 | 83.28% | 150,160 | 75.44% | 107,042 | 74.53% | 77,643 | 73.72% |
| | 30-50 years old | 31,324 | 16.66% | 48,758 | 24.50% | 36,411 | 25.35% | 27,317 | 25.94% |
| | 50 years old and above | 117 | 0.06% | 128 | 0.06% | 170 | 0.12% | 364 | 0.35% |
| Number of people who resigned / Distribution | Taiwan | 2,995 | 1.59% | 6,638 | 3.34% | 1,670 | 1.16% | 2,766 | 2.63% |
| | China | 184,735 | 98.25% | 191,724 | 96.32% | 140,027 | 97.50% | 92,769 | 88.08% |
| | Czechia | 265 | 0.14% | 620 | 0.31% | 240 | 0.17% | 211 | 0.20% |
| | Mexico | 25 | 0.01% | 64 | 0.03% | 1,686 | 1.17% | 6,397 | 6.07% |
| | Malaysia | - | - | - | - | - | - | 3,181 | 3.02% |
| Number of people who resigned / Distribution | Direct employees | 180,553 | 96.03% | 188,034 | 94.47% | 139,576 | 97.18% | 100,849 | 95.75% |
| | Indirect employees | 7,467 | 3.97% | 11,012 | 5.53% | 4,047 | 2.82% | 4,475 | 4.25% |

6.2 Human Capital Return on Investment

| | FY 2019 | FY 2020 | FY 2021 | FY 2022 |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| a) Total Revenue Currency: New Taiwan Dollar | 878,255,078,000 Monetary Units | 845,011,844,000 Monetary Units | 862,082,848,000 Monetary Units | 984,619,156,000 Monetary Units |
| b) Total Operating Expenses Currency: New Taiwan Dollar | 28,858,705,000 Monetary Units | 31,582,118,000 Monetary Units | 34,760,078,000 Monetary Units | 42,256,548,000 Monetary Units |
| c) Total employee related expenses (salaries + benefits) Currency: New Taiwan Dollar | 38,719,313,000 Monetary Units | 43,007,441,000 Monetary Units | 43,610,286,000 Monetary Units | 49,992,182,000 Monetary Units |
| Resulting HC ROI (a- (b-c)) / c | 22.93728 Monetary Units | 19.91370 Monetary Units | 19.97082 Monetary Units | 19.85020 Monetary Units |
| Total Employees | 70,286 | 69,546 | 62,831 | 51,117 |

Note: The sources of total revenue, total operating expenses, and total employee related expenses are from the Company's annual report in scope of Wistron Corporation and its affiliated companies and subsidiaries.

6.3 Summary Table of Financial Perform

Unit : NT\$ million

| Items | 2021 | % | 2022 | % |
|---|---------|-----|---------|-----|
| Operating revenue | 862,083 | 100 | 984,619 | 100 |
| Operating gross profit | 51,135 | 6 | 69,729 | 7 |
| Operating expenses | 34,760 | 4 | 42,257 | 4 |
| Net operating profit | 16,375 | 2 | 27,472 | 3 |
| Net profit before tax | 19,234 | 2 | 24,711 | 2 |
| Income tax expenses | 4,506 | - | 5,693 | - |
| Consolidated net income after tax (including minority shares) | 14,728 | 2 | 19,018 | 2 |
| Basic earnings per share | 3.76 | - | 4.01 | - |
| Retained earnings | 31,099 | - | 36,358 | - |
| Personnel expenses | 43,610 | - | 49,992 | - |
| Employee bonus | 1,922 | - | 2,010 | - |
| Cash dividends | 6,259 | - | 6,258 | - |
| Stock dividends | - | - | - | - |

Ratio of Debt and Shareholders' Equity to Total Capital

Unit : NT\$ million

| Items | 2021 | % | 2022 | % |
|------------------------------------|---------|-----|---------|-----|
| Assets | 497,298 | 100 | 432,908 | 100 |
| Shareholders' equity | 92,485 | 19 | 118,653 | 27 |
| Short-term loans ^[Note] | 142,118 | 29 | 119,807 | 28 |
| Long-term loans | 23,237 | 5 | 10,949 | 3 |

Note : Including long-term loans due within one year

Profitability Analysis Table

| Items | Unit | 2021 | 2022 |
|---|------|-------|-------|
| Return on assets | % | 3.49 | 5.05 |
| Return on shareholders' equity | % | 14.01 | 12.81 |
| Ratio of net profit before tax to paid-in capital | % | 66.25 | 85.16 |
| Profit margin | % | 1.71 | 1.93 |
| Earnings per share | NTD | 3.76 | 4.01 |

Note : The financial information in each table is provided in accordance with the 2021 and 2022 Consolidated Financial Report audited by CPAs. Please refer to [Homepage/Investors](#) on the Company's official website

6.4 Greenhouse Gas Emissions

Global Scope 1 and Scope 2 Greenhouse Gas Emissions in 2022 (tCO₂e)

| Regions | Plants | Scope 1 | Scope 2 | |
|----------|--------|-----------|-------------|-------------|
| | | | Local base | Market base |
| Taiwan | WNH | 5.890 | 3,746.300 | 3,746.300 |
| | WHC | 213.342 | 9,162.245 | 9,162.245 |
| | WIH | 633.486 | 21,161.804 | 21,161.804 |
| China | WCD | 1,643.049 | 27,811.739 | 3,318.180 |
| | WCQ | 1,498.942 | 23,657.303 | 8,354.411 |
| | WZS | 7,539.947 | 106,781.751 | 3,498.345 |
| | WKS | 1,307.948 | 13,307.030 | 2,268.324 |
| | WOK | 2,705.751 | 38,570.400 | 4,220.983 |
| | WTZ | 1,322.807 | 16,086.951 | 2,070.741 |
| Czechia | WCZ | 13.708 | 3,065.121 | 3,062.607 |
| Mexico | WMX | 2,520.871 | 26,605.513 | 20,048.590 |
| Malaysia | WMY | 122.543 | 13,697.054 | 13,697.054 |

6.5 GRI Content Index

| | |
|-----------------------------------|--|
| Statement of use | Wistron has reported the 2022 Sustainability Report in accordance with the GRI Standards for the period from January 1 to December 31, 2022. |
| GRI 1 used | GRI 1: Foundation 2021 |
| Applicable GRI Sector Standard(s) | None |

Universal Standards

| GRI Standard | Disclosure | Corresponding Section | Page Number | Omission |
|--|--|--|------------------|----------|
| GRI 2: General Disclosures 2021 | 2-1 Organizational details | About This Report 5.1.1 Company Profile | 4, 153 | - |
| | 2-2 Entities included in the organization's sustainability reporting | About This Report | 4 | - |
| | 2-3 Reporting period, frequency and contact point | About This Report | 5 | - |
| | 2-4 Restatements of information | About This Report | 4 | - |
| | 2-5 External assurance | About This Report 6.10 Statement | 5, 207 | - |
| | 2-6 Activities, value chain and other business relationships | 1.5.3 Determine material Topics and Boundaries 5.1.1 Company Profile 5.4.1 Supply Chain Overview | 35, 153, 173-174 | - |
| | 2-7 Employees | 5.1.1 Company Profile 4.1.2 Inclusion and Diversity | 153, 85-86 | - |
| | 2-8 Workers who are not employees | 4.4.2 Occupational Safety and Health | 125 | - |
| | 2-9 Governance structure and composition | 5.2.1 Functions of Board of Directors 5.3 Risk Management | 155-156, 161 | - |
| | 2-10 Nomination and selection of the highest governance body | 5.2.1 Functions of Board of Directors | 155 | - |
| | 2-11 Chair of the highest governance body | The Chairman of the Company also serves as the CSO, responsible for the Company's strategic planning, construction, promotion and long-term development and other related matters. | - | - |

| GRI Standard | Disclosure | Corresponding Section | Page Number | Omission |
|---|--|---|---------------|-----------------------------|
| GRI 2: General Disclosures 2021 | 2-12 Role of the highest governance body in overseeing the management of impacts | 5.2.1 Functions of Board of Directors 1.4 Organizational Structure for Sustainability 1.5.2 Sustainability Context Identification | 24, 30, 156 | - |
| | 2-13 Delegation of responsibility for managing impacts | 1.4 Organizational Structure for Sustainability 5.3 Risk Management | 24, 159 | - |
| | 2-14 Role of the highest governance body in sustainability reporting | 1.5.3 Determine material Topics and Boundaries | 30 | - |
| | 2-15 Conflicts of interest | 5.2.1 Functions of Board of Directors | 155 | - |
| | 2-16 Communication of critical concerns | 5.2.1 Functions of Board of Directors | 156 | - |
| | 2-17 Collective knowledge of the highest governance body | 5.2.1 Functions of Board of Directors | 155 | - |
| | 2-18 Evaluation of the performance of the highest governance body | 5.2.1 Functions of Board of Directors | 156 | - |
| | 2-19 Remuneration policies | 4.1.3 Talent Retention | 89 | - |
| | 2-20 Process to determine remuneration | 5.2.1 Functions of Board of Directors | 156 | - |
| | 2-21 Annual total compensation ratio | - | - | Confidentiality constraints |
| | 2-22 Statement on sustainable development strategy | Special Report on Sustainability -Six Sustainability Strategies 1.2 Sustainability Strategies and Aspects | 10, 18, 20-21 | - |
| | 2-23 Policy commitments | 4.3 Human Rights Management 5.4 Moving Towards Sustainable Supply Chains | 112-113, 173 | - |
| | 2-24 Embedding policy commitments | 4.3 Human Rights Management 4.4.2 Occupational Safety and Health 5.4.2 Supply Chain Sustainability Management | 112, 122, 181 | - |
| | 2-25 Processes to remediate negative impacts | 2.3.3 Privacy Protection 4.3.2 Human Rights Risks and Material Issues 4.4.2 Occupational Safety and Health | 52, 113, 123 | - |
| 2-26 Mechanisms for seeking advice and raising concerns | 4.3.3 Open Communication Channels 5.2.2 Ethical Management | 115-116, 157 | - | |

| GRI Standard | Disclosure | Corresponding Section | Page Number | Omission |
|--|---|---|-------------|-------------------------------|
| GRI 2: General Disclosures 2021 | 2-27 Compliance with laws and regulations | 5.2.3 Legal Compliance | 158 | - |
| | 2-28 Membership associations | 5.5.3 Policy Influence | 187 | - |
| | 2-29 Approach to stakeholder engagement | 1.5.1 Stakeholder Engagement 4.3.3 Open Communication Channels | 25-29, 116 | - |
| | 2-30 Collective bargaining agreements | 4.3.2 Human Rights Risks and Material Issues | 114 | Not applicable. No agreement. |
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | 1.5.2 Sustainability Context Identification 1.5.3 Determine material Topics and Boundaries | 30 | - |
| | 3-2 List of material topics | 1.5.3 Determine material Topics and Boundaries | 34 | - |
| | 3-3 Management of material topics | 1.5.3 Determine material Topics and Boundaries | 34 | - |

Topic Standards

| GRI Standard | Disclosure | Corresponding Section | Page Number | Omission |
|--|--|---|-------------|----------|
| Material Topic | | | | |
| Environmental Policy and Management | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.3 Management Approach | 54 | - |
| GRI 2: General Disclosures 2021 | 2-27 Compliance with laws and regulations | 3.1.1 Environmental Protection Policies | 55 | - |
| Climate Change Management | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.3 Management Approach | 54 | - |
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | 4.5.1 Social Investment 5.5.1 Financial Performance | 127, 185 | - |
| | 201-2 Financial implications and other risks and opportunities due to climate change | 3.2.3 Identification of Climate Risks and Opportunities | 64-66 | - |
| | 201-3 Defined benefit plan obligations and other retirement plans | 4.1.3 Talent Retention | 89 | - |
| | 201-4 Financial assistance received from government | Please refer to the Company's Annual Report | - | - |

| GRI Standard | Disclosure | Corresponding Section | Page Number | Omission |
|--|---|---|-------------|----------|
| Greenhouse Gas Emissions and Energy | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.3 Management Approach | 54 | - |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | 3.3.1 Energy Usage | 68 | - |
| | 302-2 Energy consumption outside of the organization | 3.3.1 Energy Usage | 68 | - |
| | 302-3 Energy intensity | 3.3.1 Energy Usage | 68 | - |
| | 302-4 Reduction of energy consumption | 3.3.3 Reduction Actions and Results | 72 | - |
| | 302-5 Reductions in energy requirements of products and services | 2.2.1 Green Products | 44 | - |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | 3.3.2 Greenhouse Gas Emissions | 70 | - |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 3.3.2 Greenhouse Gas Emissions | 70 | - |
| | 305-3 Other indirect (Scope 3) GHG emissions | 3.3.2 Greenhouse Gas Emissions | 71 | - |
| | 305-4 GHG emissions intensity | 3.3.2 Greenhouse Gas Emissions | 70 | - |
| | 305-5 Reduction of GHG emissions | 3.3.3 Reduction Actions and Results | 72 | - |
| | 305-6 Emissions of ozone-depleting substances (ODS) | 3.4.2 Air pollution control | 76 | - |
| | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | 3.4.2 Air pollution control | 76 | - |
| Talent Attraction and Retention | | | | |
| Human Resources Structure | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.4 Management Approach | 81 | - |
| GRI 202: Market Presence 2016 | 202-1 Ratios of standard entry level wage by gender compared to local minimum wage | 4.1.3 Talent Retention | 89 | - |
| | 202-2 Proportion of senior management hired from the local community | 4.1.1 Global Talent Recruitment | 84 | - |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | 4.1.1 Global Talent Recruitment 4.1.3 Talent Retention | 83, 93-94 | - |

| GRI Standard | Disclosure | Corresponding Section | Page Number | Omission |
|--|---|--|-------------|----------|
| Employee Care and Benefits | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.4 Management Approach | 81 | - |
| GRI 401: Employment 2016 | 401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees | 4.4.1 Employee Care and Benefits | 117-120 | - |
| | 401-3 Parental leave | 4.4.1 Employee Care and Benefits | 120 | - |
| Talent Cultivation and Career Development | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.4 Management Approach | 81 | - |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | 4.2.1 Global talent development Policy | 95-96 | - |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | 4.2.2 Key Strategic Talent Development | 97 | - |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | 4.1.3 Talent Retention 4.2.2 Key Strategic Talent Development | 90, 106 | - |
| Human Rights, Diversity and Inclusion | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.4 Management Approach | 81 | - |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | 4.1.2 Inclusion and Diversity 5.2.1 Functions of Board of Directors | 86, 155 | - |
| | 405-2 Ratio of basic salary and remuneration of women to men | 4.1.3 Talent Retention | 89 | - |
| GRI 406: Non-discrimination 2016 | 406-1 Incidents of discrimination and corrective actions taken | 4.3.2 Human Rights Risks and Material Issues | 114 | - |
| GRI 408: Child Labor 2016 | 408-1 Operations and suppliers at significant risk for incidents of child labor | 4.3.2 Human Rights Risks and Material Issues | 113 | - |
| GRI 409: Forced or Compulsory Labor 2016 | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | 4.3.2 Human Rights Risks and Material Issues | 114 | - |
| Occupational Safety and Health | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.4 Management Approach | 81 | - |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | 4.4.2 Occupational Safety and Health | 121 | - |
| | 403-2 Hazard identification, risk assessment, and incident investigation | 4.4.2 Occupational Safety and Health | 122-123 | - |

| GRI Standard | Disclosure | Corresponding Section | Page Number | Omission |
|---|---|---|-------------|----------|
| GRI 403: Occupational Health and Safety 2018 | 403-3 Occupational health services | 4.4.1 Employee Care and Benefits | 117-118 | - |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | 4.4.2 Occupational Safety and Health | 121 | - |
| | 403-5 Worker training on occupational health and safety | 4.4.2 Occupational Safety and Health | 122 | - |
| | 403-6 Promotion of worker health | 4.4.1 Employee Care and Benefits | 119 | - |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 4.4.2 Occupational Safety and Health | 121-122 | - |
| | 403-8 Workers covered by an occupational health and safety management system | 4.4.2 Occupational Safety and Health | 121 | - |
| | 403-9 Work-related injuries | 4.4.2 Occupational Safety and Health | 123-125 | - |
| | 403-10 Work-related ill health | 4.4.2 Occupational Safety and Health | 124-125 | - |
| Customer Relations | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.2 Management Approach | 37 | - |
| GRI 416: Customer Health and Safety 2016 | 416-1 Assessment of the health and safety impacts of product and service categories | 2.2.2 Product Life Cycle Assessment | 47-48 | - |
| | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | 2.2.1 Green Products | 44 | - |
| GRI 417: Marketing and Labeling 2016 | 417-1 Requirements for product and service information and labeling | 2.2.1 Green Products | 44-45 | - |
| | 417-2 Incidents of non-compliance concerning product and service information and labeling | 2.2.1 Green Products | 44 | - |
| | 417-3 Incidents of non-compliance concerning marketing communications | 5.2.3 Legal Compliance | 158 | - |
| GRI 418: Customer Privacy 2016 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | 2.3.3 Privacy Protection | 52 | - |
| Information Security | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 5.3.3 Information Security | 165-170 | - |
| Vision and Sustainable Strategies | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 1.2 Sustainability Strategies and Aspects | 18-21 | - |

| GRI Standard | Disclosure | Corresponding Section | Page Number | Omission |
|--|--|--|-------------|----------|
| Sustainable Supply Chain | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.5 Management Approach | 152 | - |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1 New suppliers that were screened using environmental criteria | 5.4.2 Supply Chain Sustainability Management | 175 | - |
| | 308-2 Negative environmental impacts in the supply chain and actions taken | 5.4.2 Supply Chain Sustainability Management | 177-179 | - |
| GRI 414: Supplier Social Assessment 2016 | 414-1 New suppliers that were screened using social criteria | 5.4.2 Supply Chain Sustainability Management | 175 | - |
| | 414-2 Negative social impacts in the supply chain and actions taken | 5.4.2 Supply Chain Sustainability Management | 179 | - |
| Product Development and Innovation | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.2 Management Approach | 37 | - |
| Digital Transformations | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.4 Management Approach | 81 | - |
| Green Product | | | | |
| Circular economy | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Ch.2 Management Approach | 37 | - |
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | 2.2.1 Green Products | 45 | - |
| | 301-2 Recycled input materials used | 2.1.1 Circular Economy | 38, 40 | - |
| | 301-3 Reclaimed products and their packaging materials | 2.1.1 Circular Economy | 38 | - |

| GRI Standard | Disclosure | Corresponding Section | Page Number | Omission |
|----------------------------|--|------------------------|-------------|----------|
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | 3.4.3 Waste management | 77 | - |
| | 306-2 Management of significant wasterelated impacts | 3.4.3 Waste management | 77-78 | - |
| | 306-3 Waste generated | 3.4.3 Waste management | 77 | - |
| | 306-4 Waste diverted from disposal | 3.4.3 Waste management | 78 | - |
| | 306-5 Waste directed to disposal | 3.4.3 Waste management | 78 | - |

6.6 SASB Index

Sustainability Disclosure Topics & Accounting Metrics

| Dimension | Topic | Code | Accounting Metric | Response | Page Number | Note |
|---------------|------------------------------|--------------|--|--|-------------|-------------|
| Environmental | Water Management | TC-ES-140a.1 | (1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress | 3.4.1 Water resource management | 74 | No omission |
| | Waste Management | TC-ES-150a.1 | Amount of hazardous waste from manufacturing, percentage recycled | 3.4.3 Waste management | 77-78 | No omission |
| Social | Labor Conditions | TC-ES-310a.1 | Number of work stoppages and (2) total days idle | No related incidents in 2022 | - | |
| | Product Lifecycle Management | TC-ES-320a.1 | (1) Total recordable incident rate (TRIR) and (2) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees | 4.4.2 Occupational Safety and Health | 123-125 | No omission |
| | | TC-ES-320a.2 | Percentage of (1) entity's facilities and (2) Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities | 5.4.2 Supply Chain Sustainability Management | 178 | No omission |
| | | TC-ES-320a.3 | (1) Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances, broken down for (i) the entity's facilities and (ii) the entity's Tier 1 supplier facilities | 5.4.2 Supply Chain Sustainability Management | 177-178 | No omission |
| Economic | Product Lifecycle Management | TC-ES-410a.1 | Weight of end-of-life products and e-waste recovered, percentage recycled | 2.1.1 Circular economy | 38 | No omission |
| | Materials Sourcing | TC-ES-440a.1 | Description of the management of risks associated with the use of critical materials | 5.4.3 Conflict Minerals | 184 | No omission |

Activity Metrics

| Activity Metrics | Code | Response | Page Number | Note |
|------------------------------------|-------------|-------------------------------|-------------|-------------------------|
| Number of manufacturing facilities | TC-ES-000.A | 5.1.1 Company Profile | 153 | No omission |
| Area of manufacturing facilities | TC-ES-000.B | - | - | No statistics available |
| Number of employees | TC-ES-000.C | 4.1.2 Inclusion and Diversity | 85-86 | No omission |

6.7 TCFD Index

| Core Elements | Disclosure | Corresponding Section |
|----------------------------|---|-----------------------|
| Governance | a) Describe the board's oversight of climate-related risks and opportunities. | Ch. 3.2.1 |
| | b) Describe management's role in assessing and managing climate-related risks and opportunities. | Ch. 3.2.1 |
| Strategy | a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term. | Ch. 3.2.3 |
| | b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning. | Ch. 3.2.3 |
| | c) Describe the potential impact of different scenarios, including a 2° C scenario, on the businesses, strategy and financial planning | Ch. 3.2.2/ 3.2.3 |
| Risk Management | a) Describe the organization's processes for identifying and assessing climate-related risks | Ch. 3.2.2 |
| | b) Describe the organization's processes for managing climate-related risks. | Ch. 3.2.1/ Ch. 3.2.3 |
| | c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management. | Ch. 3.2.1/ Ch. 3.2.3 |
| Metrics and Targets | a) Disclose the metrics used by to assess climate-related risks and opportunities in line with its strategy and risk management process. | Ch. 3.2.2/ Ch. 3.2.3 |
| | b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks. | Ch. 3.2.2/ 3.3.2 |
| | c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets | Ch. 1.2/ 3.2.4/ 3.3.3 |



6.8 Sustainability Reporting Indicators

| No. | Indicator | Category of Indicator | Annual Disclosure Status | Unit | Note |
|-----|---|-----------------------|---|---|---|
| 1 | Total energy consumption, percentage of purchased electricity, and usage rate of renewable energy | Quantification | 3.3.1 Energy Usage | Gigajoule (GJ), Percentage (%) | |
| 2 | Total water withdrawal, Total water consumption | Quantification | 3.4.1 Water resource management | Million liters | |
| 3 | The weight of hazardous waste generated, and percentage of recovery | Quantification | 3.4.3 Waste management | Ton (t), Percentage (%) | |
| 4 | Description of Occupational Accident Types, Number of People and Rates | Quantification | 4.4.2 Occupational Safety and Health | Ratio (%), Quantity | |
| 5 | Disclosures of Product Lifecycle Management (PLM): Weight including end-of-life products and electronic waste, and the percentage of recycling (Note 1) | Quantification | 2.1.1 Circular economy 2.2.2 Product Life Cycle Assessment | Ton (t), Percentage (%) | |
| 6 | Description of the risk management related to the use of critical raw materials | Qualitative | 5.4.3 Conflict Minerals | Not applicable | |
| 7 | Total pecuniary losses resulting from legal actions relating to anti-competitive behavior regulations | Quantification | 5.2.2 Ethical Management | Presentation currency | From 2019 to 2022, the Company was never penalized by the competent authority for matters related to anti-competitive behavior and monopolistic measures. |
| 8 | Output of major products by product category | Quantification | 5.1.2 Products and Services | Sales volume unit: thousand units/thousand pieces/ thousand products Sales value unit: NT\$ million | |

6.9 Climate-Related Information

| Item | Status on Execution |
|---|---|
| <p>1.The Board of Directors and the management's supervisory and governance of climate-related risks and opportunities are clearly described</p> <p>2.The way that business, strategy and finance (short, medium and long term) of enterprises impacted by the identified climate risks and opportunities are clearly described.</p> <p>3.The impact on finance from extreme climate events and transformational actions is clearly described.</p> <p>4.The way to integrate the identification, assessment and management process of climate risk into the overall risk management system is clearly described.</p> <p>5.The scenarios, parameters, assumptions, analysis factors and main financial impacts used shall be described if scenario analysis is used to assess resilience to the risks of climate change.</p> | <p>1.In terms of methodology, as a formal supporter of the Task Force on Climate-Related Financial Disclosures (TCFD), Wistron employs its framework and guidelines to address climate governance, identify climate risks and opportunities, establish measurement indicators and goal management, and publicly disclose information on a regular basis each year. In accordance with the company's Risk Management Policy and Procedures, Wistron identifies and manages climate-related risks and opportunities, and incorporates them into the overall Enterprise Risk Management (ERM) mechanism to conduct systematic management. To deepen climate governance, the board of directors serves as the highest supervisory unit for climate issues, oversees the overall climate strategy, and supervises senior management's execution of climate-related risk management and key performance indicators. As a functional committee directly under the board of directors, the ESG Committee has a risk management subgroup, chaired by the CFO and composed of representatives from various departments and business units, to conduct comprehensive assessments of various risks including climate risks, develop response and adaptation strategies, and produce enterprise risk management reports to report to the ESG Committee, ensuring that climate issues are included in the vision of senior management and managed prudently. The ESG Committee regularly reviews the company's risk assessment and response strategies in various aspects including environment, society, and corporate governance, including but not limited to the status of climate change-related issues. At least twice a year, the ESG Committee reports to the board of directors on the execution results and future plans of sustainable development, including climate change-related issues.</p> <p>2.Wistron follows the ISO 31000 and the ERM framework for our risk management process. We use a Risk Map to analyze the likelihood of potential and emerging risks and the extent of losses that may occur once a risk has materialized. Using factors such as asset life, potential climate risks, and the industry sector and region in which we operate, we evaluate short, medium, and long-term risks (short-term: 1-3 years, medium-term: 3-5 years, long-term: 5-10 years) and opportunities that may threaten our future operations. We assess and prioritize risks and opportunities by defining their likelihood and impact levels and present them on a Risk and Opportunity Matrix, which is disclosed publicly in our annual sustainability report. The results of our risk and opportunity analysis are based on a matrix chart drawn from the "probability, severity and control effectiveness. The impact level is categorized into five levels of financial loss (negligible, minor, moderate, major, catastrophic) for consideration. High or medium risks are classified as primary risks and require preventive measures and improvement plans. Please refer to the Identification of Climate Risks and Opportunities in the section 3.2.3 for our company's climate change financial impact analysis.</p> <p>3. Regarding the potential financial impacts of extreme weather and transformational actions on our company, we conduct assessments through multiple scenario analyses. For droughts, typhoons, and floods, we simulate possible financial impacts based on existing information, and ask each responsible unit to propose response strategies and action plans under the ERM management framework. As for transformational actions, Wistron actively implements energy-saving and carbon-reducing projects and adopts green electricity to achieve its low-carbon transformation goals globally. The financial impacts mainly reflect expenditures such as equipment replacement or operating expenses, but at the same time, there are positive effects such as cost savings and market expansion due to improved operational efficiency and customer satisfaction. Please refer to the climate change financial impact analysis (risk) and climate change financial impact analysis (opportunity) tables in the section 3.2.3 for the potential financial impacts of extreme weather and transformational actions on our company.</p> <p>4.Following Wistron's 《Risk Management Policy and Procedures》 and other regulations, Wistron incorporates the identification and management of climate-related risks and opportunities into the mechanism of the company's overall Enterprise Risk Management (ERM) to conduct systematic management. The board of directors is the highest responsible unit for risk management, and the ESG Committee reports the execution and results of risk management to the board of directors regularly each year to supervise the operation of the risk management mechanism and overall implementation. The ESG Committee is a functional committee directly under the board of directors, which assists the board of directors in reviewing the execution of risk management. The committee members include the Vice Chairman (Chairman), President & CEO, Chief of Staff, CTO, Chief Digital Officer & Chief Information Security Officer, and one independent director. The committee has a risk management team under it. In order to deepen climate governance, Wistron regards the board of directors as the highest supervisory unit on climate issues, overseeing the overall climate strategy and monitoring the execution of climate-related risk management and key performance by senior management. As a functional committee directly under the board of directors, the ESG Committee has a risk management team composed of departmental and business unit managers and representatives, with the Chief Financial Officer as the convener. The risk management team conducts comprehensive evaluation and analysis of various risk scenarios, including climate-related risks, and formulates response and adaptation strategies. The team produces an Enterprise Risk Management Report to report to the ESG Committee each year to ensure that climate issues are included in the vision of senior management and prudently managed.</p> <p>5. Our company uses multiple scenario analysis, and the scenarios, parameters, assumptions, and analysis factors used are explained in the section 3.2.2 for mitigation and adaptation strategies. For information on the main financial impacts, please refer to climate change financial impact analysis in the section 3.2.3.</p> |


| Item | Status on Execution | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--------------------------------------|------------------------------------|---------|--------------------------------------|--|---|------------------|---|--|--|----------------------------|----------|--|--|------------------------------------|--|--|--|--------------------------|--------|--|--------|-------------------------------|----|--|-----------|--------------|----|--|-------------|
| <p>6. The content of the plan, and the indicators and objectives used to identify and manage physical risks and transition risks shall be described if there is a transition plan to manage the risks of climate-related.</p> <p>7. The bases used for setting prices shall be described if internal carbon pricing is used as a planning tool.</p> <p>8. Information on the activities covered, the scope and planned schedule of greenhouse gas emissions, and annual progress achieved shall be described if climate-related targets are set. The source and quantity of carbon reduction credits or the quantity of renewable energy certificates (RECs) to be offset shall be described if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant goals.</p> <p>9. Status on greenhouse gas inventory and assurance (filled in 1-1 separately)</p> | <p>6. Our company follows the TCFD framework and has established climate targets and performance indicators that are publicly disclosed annually. In response to the IPCC Special Report on Global Warming of 1.5° C, since 2020, we have adopted the Science-Based Targets initiative (SBTi) and set short-term, medium-term, and long-term goals based on a 2016 baseline year. The short-term goal is to achieve an absolute greenhouse gas reduction of 25.2% by 2022, the medium-term goal is to achieve a reduction of 37.8% by 2025, and the long-term goal is to achieve carbon neutrality by 2030, demonstrating our commitment to mitigating and adapting to climate change. Additionally, taking into account the recommendation of scientifically-based carbon reduction goals, we have established short-term, medium-term, and long-term goals for electricity consumption of renewable energy, with targets of 57.5%, 80%, and 100% for 2022, 2025, and 2030, respectively, in response to the global trend of energy transition and low-carbon manufacturing, we actively assist our supply chain partners in setting scientifically-based carbon reduction goals to drive the entire value chain towards net-zero. Our progress towards these goals has been on track and steadily developing. Our climate performance indicators are publicly disclosed annually for external review. We have also launched the ESG 6 Pillar Transition Plan, in which the decarbonization, green products, recycling, and sustainable supply base pillars are directly targeted at low-carbon economic transformation and green manufacturing. Each pillar's performance indicators and short-term, medium-term, and long-term goals are publicly disclosed in our sustainability report and ESG website.</p> <p>7. We plan to introduce an internal carbon pricing system with internal carbon fees as the pricing mechanism to drive carbon reduction. The selection and evaluation of advisory consultants are currently underway. Once the consultant team is confirmed, 1-2 manufacturing sites will be selected for trial implementation before gradually expanding to all sites.</p> <p>8. Climate-related targets:</p> <table border="1" data-bbox="776 746 2433 1292"> <thead> <tr> <th data-bbox="776 746 1227 834">Item</th> <th data-bbox="1227 746 1833 834">Caption</th> <th data-bbox="1833 746 2433 834">Absolute Reduction of Greenhouse Gas</th> <th data-bbox="2433 746 2561 834">Renewable Energy Consumption Ratio</th> </tr> </thead> <tbody> <tr> <td data-bbox="776 834 1227 922">Target:</td> <td data-bbox="1227 834 1833 922">Climate Change and Energy Management</td> <td data-bbox="1833 834 2433 922">Absolute reduction of greenhouse gas compared to 2016 : -25.2%</td> <td data-bbox="2433 834 2561 922">Renewable energy consumption ratio: 57.5%</td> </tr> <tr> <td data-bbox="776 922 1227 970">Activity covered</td> <td colspan="3" data-bbox="1227 922 2561 970">Same as the current year's sustainability report, and it is evaluated and verified by an independent and impartial third party.</td> </tr> <tr> <td data-bbox="776 970 1227 1026">The scope of GHG Emissions</td> <td colspan="3" data-bbox="1227 970 2561 1026">Scope1+2</td> </tr> <tr> <td data-bbox="776 1026 1227 1137">Short, medium, and long-term Goals</td> <td colspan="2" data-bbox="1227 1026 1833 1137">1. Y22: -25.2% 2. Y25: -37.8% 3. Y2030: carbon neutral</td> <td data-bbox="1833 1026 2433 1137">1. Y22: 57.5% 2. Y25: 80% 3. Y2030: 100%</td> </tr> <tr> <td data-bbox="776 1137 1227 1193">Y22 achievement progress</td> <td colspan="2" data-bbox="1227 1137 1833 1193">66.72%</td> <td data-bbox="1833 1137 2433 1193">63.02%</td> </tr> <tr> <td data-bbox="776 1193 1227 1249">Solar energy generation (kWh)</td> <td colspan="2" data-bbox="1227 1193 1833 1249">NA</td> <td data-bbox="1833 1193 2433 1249">9,283,177</td> </tr> <tr> <td data-bbox="776 1249 1227 1292">I-RECs (kWh)</td> <td colspan="2" data-bbox="1227 1249 1833 1292">NA</td> <td data-bbox="1833 1249 2433 1292">267,372,000</td> </tr> </tbody> </table> | Item | Caption | Absolute Reduction of Greenhouse Gas | Renewable Energy Consumption Ratio | Target: | Climate Change and Energy Management | Absolute reduction of greenhouse gas compared to 2016 : -25.2% | Renewable energy consumption ratio: 57.5% | Activity covered | Same as the current year's sustainability report, and it is evaluated and verified by an independent and impartial third party. | | | The scope of GHG Emissions | Scope1+2 | | | Short, medium, and long-term Goals | 1. Y22: -25.2% 2. Y25: -37.8% 3. Y2030: carbon neutral | | 1. Y22: 57.5% 2. Y25: 80% 3. Y2030: 100% | Y22 achievement progress | 66.72% | | 63.02% | Solar energy generation (kWh) | NA | | 9,283,177 | I-RECs (kWh) | NA | | 267,372,000 |
| Item | Caption | Absolute Reduction of Greenhouse Gas | Renewable Energy Consumption Ratio | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Target: | Climate Change and Energy Management | Absolute reduction of greenhouse gas compared to 2016 : -25.2% | Renewable energy consumption ratio: 57.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Activity covered | Same as the current year's sustainability report, and it is evaluated and verified by an independent and impartial third party. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The scope of GHG Emissions | Scope1+2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Short, medium, and long-term Goals | 1. Y22: -25.2% 2. Y25: -37.8% 3. Y2030: carbon neutral | | 1. Y22: 57.5% 2. Y25: 80% 3. Y2030: 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Y22 achievement progress | 66.72% | | 63.02% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Solar energy generation (kWh) | NA | | 9,283,177 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| I-RECs (kWh) | NA | | 267,372,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

1-1 Status on Greenhouse Gas Inventory and Assurance

| | |
|--|---|
| <p>Basic information of the company</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Companies with capital of more than \$10 billion, the steel industry, and the cement industry <input type="checkbox"/> Companies with capital of more than \$5 billion but less than \$10 billion <input type="checkbox"/> Companies with capital of less than \$5 billion | <p>In accordance with the provisions of the Sustainable Development Roadmap of listed companies should at least be disclosed</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Inventory of parent company only <input type="checkbox"/> Inventory of subsidiaries included in consolidated financial statements <input checked="" type="checkbox"/> Assurance on parent company only <input type="checkbox"/> Assurance on subsidiaries included in consolidated financial statements |
|--|---|

| Scope 1 | Total Emissions (tonne CO ₂ e) | Intensity (tonne CO ₂ e/ NT\$ million) | Assurance Institution | Description of Assurance Status |
|--------------------------------------|---|---|--|--|
| Wistron Corporation (parent company) | 852.718 | 0.020 | Bureau Veritas Certification (Taiwan) Co., Ltd | Based on the process and procedures conducted, we conclude that the GHG statement is materially correct and is a fair representation of the GHG data and information, and is prepared in accordance with the ISO 14064-1:2018. It is our opinion that WISTRON CORPORATION, WISTRON CORPORATION HSINCHU SITE, WISTRON CORPORATION HUKOU FACTORY#1 SITE and WISTRON CORPORATION HUKOU FACTORY#2 SITE have established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries. |
| Total | 852.718 | 0.020 | | |
| Scope 2 | Total Emissions (tonne CO ₂ e) | Intensity (tonne CO ₂ e/ NT\$ million) | Assurance Institution | Description of Assurance Status |
| Wistron Corporation (parent company) | 34,070.349 | 0.809 | Bureau Veritas Certification (Taiwan) Co., Ltd | Based on the process and procedures conducted, we conclude that the GHG statement is materially correct and is a fair representation of the GHG data and information, and is prepared in accordance with the ISO 14064-1:2018. It is our opinion that WISTRON CORPORATION, WISTRON CORPORATION HSINCHU SITE, WISTRON CORPORATION HUKOU FACTORY#1 SITE and WISTRON CORPORATION HUKOU FACTORY#2 SITE have established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries. |
| Total | 34,070.349 | 0.809 | | |
| Scope 3 | 2,865,344.568 (CO ₂ e) | | | |

6.10 Statement



INDEPENDENT ASSURANCE STATEMENT

To: The Stakeholders of WISTRON CORPORATION

Introduction and objectives of work

Bureau Veritas Certification Taiwan has been engaged by **WISTRON CORPORATION** to conduct an independent assurance of its **2022 Sustainability Report**. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the **2022 Sustainability Report** are the sole responsibility of the management of **WISTRON CORPORATION**. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.


Scope of work


The assurance process was conducted in line with the requirements of the AA1000 Assurance Standard (AA1000AS v3), Type 2 - AccountAbility Principles and Performance Information engaged. The scope of work included:

- Data and information included in **2022 Sustainability Report** for the **1st January, 2022 to 31st December, 2022**;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;
- Evaluation of the Report against the main principles of the AA1000 Accountability Principle (2018)¹
 - Inclusivity
 - Materiality
 - Responsiveness
 - Impact
- Evaluation of the Report against the principles of Stakeholder Inclusiveness, Sustainability Context, Materiality, Completeness, Balance, Comparability, Accuracy, Timeliness, Clarity, and Reliability, as defined in the GRI Sustainability Reporting Standards.

The levels of assurance have been applied as high level assurance.

¹ Published by AccountAbility: The Institute of Social and Ethical Accountability
<https://www.accountability.org/>

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Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

1. Interviews with relevant personnel of **WISTRON CORPORATION**;
2. Review of documentary evidence produced by **WISTRON CORPORATION**;
3. Review performance data listed in report with sampling basis;
4. Visits to 11 sites located in Taiwan (Taipei City, New Taipei City, Hsinchu City, Tainan City, Kaohsiung City), Mexico (Chihuahua-Juarez City), Czech (South Moravian-Brno City) and Malaysia (Pelabuhan Klang, Petaling Jaya);
5. Review of **WISTRON CORPORATION** data and information systems for collection, aggregation, analysis and review.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

The work was planned and carried out to provide reasonable, rather than absolute assurance and we believe it provides a reasonable basis for our conclusions.

Our findings


On the basis of our methodology and the activities described above, it is our opinion that:

- The information and data included in **2022 Sustainability Report** are accurate, reliable and free from material mistake or misstatement;
- The Report provides a fair representation of **WISTRON CORPORATION**'s activities over the reporting period;
- The information is presented in a clear, understandable and accessible manner, and allows readers to form a balanced opinion over **WISTRON CORPORATION**'s performance and status during the **1st January, 2022 to 31st December, 2022**;
- The Report properly reflects the organisation's alignment to and implementation of the AA1000 Assurance Standard (AA1000AS v3) principles of Inclusivity, Materiality, Responsiveness and Impact in its operations. Further detail is provided below;
- **WISTRON CORPORATION** has established appropriate systems that it covers environmental and social KPIs for the collection, aggregation and analysis of relevant information;

Alignment with the principles of AA1000 Accountability Principle (2018)

Inclusivity

WISTRON CORPORATION has processes in place for engaging with key stakeholders including socially responsible investors, clients, employees, supply chain and local community; and has undertaken a number of formal stakeholder engagement activities in 2022 covering a range of material topics such as Economic, Social and Environment.

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