

誠信攜手·深耕本業·邁向世界
Facilitate a Better World

WT Microelectronics 2023 Sustainability Report

Printed on recycled paper with soy-based ink.

2023 SUSTAINABILITY REPORT



 WT Microelectronics
SUSTAINABILITY
REPORT



Cover Design Concept

To sustain the enduring beauty of the earth, to sustain the changing of the seasons. These stunning photos taken by elementary school children as part of the WT Education Foundation 'Shining Hope program' photos allow us to see the images of spring buds, summer sparkles, autumn blooms, and winter harvests. These works presented from children's perspective are particularly captivating! The photos selected for this report are also outstanding works created by school children in the "Shining Hope program"

CONTENTS

About the Report	04
Letter from the CEO	06
2023 Key Indicators Environmental Performance \ Social Performance \ Governance Performance	10
Awards and Achievements	13
Value Chain	14

Chapter 1

About WT Microelectronics

WT Expansion From Taiwan
to a Global Presence

1-1 Operation Status	20
1-2 Every Wonderful Chapter WT wrote: WT Microelectronics' 30th anniversary	24

Chapter 2

Implementing Sustainable Management

Stakeholders Identification and Operating
System Improvement

2-1 Action Guidelines for Sustainability Management	32
2-2 Stakeholder Engagement	34
2-3 Analysis of material disclose issues	36
2-4 Management guidelines for material issues	39

Chapter 3

Corporate Governance and Framework

Strengthened internal control and risk
management to build a sound management
mechanism

3-1 Sound Corporate Governance	48
3-2 Excellent Financial Performance	54
3-3 Digital Optimization	56
3-4 Compliant Tax Policies	61
3-5 Enhanced Risk Management	63
3-6 Deepened Information Security	66
3-7 Ethical Corporate Management	72

Chapter 4

Toward a Happy Enterprise

Offering employees the best environment to
shape a happy and healthy workplace

4-1 Talent Recruitment	78
4-2 Talent Development	82
4-3 Inclusive Workplace	86
4-4 Health Management	91
4-5 Employee Relations	96
4-6 Workplace Safety	104

Chapter 5

Joint Effort Towards Sustainability

Innovative action blueprint to shape a
sustainable future

5-1 Green Design	108
5-2 Sustainable Supply Chain	113
5-3 Environmental Management	116
5-4 Response to Climate Change	119
5-5 Greenhouse Gases	123
5-6 Energy Management	127
5-7 Water Resources Management	129
5-8 Green Logistics	131
5-9 Waste Reduction	135
5-10 Giving Back to the Society	136

Chapter 6

Appendix

6-1 GRI Content Index	146
6-2 SASB Index	149
6-3 Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports	150
6-4 TCFD Index	150
6-5 GHG Inventory and Verification Situation	151
6-6 Stakeholder Capitalism Metrics Index	153
6-7 SDGs Disclosure Index	155
6-8 Certification of ISO Standards and Related Standards	156
6-9 Disclosure Coverage	156
6-10 Quantitative Data Supplement Disclosure	157
6-11 External Guarantee	161

About the Report

WT Microelectronics (hereafter abbreviated as WT) 2023 Sustainability Report (hereafter referred to as "this Report") is compiled as follows:

Disclosure Framework

In compliance with

1. GRI Sustainability Reporting Standards, GRI Standards 2021
2. AA1000 Account Ability Principles, AA1000AP-2018
3. SASB Standards for Multiline and Specialty Retailers & Distributors

In line with

IFRS Sustainability Disclosure Standards, including the replaced TCFD.

Temporal Scope

This report was first released in 2017 and an annual report has since been regularly released each year. This report covers the period from January 1st to December 31st, 2023.

Organizational Scope

This report presents the sustainability performance of the parent company and all entities in the group's consolidated reports, including subsidiaries in Taiwan, China, Hong Kong, South Asia, South Korea and Japan. Unless otherwise specified, the major operating regions are divided into regions of Taiwan, Hong Kong, China, South Asia, South Korea, and Japan.

In cases where the data disclosed do not cover all the entities, a note is added to describe the scope of the particular disclosure. The respective disclosure scopes of all items are provided in "6-9 Disclosure Scope" as well.

About the Disclosure

Financial Performance

The financial information disclosed in regard to the operating performance have been audited by PricewaterhouseCoopers Taiwan (PwC Taiwan) and are consistent with the information from financial statements attested by public certified accountant. The financial disclosures are made in New Taiwan Dollars (NTD).

Non-financial performance

The other data in this report were compiled from the last five years by the disclosure team, with numeral information described in the usual way and rounded in principle.

In cases where the relevant performance information has been collected for less than five years or the accuracy of the information can not be validated or verified, only the data of one to four years are disclosed.

Click on the "chart" icon to go to "6-10 Supplementary Disclosure of Quantitative Data" for detailed data and charts.

Compilation Process

This report was produced by an inter-departmental disclosure team. The contents were produced by appointed writers of each department, complied by the Executive Secretary of the Sustainable Development Team, and verified by the disclosure team. The report was then submitted to the Chief Sustainability Officer (CSO) for review before the final approval by the Chairman. The final version was presented by the CSO to the Sustainable Development Committee and the Board meeting at which it was discussed and passed. The information and comprehensive results disclosed in this report are also available in the ESG section of WT's official website.

The last report was released in June 2023. This report was released in August 2024.

Independent Assurance

Verified by

British Standards Institution Taiwan Branch (BSI Taiwan)

In accordance with

GRI Standards 2021 and the AA1000 AS v3 Type 1 Moderate Assurance Level (see "6-11 Sustainability Report Independent Assurance Opinion Statement").

For any inquiries related to this report, please feel free to contact us.

Contact person: Pow Ling, General Director of Public Relations Department **Address:** 14F.,No.738, Zhongzheng Rd.,Zhonghe Dist., New Taipei City 235603, Taiwan (R.O.C.) **Telephone:** +886-2-8226-9088 **Email:** esg@wtmec.com



Sustainability Challenges and Opportunities in a Time of Uncertainty

In 2023, global risk uncertainties increased, with the gradual impact of the COVID-19 pandemic, the prolonged Russia-Ukraine war, geopolitical economic conflicts, global high inflation, misinformation and disinformation, imbalances in food and energy supply, extreme weather events causing natural disasters, and insufficient progress in climate change mitigation. These seemingly individual events are interconnected, forming a complex global risk landscape.

A complicated and changing global risk profile with emerging variability became the new normal in the world.

In 2023, as WT celebrates its 30th anniversary, we face accelerating uncertainties due to economic, environmental, geopolitical, social, and technological challenges. These crises present both opportunities and challenges. Despite these challenges, we continue to expand our global service operations, playing a crucial role in the supply chain from electronic components to end products. We collaborate with upstream and downstream partners and customers, steadily growing together. We provide uninterrupted cross-border services to our global clients, achieve geographic diversification, strengthen our application engineering expertise, and offer excellent logistics management services. Our goal is to promote industry development and become a world-class global distributor of electronic components.

In terms of corporate governance, WT ranked in the top 5% of listed companies by Taiwan's Corporate Governance Evaluation for the fourth consecutive year. This year, environmental and social performances were added to the performance indicators for the remuneration to CEO. The Board of Directors also approved 2050 net zero commitment and path planning, setting a clear goal to reduce greenhouse gas (GHG) emissions by 3 to 5 percent every year starting from 2024, and reduce scopes 1 and 2 GHG emissions to 50% of the level in 2022 by 2035. WT is committed to reducing GHG emissions and increasing the proportion of renewable energy usage, and has been reviewing and adjusting annually to achieve the goal of net zero emissions by 2050.

As the importance of clean technology continues to grow, WT provides high-quality solutions in three key areas: green energy, energy storage, and energy efficiency through continuous investment and technological innovation. Our R&D investment reached a record high NT\$755 million. We have allocated resources in response to national policies promoting forward-looking sustainable economic activities, with a compliance rate of 11% in 2023, aiming for the ratio to revenue of 20% by 2030. In 2023, WT achieved 100% localization in general procurement and develop a GHG inventory of all operating sites of WT's companies and subsidiaries.

We prioritize team operations as a core value, focusing on the efficiency of time and effort and resource allocation. Global innovation elements such as AI, data, e-commerce, going remote operations, service methods, vertical segmentation, are constantly reshaping the future world and complicating market dynamics. Leaders need an innovative spirit and steadfast patience, making precise adjustments and thinking ahead, persistently overcoming challenges and continuously evolving. In the human world, abundance does not come automatically. No matter what is in short supply, only by believing its supply and demand and continuing to sustain, will we create more possibilities for what originally seemed to be scarce. Belonging to a community and learning to coexist with it allows us to create an eternal, resilient, and sustainable collective.

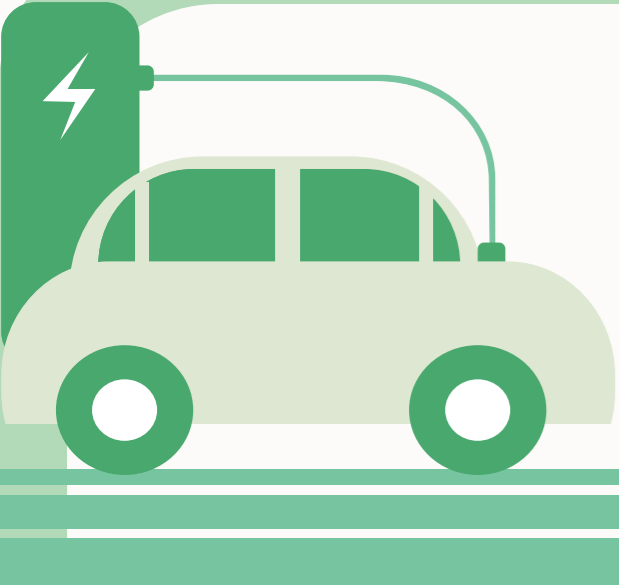
Pursuing sustainable seasons, the expansion of our horizons and the practice of conservation exist and harmonize like our breath. The world remains in a state of continuous renewal, flourishing when it should and pausing when necessary. This balance allows new hopes to emerge constantly.

Founder, Chairman and
Chief Executive Officer



WT Leadership (From left to right)

Chief Human Resource Officer Ming Wang, Chief Financial Officer Cheryl Yang, Chief Marketing Officer James Wen, Chief Legal Officer Sophia Tseng, Chief Application Officer and Chief Sustainability Officer Willie Sun, Founder, Chairman and Chief Executive Officer Eric Cheng, President, Taiwan Rick Chang, Senior Vice President Kerry Hsu, President, China Jerry Chang, Vice President of Group Operations Celia Wu, Chief Business Operations Officer Tim Wu



Environmental Performance

A 5% YoY Increase in Green Procurement Spending

- **NT\$16.44 million** WT was awarded Green Consumption Outstanding Enterprise by the New Taipei City Government
- **100%** completion of **GHG inventory** across all operating bases in the consolidated reports in 2023
- **1,541.9438 tonnes** CO₂e scopes 1 and 2 GHG emissions in the verified markets in 2023, down by **3.49%** relative to 2022 (base year)

Social Performance

Zero Workplace Injuries Reported Across the Group

- **0 disabling Injuries** recorded across the operating bases throughout the year, proving that the employees all have a good safety awareness
- **100%** new suppliers have been 100% screened in terms of social policy and code of conduct in 2023
- **100%** Local procurement spend (excluding vendor products) in Taiwan and **99.9%** in China

Governance Performance

A Record High Revenue of
NT\$ 594.5 billion!

- Official establishment of **the Sustainable Development Committee** and **Nominating Committee**
- NT\$594.5 billion net operating income, up **4%** from the previous year.
- The earnings per share was **NT\$4.24**
- 15 Board meetings, with an average in-person attendance rate of **94%** board attendance
- Approved the amendments to the "**Regulations Governing Compensation Payment of Managerial Officers**" with environmental and social indicators added as remuneration indicators.
- **NT\$4 billion** net profit after tax
- 3 female directors, accounting for more than **30% of the Board**

Awards and Achievements



Ranked top **5%** (for the 4th consecutive year) in the OTC/TWSE-listed companies and top 10% in electronics sector with NT\$10 billion plus market value category of the 10th Corporate Governance Evaluation

Awards Received in 2023

- Awarded the 2023 Private Green Procurement Performance Excellence Award by the Environmental Protection
- **2nd** in the service sector in terms of net operating revenue
- Ranked **4th** in the service sector, **1st** in the Information, communication, IC distribution sector, and **17th** most profitable service provider in Commonwealth Magazine's Top 2000 Enterprises Survey 2023
- Awarded Best Agency 2023 by GIGABYTE
- Awarded Wistron Corporation's 2023 Q3 & Q4 Best Distributor Award
- Awarded Renesas' 2023 Entrepreneurial Award
- Awarded Outstanding Supplier 2022 by Sercomm
- Awarded Best Agency in Asia by Diodes
- Awarded Best Performance of Year 2023 Gold Award, Best Transformation, and Best Industrial - Power & Energy by STMicroelectronics
- Awarded Top Demand Creation Distributor 2023 by NXP
- Awarded Outstanding Supplier Award 2023 by OSE
- Awarded Excellent Supplier Award 2023 by Askey Computer
- Awarded Partner Award - Breakthrough Innovation Distributor 2023 by Intel
- Awarded the Best Partner of Year 2023 by SENAO
- Awarded Outstanding the Progress Agent in China 2023 by MPS
- Awarded Taiwan Outstanding Design-Win Customer Count 2023 by ONSEMI
- Selected as a constituent of TIP Taiwan Environmental Sustainability and High Dividend Index on January 30, 2023
- Selected as a constituent of TWSE RAFI® Taiwan High Compensation 100 Index (HC 100) in June, 2023
- Selected as a constituent of TIP Customized ESG High Dividend Total Return Index on July 4, 2023

Value Chain

Operating regions



Global

Upstream suppliers



Taiwan, China, Korea, Southeast Asia, and India



WT MICROELECTRONICS



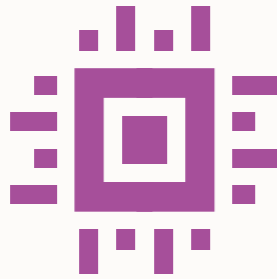
Taiwan, China, Japan, Korea, Southeast Asia, and India

Downstream customers

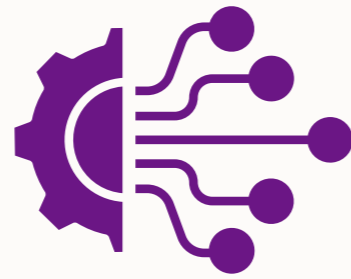


Global

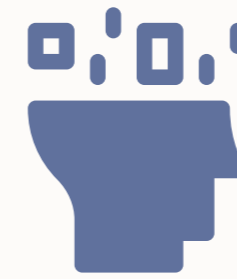
Economic activities



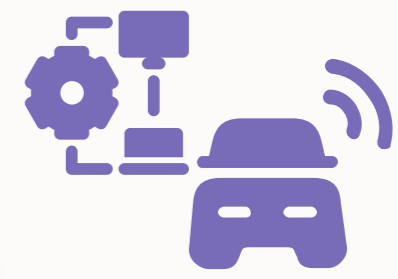
IC component suppliers



Electronic component distributors



ICT/auto-component manufacturers



End products brand owners

Environmental & social impacts

Environmental impacts

Climate strategy

Product life cycle

Product eco-efficiency

Social impacts

Talent attraction and retention

Human capital development

Occupational safety and health

Environmental impacts

Climate strategy

Process innovation

Low carbon logistics

Social impacts

Talent attraction and retention

Human capital development

Supply chain management

Environmental impacts

Climate strategy

Product eco-efficiency

Hazardous chemicals management

Social impacts

Human rights management

Occupational safety and health

Supply chain management

Environmental impacts

Climate strategy

Product innovation

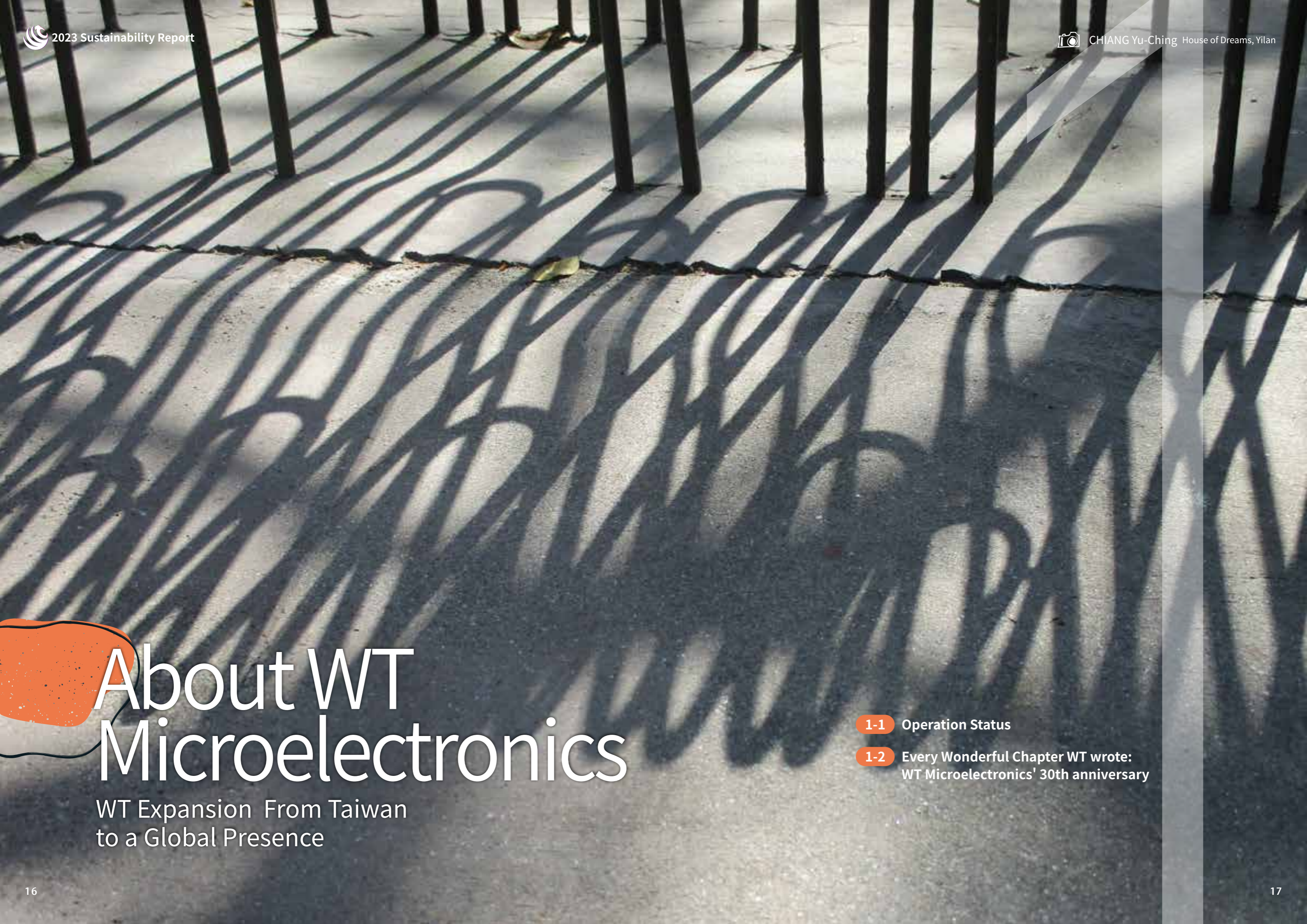
Circular economy

Social impacts

Supply chain management

Product health and safety

Customer privacy protection



About WT Microelectronics

WT Expansion From Taiwan
to a Global Presence

1-1 Operation Status

1-2 Every Wonderful Chapter WT wrote:
WT Microelectronics' 30th anniversary

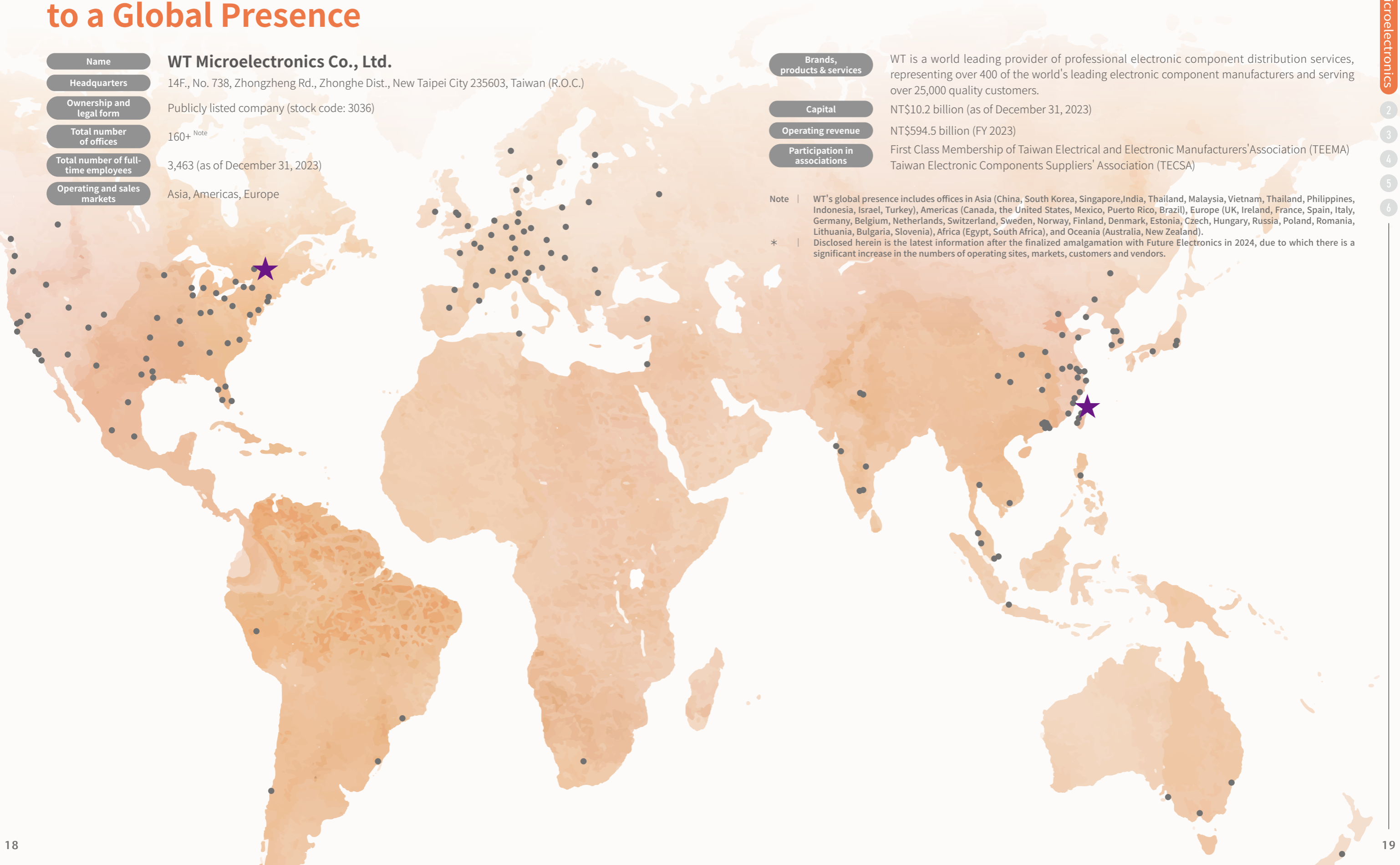
WT Expansion From Taiwan to a Global Presence

Name	WT Microelectronics Co., Ltd.
Headquarters	14F., No. 738, Zhongzheng Rd., Zhonghe Dist., New Taipei City 235603, Taiwan (R.O.C.)
Ownership and legal form	Publicly listed company (stock code: 3036)
Total number of offices	160+ ^{Note}
Total number of full-time employees	3,463 (as of December 31, 2023)
Operating and sales markets	Asia, Americas, Europe

Brands, products & services	WT is a world leading provider of professional electronic component distribution services, representing over 400 of the world's leading electronic component manufacturers and serving over 25,000 quality customers.
Capital	NT\$10.2 billion (as of December 31, 2023)
Operating revenue	NT\$594.5 billion (FY 2023)
Participation in associations	First Class Membership of Taiwan Electrical and Electronic Manufacturers' Association (TEEMA) Taiwan Electronic Components Suppliers' Association (TECSA)

Note | WT's global presence includes offices in Asia (China, South Korea, Singapore, India, Thailand, Malaysia, Vietnam, Thailand, Philippines, Indonesia, Israel, Turkey), Americas (Canada, the United States, Mexico, Puerto Rico, Brazil), Europe (UK, Ireland, France, Spain, Italy, Germany, Belgium, Netherlands, Switzerland, Sweden, Norway, Finland, Denmark, Estonia, Czech, Hungary, Russia, Poland, Romania, Lithuania, Bulgaria, Slovenia), Africa (Egypt, South Africa), and Oceania (Australia, New Zealand).

***** | Disclosed herein is the latest information after the finalized amalgamation with Future Electronics in 2024, due to which there is a significant increase in the numbers of operating sites, markets, customers and vendors.





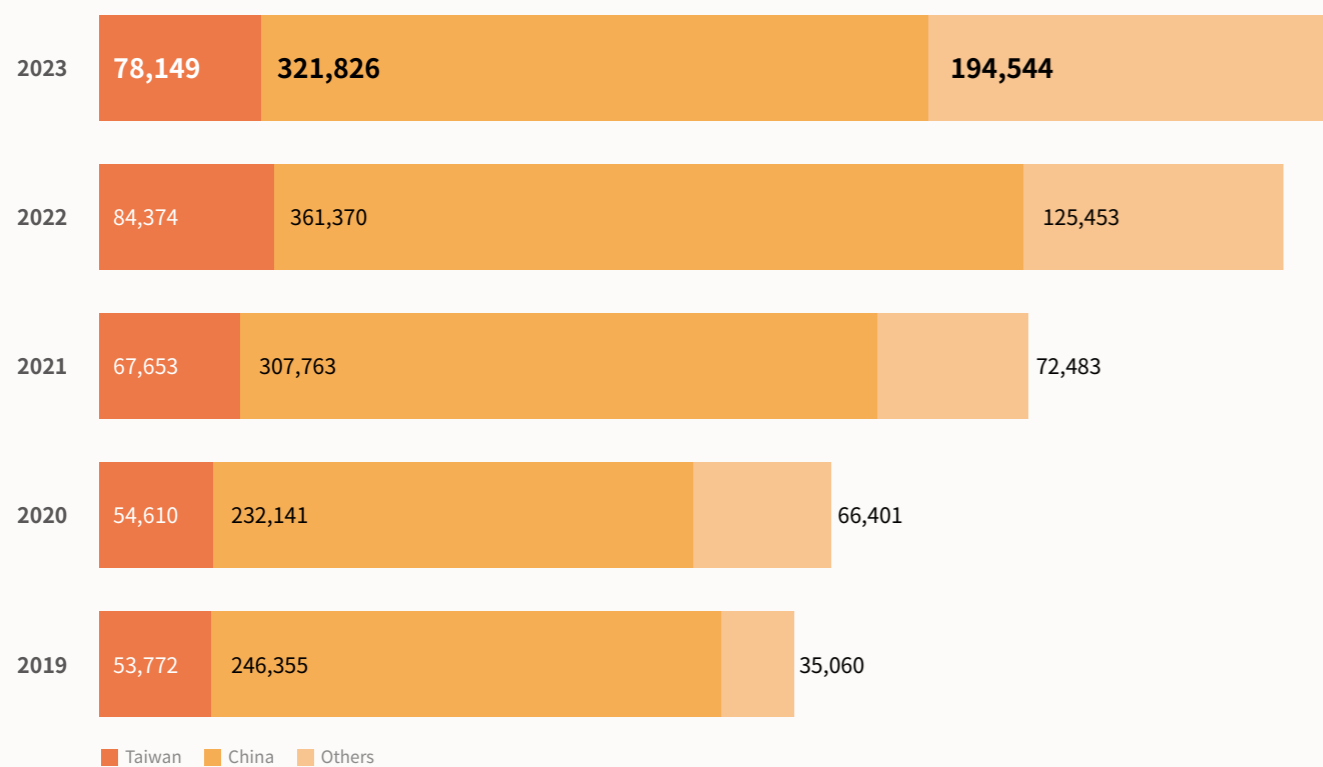
chapter 1.1 Operation Status



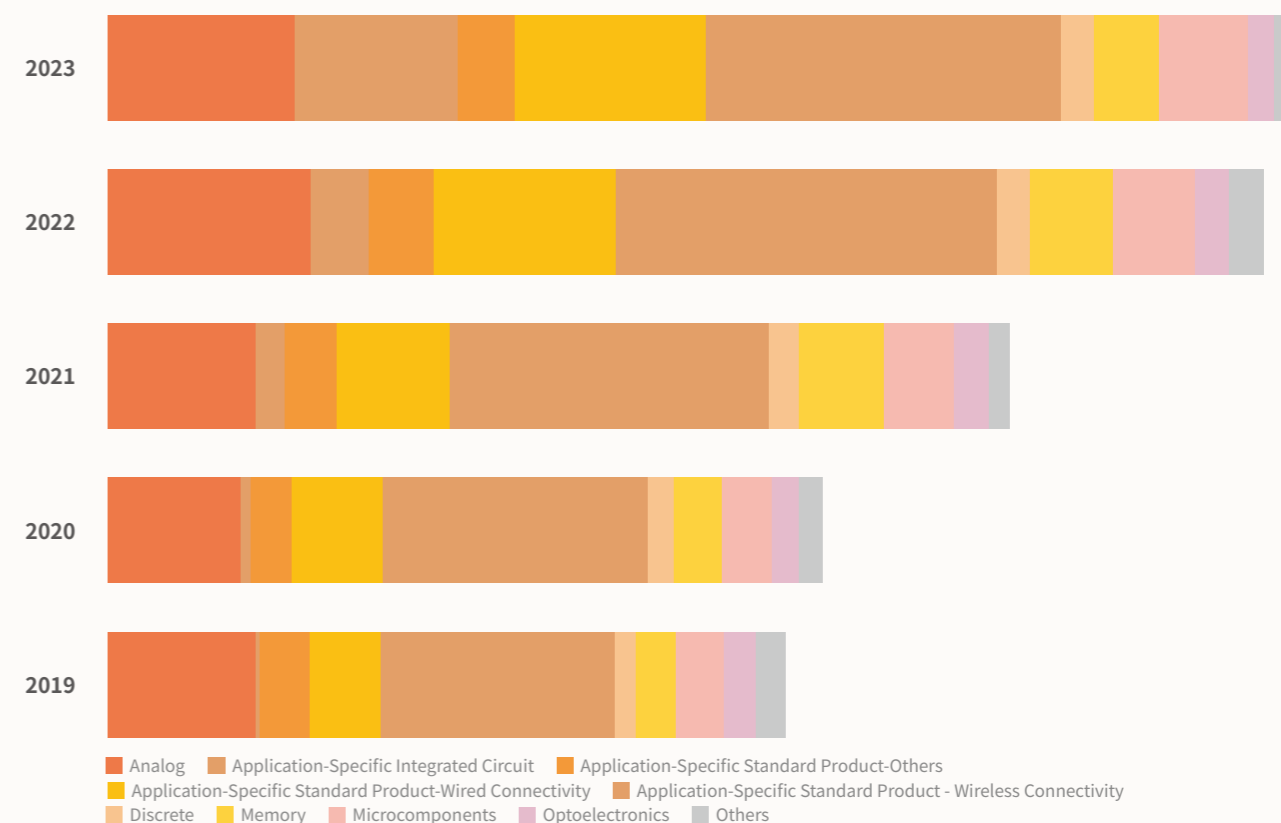
Up **4%** YoY Another record-high revenue in 2023

Founded in 1993, WT is a leading professional service provider focusing on the global semiconductor distribution. By providing the most professional supply chain management services to both vendors and customers, we have successfully positioned WT as a pivotal link between our upstream and downstream partners in the semiconductor sector. We aim to co-define the product marketing strategies with the upstream vendors, accelerate R&D pipeline for the downstream customers, and persistently strengthen our capability to deliver value-added services throughout the supply chain. The electronic components WT deals are widely used in various applications such as communications, computers and peripherals, data centers, consumer electronics, industrial control, the Internet of Things (IoT), and automobiles.

Operating Revenue by Region, 2019-2023 (in NTD million)



Operating Revenue by Product Category, 2019-2023 (in NTD million)



	2019	2020	2021	2022	2023
Analog	73,061	65,511	75,095	100,068	92,149
Application-Specific Integrated Circuit	1,841	5,089	14,168	28,709	80,953
Application-Specific Standard Product - Others	25,102	20,435	25,968	32,258	27,820
Application-Specific Standard Product - Wired Connectivity	34,821	44,482	55,724	90,131	94,792
Application-Specific Standard Product - Wireless Connectivity	115,780	131,006	157,488	187,807	175,261
Discrete	10,281	13,094	15,091	16,403	16,053
Memory	19,789	23,747	41,951	41,221	32,200
Microcomponents	23,579	24,785	34,752	40,299	44,101
Optoelectronics	15,889	13,232	16,902	17,155	12,645
Others	15,044	11,771	10,757	17,128	18,545

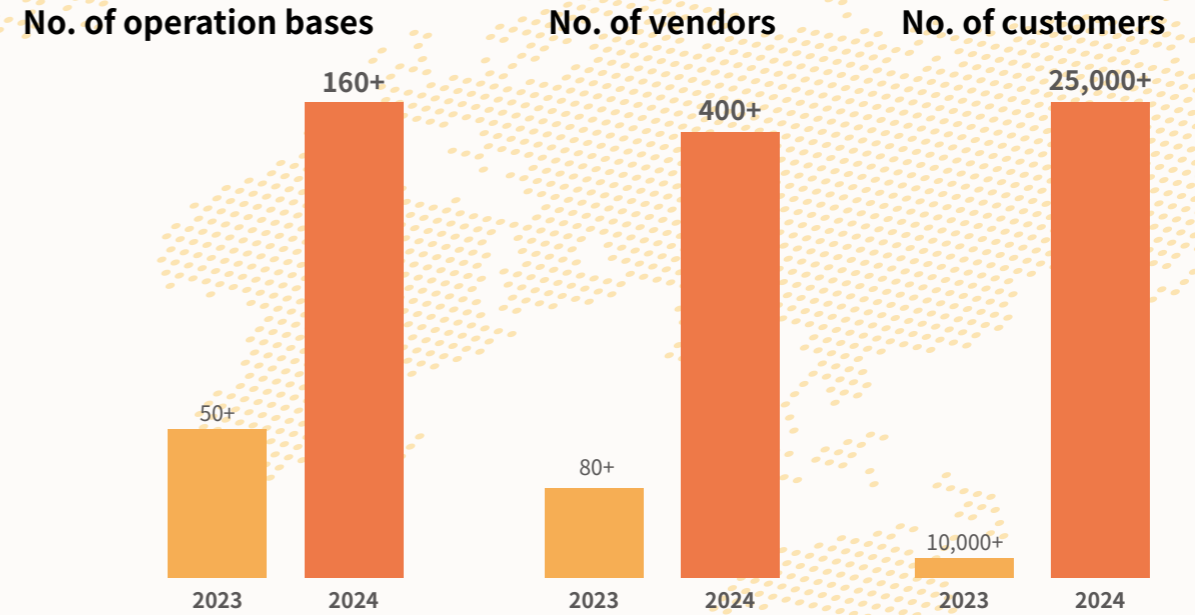
The revenues from other regions and application-specific integrated circuits surged in 2023, particularly because WT increased the shipments of application-specific integrated circuits to meet the demand of U.S. end customers.

WT achieved a global presence by expanding its operations from Asia to the Americas, Europe, and other regions after the acquisition of Future Electronics in Q2 2024. The subsequent surge in the numbers of operating sites, vendors, and customers increases WT's opportunity of higher revenue and profits. More diversified operating areas, vendors, and customers also reduce the risk of operational concentration and improve the stability of profits.

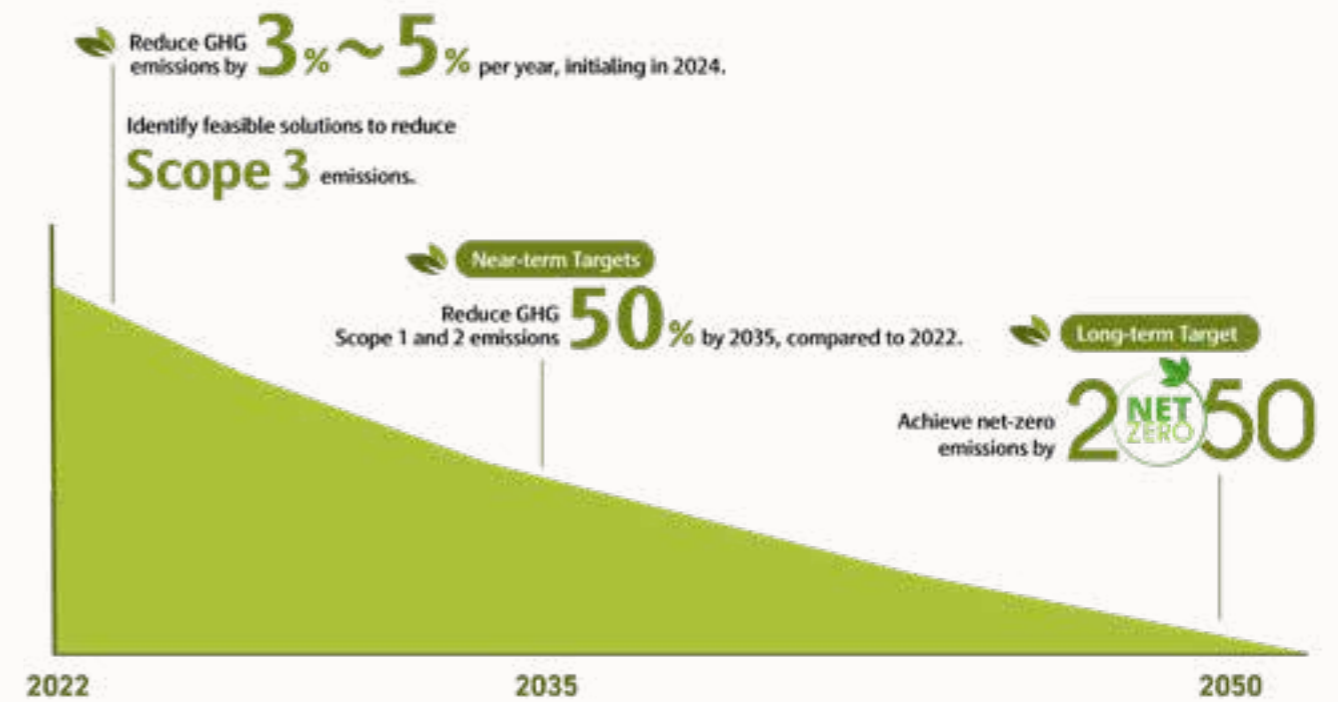
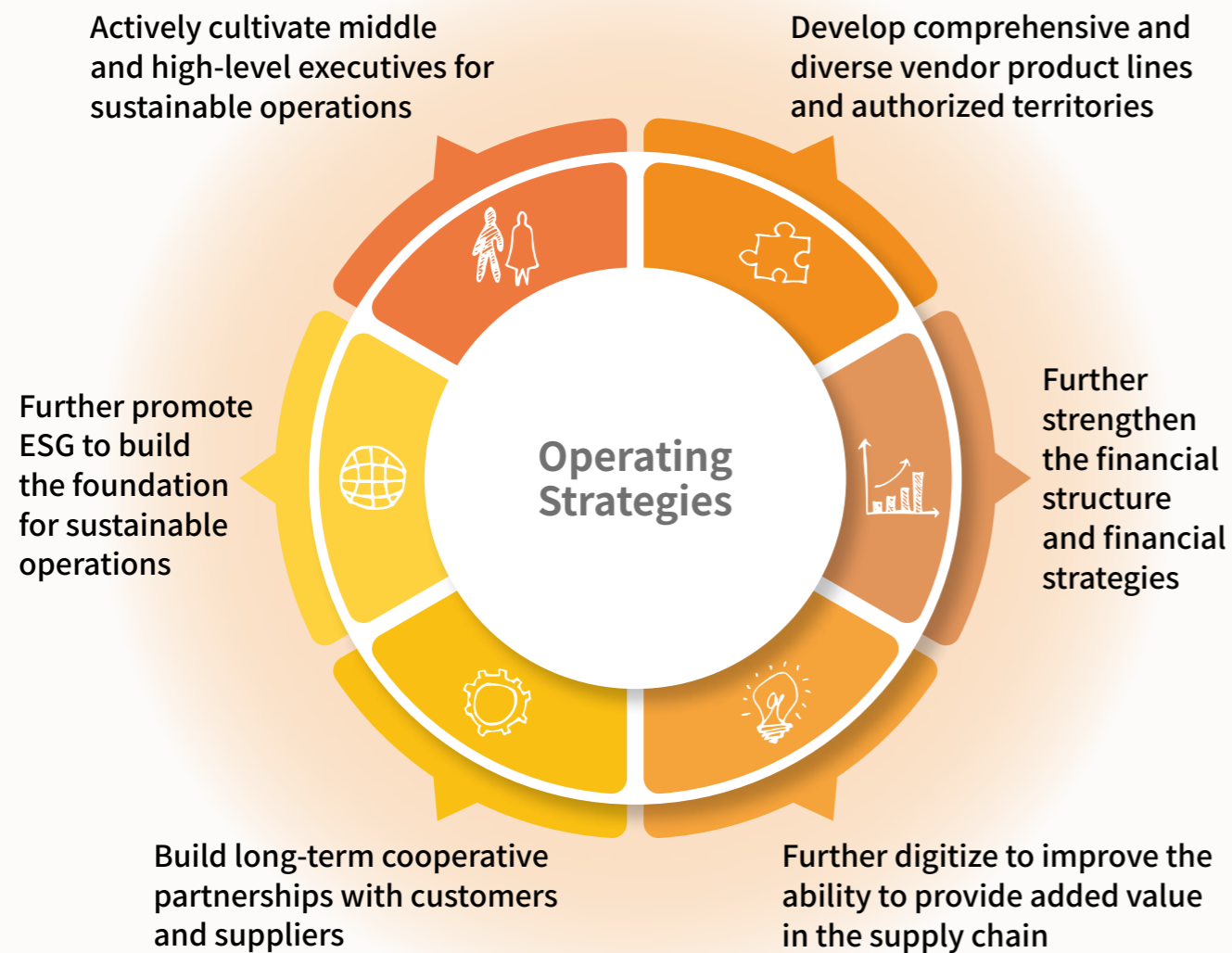


WT, headquartered in Taiwan, boasts a dense distribution network consisting of more than **160** operating sites in **47** countries on **5** continents.

WT undertakes sales and support services for vendors, and provides downstream customers with market intelligence and technical support for product application to help shorten the time-to-market. We, as distributors, also need to actively strive to expand our authorized territories and enhance our international competitiveness by setting up more overseas offices and warehouse facilities so as to effectively provide logistics, technical supports, and other services to our customers, who are expanding their production to new locations.



WT is committed to achieving net-zero emissions by 2050 by reducing GHG emissions and supporting the transition to a low-carbon economy, with the following short-term and long-term goals:

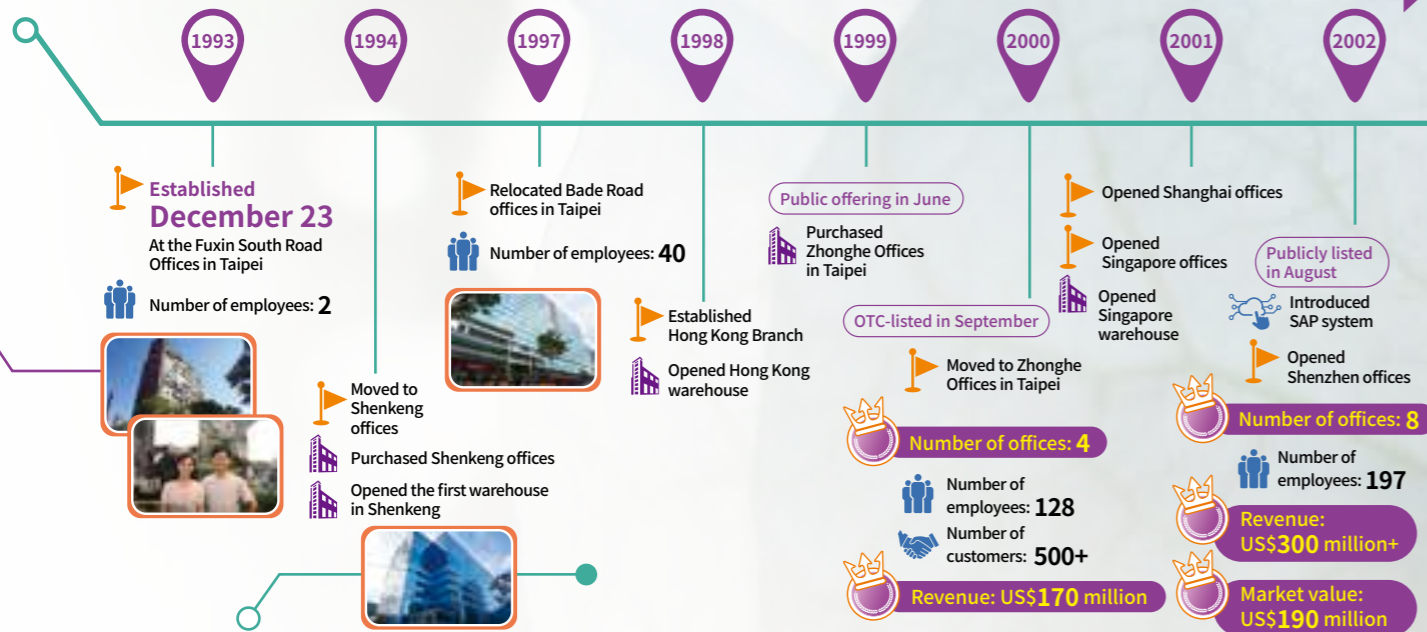


Wonderful every WT

chapter 1-2 Key Milestones

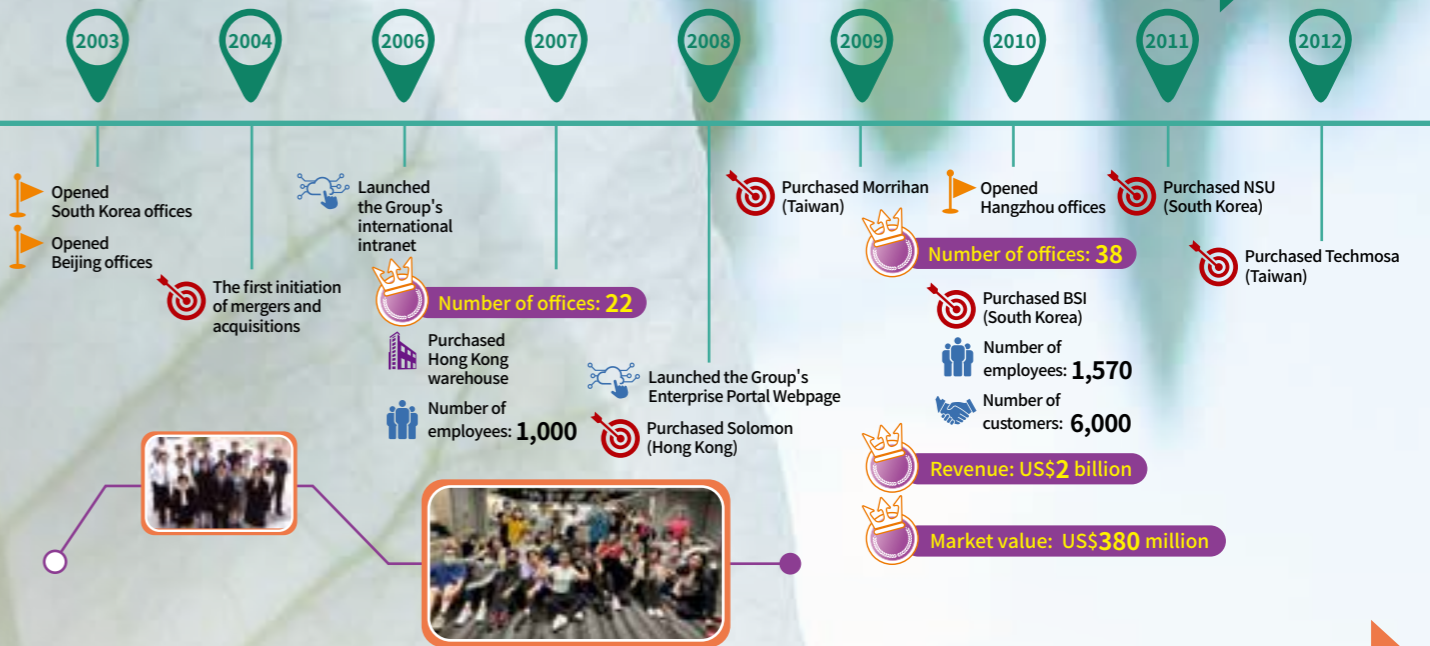
1993~2002

The 10th year, brave entrepreneurship, showcasing strength



2003~2012

The 20th year, steady momentum, collaborating for strategic positioning



2013~2023

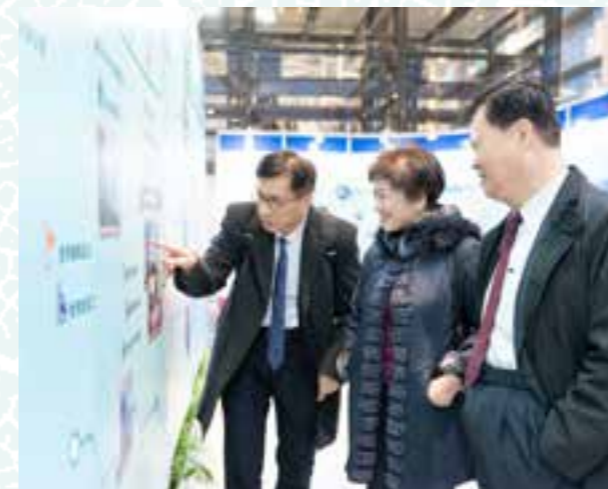
The 30th year, collective efforts, outstanding growth



Wonderful every WT WT Microelectronics' 30th anniversary



誠信攜手·深耕本業·邁向世界
Facilitate a Better World



Naming contest for WT's 30th anniversary special exhibition

The sense of involvement makes a successful event. "Every Wonderful Chapter WT Wrote" was selected from 308 submissions, for the name faithfully describes the journey in WT's first 30 years. Indeed, every chapter of the story, be it a struggle, joy or surprise, is wonderful.

"Every Wonderful Chapter WT Wrote" WT Microelectronics' 30th anniversary

In order to further unite the employees and build a solid foundation for sustainable development in the future, a series of events were organized to help our people to know ourselves better. In particular, a 30th anniversary gala was held at the end of the year, and a special exhibition in the offices. The exhibition of precious materials relating to the group's history, core values, and vision, was like a time machine, taking the visitors back to 1993. An interactive well-wishes was also put up, and the special exhibition features a quiz and lucky draw activity. The quiz offered prizes including WT limited edition OMAR whiskey gift sets, tickets and vouchers for well-known art and cultural exhibitions.

WT Microelectronics' 30th anniversary gifts for employees

The employees have been playing the most significant role in moving the company forward. As a token of appreciation, a portable tea cup sets set along with a fashionable and comfortable Polo shirt were given to every employee. In addition, the portable tea cup gift box also provides engraving services for employees with more than 15 years of service to express our gratitude to our employees.

One Step Further Towards Global Presence with Future

WT Group announced in September 2023 that it had signed a formal agreement to amalgamate Canadian Future Electronics Inc. in all cash at an enterprise value of US\$3.8 billion. The amalgamation of the two highly complementary companies in terms of product types, customer portfolio, global presence, and logistics center layouts is expected to create long-term and sustainable growth value for all stakeholders, including customers, suppliers, employees and shareholders.

WT and Future will jointly shape a world-class leading electronic components distributor with its dual headquarters in Taipei and Montreal. This amalgamation will create long-term and sustainable value for all stakeholders, and marks a significant milestone for WT's journey towards a world-class enterprise.

Innovative design for the exclusive 30th anniversary logo

The exclusive logo, with the W in the classic logo turned

into number 3, symbolizes an imagined flying bird. The circuit board shading and highlights on the bird's body represent a profound industrial significance and great expectations, that it will fly high and far around the world for a prosperous future.

The logo has a blue and green color scheme, with blue representing honesty, trust, and professionalism, and green representing rebirth, hope, and growth. The two colors are also colors with a sense of technology. The blue-green gradient symbolizes the company's constant growth and evolution on a steady and solid foundation.

Wonderful every WT



The executives are gathering at the annual meeting to join effort to handle the current situation and shape a vision for the future. As WT marks its 30th anniversary and launched its global presence plan, they are witnesses to each other's growth and leaders of our shared journey towards the next milestone.



Implementing Sustainable Management

Stakeholders Identification and Operating System Improvement

- 2-1 Action Guidelines for Sustainability Management
- 2-2 Stakeholder Engagement
- 2-3 Analysis of material disclose issues
- 2-4 Management guidelines for material issues



chapter 2-1

Action Guidelines for Sustainability Management

Sustainability policies, plans and results are regularly reported to the Board

In order to implement the concept of sustainable development and improve the Company's operating system to achieve sustainable development in the three major areas of environmental protection, social responsibility and corporate governance, the Sustainable Development Committee was established under the Board of Directors in November 2023 in accordance with the provisions of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies Article 27. The two functional groups, the Sustainable Development Team and Risk Management Team were integrated under the Committee.

Since 2022, the GHG inventory results and finalized sustainability report have been set to be regularly presented to the Board. In 2023, climate change was added as a key issue, of which the factors such as its impacts and extent of existing sustainability issues were reviewed. The major impact scope of the existing procedures was assessed and revised, and their major environmental and social impacts were brought under supervision of the Board. In 2023, the Sustainable Development Team and Risk Management Team, which were assigned to undertake relevant assignments in WT, submitted nine proposals for discussion and approval and presented nine reports in total to the Board. The finalized sustainability report is to be verified externally, and submitted to the Board for discussion and publication approval in 2024.



2023

Items brought to the Board

01.06	[Report] Report on WT Education Foundation [Discussion] Approval of the donation to WT Education Foundation
01.18	[Report] Report on GHG Inventory and Verification Schedule Implementation
02.23	[Report] Report on GHG Inventory and Verification Schedule Implementation
05.04	[Report] Report on GHG Inventory and Verification Schedule Implementation
08.02	[Report] Report on GHG Inventory and Verification Schedule Implementation [Report] Report on 2022 Communication with Stakeholders [Report] Report on 2022 Promotion of Sustainable Development [Discussion] Amendments to the Corporate Governance Best Practice Principles, the Ethical Corporate Management Best Practice Principles, and the Procedures for Ethical Management and Guidelines for Conduct [Discussion] Formulation of the establishment of the Company's Regulations Governing Financial and Business Transactions Between Related Parties and abolition of the Operation Procedures for Transactions between Group Enterprises, Related Parties and Specific Company
11.02	[Report] Report on GHG Inventory and Verification Schedule Implementation
11.14	[Discussion] Evaluation of cash flow risk management [Discussion] Establishment of a Nominating Committee and formulation of the Nominating Committee Charter [Discussion] Appointment of members of the first term of Nominating Committee [Discussion] Establishment of the Sustainable Development Committee, formulation of the Sustainable Development Committee Charter, and abolition of the Risk Management Committee [Discussion] Appointment of members of the first term of Sustainable Development Committee [Discussion] Formulation of the Regulations Governing the Share Ownership of the CEO and Non-Executive Directors
12.22	[Report] Report on resolutions of the Risk Management Team

Managing impacts of material sustainability issues

WT has procedures in place requiring the policies, planning and implementation of specific matters in the course of operation to be, regularly or occasionally, presented or submitted to the Board of Directors for discussion. For example, Articles 10 and 12 of the Rules of Procedure for Board of Directors' Meetings and Articles 25 and 35 of the Corporate Governance Best Practice Principles clearly stipulate the types of matters that must be discussed or resolved by the Board. Article 8 of the "Sustainable Development Best Practice Principles" requires the proposals and implementation of sustainable development policies, systems, management guidelines, and specific implementation plans to be presented to the Board on an occasional basis. In addition, the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct specify that the formulation of ethical operation policies and prevention plans, any major violations determined by investigation, or any major losses caused to the company must be presented to the Board.

According to applicable laws and regulations or internal procedures, items need to be adopted by resolution of the Board are submitted for "discussion," while those do not require to be adopted by resolution of the Board are submitted for "report". After being signed and approved by senior management, an item is added by the Secretariat of the Board to the agenda of next Board meeting for the Board to make a resolution in the case of a discussion item, or raise questions or made suggestions in the case of a report item. A total of 55 major resolutions were adopted by the Board in 2023, all of which have been published in the Major Resolutions of Board Meetings on the WT's official website.


chapter 2-2 Stakeholder Engagement

Identifying five groups of stakeholders

WT continues to involve stakeholders to ensure a communication and response mechanism is in place for sustainability issues. WT followed the accountability principles of AA1000 Stakeholder Engagement Standard, which are impact, materiality, inclusivity, and responsiveness, to identify key stakeholder groups. An evaluation and discussion by the Sustainable Development Team concluded that as there was no significant change in the operating environment, the key stakeholder groups were therefore the same as identified previously, which are shareholders/lenders, customers, employees, vendors, and other suppliers.

Results of engagement with the five stakeholder groups

The five stakeholder groups, whose involvement with WT's operations vary in significance and interactivity, are engaged in parallel by different departments through various communication channels. In 2023, the communication and engagement efforts continued and produced results.



Stakeholder group
**Shareholders/
lenders**

Shareholder activism is on the rise around the world, and institutional investors are paying increasing attention to sustainable management. Institutional investors own 80% of WT's shares. Through engagement and information disclosure, WT aims to ensure the best interests of long-term shareholders and other stakeholders, and provides key information for investment or credit decisions.

Responsible dept. Secretariat of the Board, Finance Division/Investor Relations

Communication channels / frequency

- Board of Directors and Audit Committee (at least once a quarter)
- Remuneration Committee and Sustainable Development Committee (at least twice a year)
- Risk Management Committee and Nominating Committee (at least once a year)
- Annual Shareholder Meeting (once a year)
- Investor Conference (once a quarter)
- Domestic and overseas institutional investor seminars and visits

- by institutional shareholders (occasionally)
- Market Observation Post System (occasionally)
- Spokesperson and Deputy Spokesperson System (occasionally)
- Company website and investor relations section (occasionally)
- Investor Hotline/Mailbox (occasionally)
- Company annual report, sustainability report (once a year)
- Corporate Financial Report (once a quarter)
- Bank credit review (once a year)

Results

- 15 Board of Directors meetings
- 14 Audit Committee meetings
- 4 Remuneration Committee meetings
- 0 Sustainable Development Committee meetings (formed on Nov. 15, 2023)
- 1 Risk Management Committee meeting (abolished on Nov. 15, 2023)
- 0 Nominating Committee meetings (formed on Nov. 14, 2023)
- 1 Annual Shareholders' Meeting
- 9 investor conferences

- 12 operating revenue announcements
- 82 material information announcements in Chinese/English
- 15 institutional investor's reports on the Company
- Immediate answers to shareholders' inquiries by telephone
- 1 annual reports and 1 sustainability reports were published
- 4 quarterly financial reports were published
- Ranked in the top 5% in the 10th Corporate Governance Evaluation in 2023
- 1 sustainability-link loan contract was signed



Stakeholder group
Customers

As semiconductor is a rapidly-changing sector, it is key for an excellent semiconductor distributor to respond quickly to meet customer needs. WT contributes to promoting a sustainable development of the entire supply chain by building a bridge between its customers and vendors to enable prompt communication of product demands and trend of sustainability concerns.


Responsible dept. Sales Dept., Marketing Dept.

Communication channels / frequency

- Telephone, e-mail (occasionally)
- Customer's supplier audit (once a year or occasionally, as required by the customer)
- Customer's supplier meeting (once a year)

Results

- Attendance at supplier conferences held by major customers (too many to count)
- Rated A-grade supplier by our customer MSI
- Rated first again in supplier assessment by our customer Wistron
- Awarded excellent supplier by our customer OSE
- Rated good or better in annual/quarterly/monthly assessment by many of our customers at home or abroad



Stakeholder group
Employees

To provide services to customers with vendors' products requires professional expertise to understand the features of vendors' products and offer the customers a best solution with selected products from various vendors. Therefore, strengthening employees' capability in product application and service efficiency is key to competitiveness. It is also one of WT's major objectives to maintain a competitive workplace.

Responsible dept. Human Resources Dept.

Communication channels / frequency

- Complaint mailbox / hot-line (24/7)
- Intranet pages (occasionally)
- Labor-management meetings/Welfare Committee meetings (once a quarter)

Results

- News relevant to employees were announced according to actual needs
- 4 labor-management meetings / 4 Welfare Committee meetings



Stakeholder group
Vendors

The key to a sustainable business growth for WT is to keep track of industrial developments and trends, obtain competitive product combinations, and offer customers with best products and solutions. In addition, WT also helps the vendors optimize product development by sharing and drawing their attention to customers' feedback on product demands and sustainability-related requirements.


Responsible dept. Marketing Dept.

Communication channels / frequency

- Business briefing (once a quarter)
- New product promotion strategy meeting (occasionally)
- New product investment (occasionally)

Results

- Attendance at business or products briefings (too many to count)
- Awarded:
 - ST Best Performance Gold Award 2023
 - Diodes Best Distributor Asia 2023
 - Winbond New Customer Outreach Award 2023
 - Renesas Entrepreneurial Award 2023
 - NXP Top Demand Creation Distributor



Stakeholder group
Other suppliers

WT's annual spend in general supplies has a certain influence. It implements a supplier management system and an individual counseling mechanism in line with the green procurement policies to improve suppliers' fitness and involve more of them to join the effort in various sustainability aspects towards shared prosperity.

Responsible dept. GA Dept.

Communication channels / frequency

- Supplier Corporate Social Responsibility (CSR) Commitment Letter (once a year)
- Contractor Safety and Health Commitment Letter (occasionally)
- Online Supplier Self-Assessment Form (once a year)
- Key general supplier rating (twice a year)
- Key engineering supplier rating (occasionally)
- Key supplier assessment (once a year)
- Occupational Safety and Health Agreement Organization meetings (occasionally)
- Hazardous substance management policy communication (occasionally)
- Suppliers' procurement contact persons' mailboxes (occasionally)
- Complaint hotline and mailbox (occasionally)

Results

- 100% signed return of Supplier CSR Commitment Letter
- 100% signed return of Contractor Safety and Hygiene Commitment Letter
- 100% signed return of Online Supplier Self-assessment Form



chapter 2-3 Analysis of material disclose issues

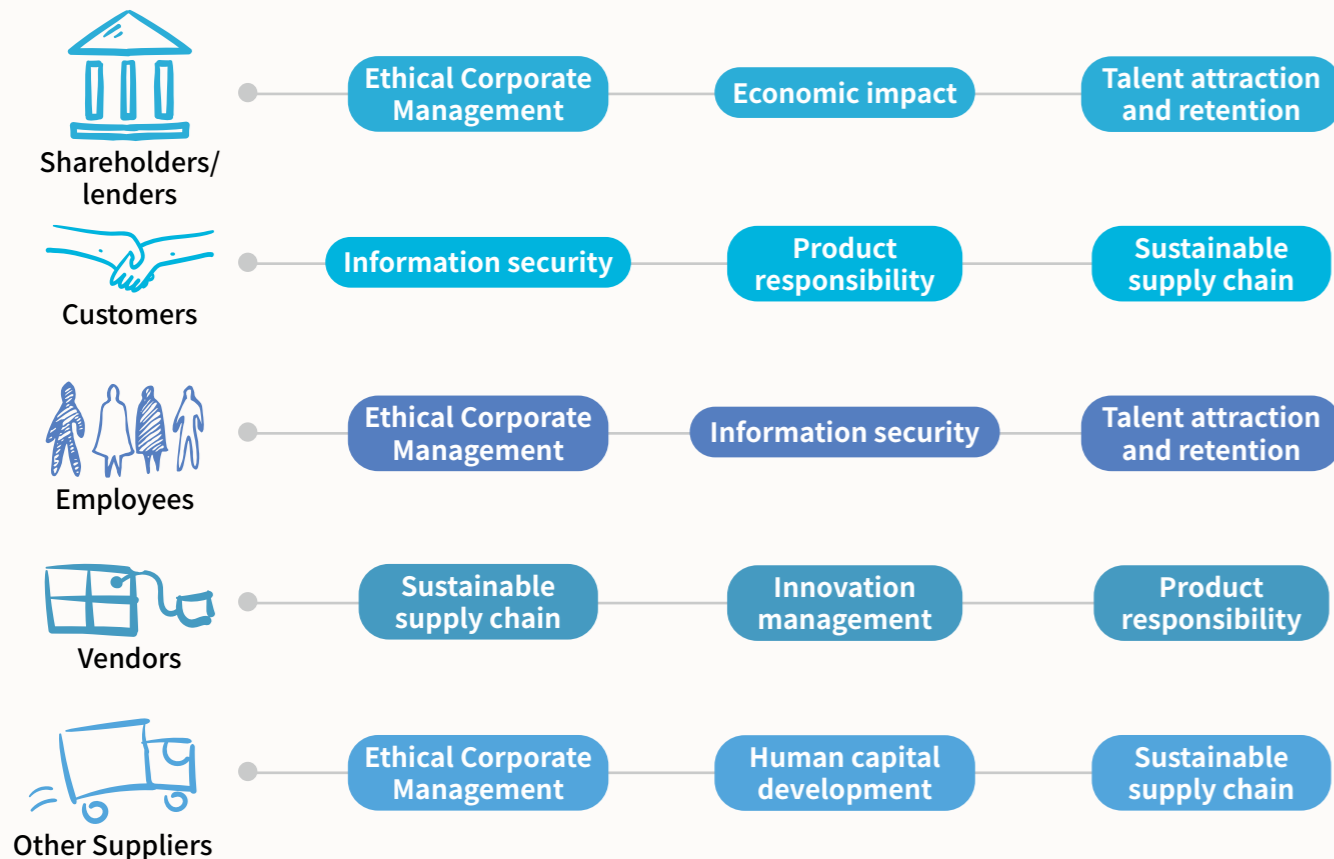
A survey on 19 sustainability issues with 611 questionnaires returned and valid

In 2022, WT conducted a questionnaire survey to investigate its important stakeholders' concerns and expectations with regard to WT's sustainable management, with 611 valid questionnaires returned. In 2023, the Sustainable Development Team reviewed the overall changes in the operating environment and added three topics to the investigation. In 2024, the standards of IFRS sustainability disclosure standards and EU ESRS sustainability reporting standards will be adopted, and the principle of double materiality will be included as a method of sustainable impact assessment to consider both impact materiality and financial materiality.

Relevant GRI material topics of the top three issues

The survey results were analyzed to find out the top three sustainability issues of concern for each stakeholder group. WT matched the issues to GRI material topics, and disclosed relevant implementation strategies, managing policies and plans accordingly.

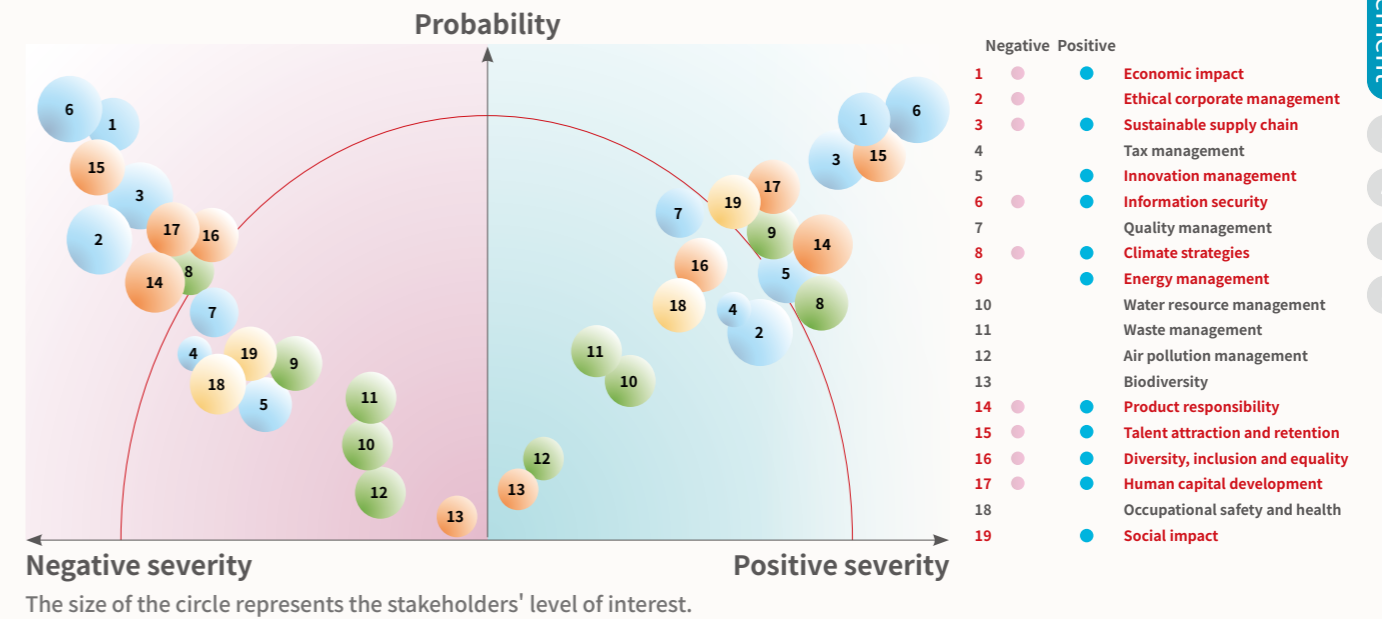
Stakeholder groups Top three issues of concern



Assessment of actual and potential impacts

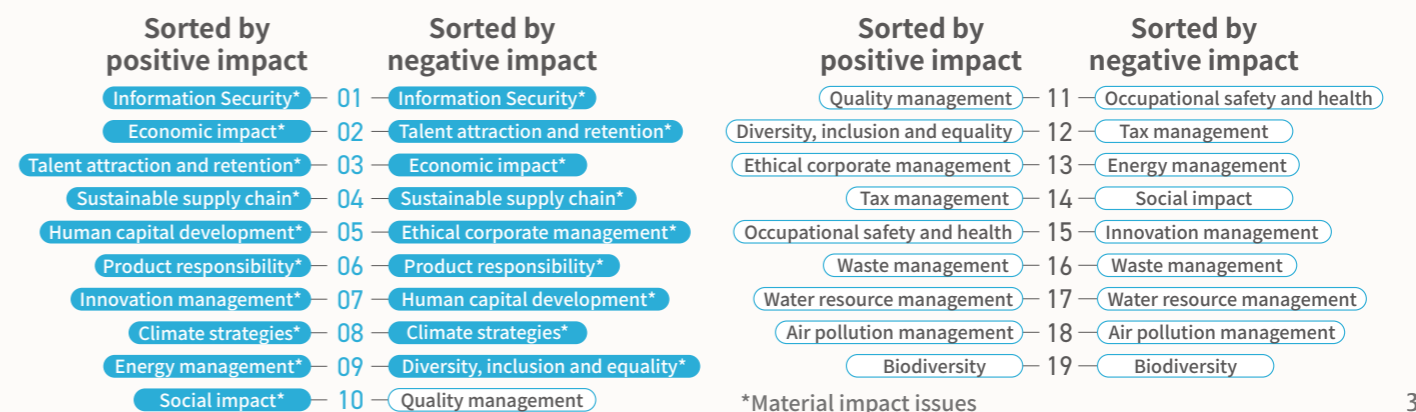
The sustainability impacts were assessed for severity and probability by the 22 Sustainable Development Team members. The severity is evaluated by the levels of positive and negative impacts. An issue involving an actual or potential human rights risk is assigned the highest severity level. With the stakeholders' degrees of concern for the issues also taken into account, a three-dimensional analysis matrix was created as an impact level assessment tool to continuously track the impacts of the sustainability issues.

Impact Analysis Results by Sustainability Issues



12 material issues disclosed in 2023 Sustainability Report

The 2023 Sustainability Report discloses on 12 material topics, including the nine that were covered in the 2022 Report and three newly added by the Sustainability Team after a comprehensive analysis on the severity and probability of economic/environmental/social impacts on WT's operations. They are **energy management; diversity, inclusion and equality; and social impact**. Climate strategies and energy management are newly selected because development in the fields of green energy, energy storage and energy conservation as climate strategies has received greater attention than the material subjects having been disclosed in 2022. Diversity, inclusion and equality are included in view of WT's expanded multinational operations after the merger and the resulting more diversified employee composition. Social impact is added as WT Education Foundation continues to deepen its public welfare initiative and involve more employees to experience the meaning of "influencing lives with lives" through the volunteer programs, while echoing with WT's core value of "Teamwork with respect for the individual."



Description of material disclosure topics

15 GRI material topics plus 3 self-defined topics

We matched the selected disclosures with the 33 economical, environmental or social topics of the GRI Sustainability Reporting Standards, and identified 15 relevant material topics and the disclosure indicators related to these topics.

Organizational boundary definition for the Sustainability Report

The key disclosure issues were individually reviewed for their respective impacts on WT and throughout the value chain at an Sustainable Development Team meeting, where the Team members also determined that WT would be the organizational boundary of the Report and the definition of impact scope would vary slightly with issue.

Material issue	Impact Scope (impacted value chain link)					Impacted Aspect				Corresponding topic-specific GRI standard
	Vendor (procurement)	Other supplier (procurement)	WT (operations and sales)	Customer (downstream design)	User (product end user)	Economical	Environmental	People	Human rights	
Economic impact	●		●	●		■▲	■	■		GRI 201: Economic Performance 2016
Information security	●		●	●		■▲				Self-defined topic
Ethical corporate management	◎	◎	◎	◎		▲				GRI 205: Anti-corruption 2016
Sustainable supply chain	●	◎	●	●	●	■▲	■▲		▲	GRI 204: Procurement Practices 2016 GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016 Self-defined topic
Innovation management										Self-defined topic
Product responsibility										GRI 416: Customer Health and Safety 2016
Climate strategies	●		●	●		■▲	■▲			GRI 305: Emissions 2016
Energy management										GRI 302: Energy 2016
Talent attraction and retention	●		●	●		■▲		■▲	▲	GRI 201: Economic Performance - Retirement Plans 2016 GRI 202: Market Presence 2016 GRI 401: Employment 2016 GRI 402: Labor/Management Relations 2016 GRI 405: Diversity and Equal Opportunity 2016
Diversity, inclusion and equality										GRI 405: Diversity and Equal Opportunity 2016
Human capital development										GRI 404: Training and Education 2016
Social impact			●					■		Self-defined topic

Note 1: Type of impact: potential ◎ (has yet happened) / actual ● (has happened)

Note 2: Nature of impact: positive ■ (beneficial to stakeholders) / negative ▲ (adverse to stakeholders)



chapter 2-4

Management guidelines for material issues

Economic impact

Impact identification

Positive | Faced with the uncertainty of global economic recovery in the post-pandemic era and the increased emphasis on carbon reduction around the world, WT aims to further increase its market share and profitability by constantly adapting its operating strategies to the overall economic situation and market conditions.

Negative | The lack of access to new technologies and products developed with clean technologies will result in being unable to meet customers' needs, or causing delay in the customers' new product development progress.

Policies/commitment

Clean technologies is a focus of WT's future operations and development. In order to respond to future industrial development trends and strengthen growth momentum, WT will increase the contribution to operating income from Taiwan Sustainable Taxonomy activities specified by the Reference Guidelines for the Identification of Sustainable Economic Activities promulgated by the Financial Supervisory Commission.

Goals	Short term (1-2 years):	Revenue contribution from Taiwan Sustainable Taxonomy activities >12% by 2024
	Medium term (3-5 years):	Revenue contribution from Taiwan Sustainable Taxonomy activities >15% by 2026
	Long term (5-10 years):	Revenue contribution from Taiwan Sustainable Taxonomy activities >20% by 2030

Action plans	Increase positive impact	Assist customers in adopting AI-enabled micro controller unit (MCU) and micro processing unit (MPU) cores, and develop applications that can perform inference at the edge, as AI-enabled MCU and MPU cores are more intelligent, and their applications use less power, provide safer services, and have longer product life cycles. Continue to work with vendors and customers to launch advanced energy-efficient products with high bandwidth memory (HBM) and energy-efficient power management to meet market needs, as the parameters used in the emerging AI large language models (LLM) are increasing and the two are crucial to product performance and energy consumption.
	Reduce negative impact	Continue to introduce new vendors and product lines and develop new customers and application markets to increase penetration.

2023 Achievements	<ul style="list-style-type: none"> 11.43% revenue contribution from Taiwan Sustainable Taxonomy activities, with another 38.44% to be determined as whether they meet the criteria of forward-looking economic activities is subject to the customers' actual product applications NT\$755 million investment in R&D to assist customers in developing high-efficiency, low-energy products Industry-university partnership with a university of science and technology to set up a power and electronics laboratory in order to establish product measurement capabilities Partnership with a customer and a vendor to establish a joint electric vehicle laboratory, committed to promoting the development and mass production of vendor products
-------------------	--

Information security

Impact identification

Positive | Generative AI can be used to assist employees in handling routine and highly repetitive tasks, such as translation, copywriting, data collection, etc., to improve work efficiency.

AI can be used to analyze a large number of logs, establish benchmarks and perform predictive analysis based on users' past behaviors, and convert them into quantified employee behavior data. The dataset can serve as a basis for the judgment of information security incidents, effectively improving the determination of unknown events and accelerating the processing time, so as to improve the effectiveness of information security incident handling.

Negative | The latest Global Risks Report 2024 released by the World Economic Forum (WEF) ranks the increase in cyberattacks and cyber insecurity among the top ten risks over the next decade, and the threat of AI-generated misinformation and disinformation and cyber insecurity as the first and fourth over the next two years.

Employee's failure to effectively detect, identify, and report AI-powered deepfake or their insufficient information security awareness could lead to financial loss, leak of confidential information, and severe consequences such as damage claims by customers, termination of purchase order, damage to goodwill, or worse, further injuries caused by suspended operations, disruption in normal transactions with upstream and downstream partners, and ransomware attacks triggered by a hooked employee's phishing click-through.

Policies/commitment

WT protects the confidentiality, integrity, and availability of its information assets to support continuous delivery of products and services and fulfillment of the sustainability mission and vision.

Goals	Short term (1-2 years):	<ul style="list-style-type: none"> No major security incidents occurrence 100% information security awareness training coverage across the Group 5% lower than the industry average target hit rate in social engineering exercises across the Group
	Medium term (3-5 years):	<ul style="list-style-type: none"> The Information security team is equipped with 10 international information security certificates from ISC2 CC, CISSP, EC-Council CEH, CEH Master, CISM, CISA, and ISO 27001:2022, and each team member with 3 certificates on average. Formulation and update of use specifications for generative AI ISO/IEC 27001:2022 verification with expanded scope by 2025
	Long term (5-10 years):	A secure environment to support sustainable operation and development, with a system availability $\geq 99\%$
Action plans	Increase positive impact	Introduce AI-based SIEM/UEBA solutions
	Reduce negative impact	<ul style="list-style-type: none"> Regularly review information security policies, emergency notifications, incident response and other related procedures to ensure that residual risks are effectively under control Conduct incident response exercises every six months (including written exercises, notification exercises, field exercises, etc.) Continuously reinforce cyber security awareness training on phishing clicks Introduce traffic defense services to mitigate distributed denial-of-service (DDoS) attacks Strengthen the advanced persistent attack (APT) detection system to fix anti-virus loopholes
2023 Achievements	<ul style="list-style-type: none"> Delivery of the annual awareness campaign for information security policies and ten golden rules, and 100% completion rate of 2 information security awareness training sessions for employees Cyber security expertise and functions of core information security personnel further strengthened with 6 more international information security-related certificates 4 information security management system review meetings and 12 monthly information security meetings A total of 21 major security vulnerabilities duly reported across the Group via designated contact persons Complete establishment of traffic defense services to mitigate DDoS attacks Participation in the joint effort of the supply chain security group of the Taiwan Chief Information Security Officer Alliance to complete the formulation of supply chain specifications; response to customer feedback and successful pass of the information security assessment; and incorporation of supplier capabilities, experience, nature of outsourced projects and information security requirements into contract specifications A total of 8 external third-party red team exercises and internal weak password screenings Introduction of solutions such as SIEM/UEBA which use AI to quickly classify and analyze related information security events, successfully reducing processing time of a single event from 4 hours to 1 hour 	

Ethical corporate management

Impact identification

Negative | With the Group's revenue reaching NT\$594.5 billion, whether WT senior executives and employees uphold the principle of integrity during the transactions could have an impact on its partnership with customers and vendors. After a number of acquisitions and mergers, WT has now employees in more than 10 countries around the world. An unintentional violation of relevant regulations by an innocent employee due to insufficient awareness of integrity-related policies and measures could harm the rights and interests of shareholders, employees and partners.

Policies/commitment

Integrity is WT's most important core values and business philosophy. We establish a corporate culture of honest management to align with global corporate governance and anti-corruption frameworks. At present, a code of integrity management and related regulations have been established.

Goals	Short term (1-2 years):	<ul style="list-style-type: none"> Ethical corporate management and anti-corruption training for all Directors 100% completion of ethical corporate management and anti-corruption training of all employees Annual insider trading prevention awareness campaign and 0 insider trading violations
	Medium term (3-5 years):	<ul style="list-style-type: none"> Regular assessment of integrity risks and review of related issues 100% completion of ethical corporate management and anti-corruption training 0 insider trading violations
	Long term (5-10 years):	<ul style="list-style-type: none"> 100% completion of ethical corporate management and anti-corruption training 0 insider trading violations
Action plans	Reduce negative impact	<ul style="list-style-type: none"> Conduct regular training on ethical corporate management and internal major information handling for all Directors every year Conduct regular training on ethical values and professional code of conduct for all employees of the every year, including anti-corruption and anti-bribery publicity and measures to prevent employees from receiving kickbacks Prohibit the Directors from trading the company shares on their own accounts during the closed period of 30 days before the release of the annual financial report and 15 days before the release of the quarterly financial report. Amend the Ethical Corporate Management Best Practice Principles (to make them applicable to contracted employees, contractors, and suppliers as well) and formulate anti-corruption, anti-bribery and anti-money laundering policies and control mechanisms to take into account changes in the operating environment Review internal regulations and controls to prevent any improper interests or integrity breaches, and the resulting injuries to the company
	2023 Achievements	<ul style="list-style-type: none"> A refresher training on ethical values and professional code of conduct for all in-service employees of the entire Group in June with 2,566 employees in total completing the course and passing the test (100% pass rate) A total of 1,486.5 hours of ethical corporate management training with an accumulated attendance of 2,790 persons No breaches to share transaction restrictions by any Directors 1 professional ethics violation report, of which 0 determined a violation by investigation No inconsistencies found between the actual practices and the Company's Ethical Corporate Management Best Practice Principles, as reported on January 31, 2024 by the Ethical Management Team to the Board with regard to ethical corporate management No corruption incidents

Sustainable supply chain, innovation management, product responsibility

Impact identification

Positive | In response to the global sustainability trend, environmental regulations, and other requirements, customers are accelerating their development of clean technology-related products and services. Products with substances of high concern or low energy efficiency will be phased out and replaced with products with lower environmental impact. As a result, the demand for new products, new applications, and high energy efficiency has doubled.

Negative | · The number of our customers has been growing. Failure to timely provide them supporting documents required by regulations of relevant countries on substances of concern may delay the customers' development progress. The resulting lack of information to determine whether a product meets regulatory requirements may also impact the end consumers' health and safety. With the current control procedures for substances of concern, the increasing requests from the customers may lower our service efficiency and make swift response impossible.
· Regulatory requirements are becoming stricter. The use of per- and polyfluoroalkyl substances (PFAS) began to be banned or restricted for products in various industries by a number of countries, and some products may be terminated (end-of-life) due to the regulatory revisions. More customers than in previous years inquired about availability of solutions for affected products represented by WT. Failure to timely communicate with the vendors or find alternative materials may have an increasing impact on WT's operations.

Policies/commitment

- WT currently has Supplier's Commitment for Corporate Social Responsibilities \ Hazardous Substances Management Policies and Conflict Minerals Policies as sustainable supply chain policies.
- WT negotiates with important vendors and deliver information on issues such as product development and chemical bans.
- WT strengthens the promotion of green high-efficiency semiconductor component products to reflect the low-loss, high-efficiency characteristics of green design thinking and enable customers to design and produce high-quality products that are environmentally friendly, low-consumption, and high-efficiency with both forward-looking and sustainable concepts.

Goals	Short term (1-2 years):	<ul style="list-style-type: none"> · RBA audit pass rate among vendors making up 95% of procurement amount \geq 80% · 100% traceability of items procured for consumers to qualified smelters on the Responsible Minerals Initiative (RMI) list · Public declaration of 100% compliance with chemical control regulations by vendors making up 95% of procurement amount · Public declaration of conflict mineral free by vendors making up 95% of procurement amount · Complete inventory of per-/polyfluoroalkyl substances (PFAS) usage by vendors making up 95% of procurement amount and as specifically requested by customers
	Medium term (3-5 years):	RBA audit pass rate among vendors making up 95% of procurement amount \geq 90%
	Long term (5-10 years):	Introduction of system-level solutions by 2030, including green energy, energy storage, and energy storage to AC or DC power supply to devices or electric vehicles; implementation of wired/wireless battery management systems (BMS) and high-efficiency inverter motor control solutions on low-carbon vehicles

Increase positive impact	<ul style="list-style-type: none"> · Propose a product portfolio of inverters (for charging stations and green energy power generators) and traction inverters (for electric vehicle motor control devices) by 2025 · Begin their applications in energy storage system (ESS) and battery management systems (BMS) by 2026 · Introduce system-level solutions, including green energy, energy storage, and energy storage to AC or DC power supply to devices or electric vehicles by 2030; implement wired/wireless battery management systems (BMS) and high-efficiency inverter motor control solutions on low-carbon vehicles
---------------------------------	--

Reduce negative impact	<ul style="list-style-type: none"> · Optimize the management procedures for conflict minerals and chemicals for higher efficiency · Survey RBA audit results among vendors making up 90% of procurement amount to respond to the customers and promote a better work environment among vendors · Investigate vendors' use of per- and polyfluoroalkyl substances (PFAS) · Regularly investigate vendors' material traceability information using customer's formats or RMI CMRT form · Include suppliers in Greater China in the general supplier management scheme
-------------------------------	--

2023 Achievements	<ul style="list-style-type: none"> · An average score of 84.07 points in supplier assessment, with 79.7% scoring 80 or above (A-level suppliers), up 4.4% relative to 2022 · 100% signed return of Supplier CSR Commitment Letter · 66.67% Responsible Business Alliance (RBA) Code of Conduct audit passing rate among vendors making up 95% of procurement amount as of the end of 2023 · Declaration of conflict mineral free policies by vendors making up 95% of procurement amount on their official websites or annual report/sustainability report · A total of 1,934 conflict mineral investigation reports provided by the Taiwan headquarters as requested by customers, all of which returned 100% conflict free · See economic impact section for product innovation achievements
--------------------------	--

Climate strategies, energy management

Impact identification

Positive | · In order to seize the transition opportunities of climate change, various industries continue to develop new technologies and adjust product portfolios to gain competitive edges of clean technologies and expand revenue and market share.

· As carbon neutrality is demanded in the supply chain of the electronics sector, higher energy efficiency and more renewable energy use will improve customer satisfaction by meeting their expectations and sustainability goals.

Negative | · Extreme weather events may cause disruptions to land, sea and air transportation, seriously affecting shipment logistics operations. WT operates in many countries, and the stability of transportation has a significant impact on the stable delivery of its upstream and downstream products.

· The trend of reducing fossil fuel consumption and increasing renewable energy use has a big impact on the transportation sector. In the future, Europe and the United States may introduce regulations requiring transport operators to increase the proportion of renewable energy use, which will have a significant impact on transportation costs.

· As a result of growing probability of extreme weather events and amount of claims, insurance costs is increasing year by year.

Policies/commitment

WT has made declaration of and is committed to achieving net-zero emissions by 2050 through reducing its GHG emissions and supporting the transition to a low-carbon economy.

Goals	Short term (1-2 years):	<ul style="list-style-type: none"> · 2024 GHG emissions reduction by 3 to 5 % relative to 2023. · Beginning of purchasing renewable energy certificates in 2023, and completion of the installation of a rooftop solar power generation system in the Shanghai office in 2024 · 100% insurance coverage of all warehouses for their inventory values · Completion of the inventory of Scope 3 carbon emissions from upstream transportation, business travel, and employee commuting by 2025
	Medium term (3-5 years):	<ul style="list-style-type: none"> · Completion of the replacement with energy-saving LED lamps at the Taipei headquarters by 2026 · Completion of the scope 3 inventory by 2027 · At least 10% renewable energy use in Taipei headquarters by 2028 · Introduction of employee electric vehicle subsidies by 2028
	Long term (5-10 years):	<ul style="list-style-type: none"> · Scopes 1 and 2 GHG emissions reduction by 50% relative to 2022 by 2035 · Solar power plant purchase investment plan

Increase positive impact	Actively conduct R&D on green energy, energy storage and energy-saving products to quickly build professional capabilities of new products and new technologies so as to provide customers with the best product portfolio with lower environmental impact, and increase the proportion of renewable energy use to enhance customer satisfaction and become their strategic partner
---------------------------------	---

Action plans

Reduce negative impact	<ul style="list-style-type: none"> · Regularly collect energy consumption data as a basis for developing energy management plans · Phase out energy-consuming devices, and prioritize the purchase of high-efficiency, energy-saving devices and green-label products · Encourage employees to use public transportation or shared rides more and replace their conventional fuel vehicles with electric ones · Continuously assess the flooding risk of existing logistics centers based on external datasets, and identify suitable new warehouse facilities and locations to respond to physical flooding risks in advance · Fully insure property and cargo to cover all logistics center inventory and transportation risks · Encourage the use of electric trucks by working with logistics providers that have clearly declared their plans to reduce carbon emissions and take proactive action · Invest in renewable energy and energy storage, and evaluate and purchase green energy or other alternative renewable energy certificates.
-------------------------------	--

2023 Achievements	<ul style="list-style-type: none"> · Purchase of 10,000 kWh renewable energy certificates from the National Renewable Energy Certificate Center (T-REC) of Taiwan's Ministry of Economic Affairs, with plans to further increase the proportion of renewable energy use by purchasing green power and renewable energy certificates · Completion of GHG inventories at 100% of sites, of which 50% of the scope have been third-party verified · Beginning of the installation of a 100 KW solar power generation system in the Shanghai offices in Q4, which is mainly for self-use and was connected to the grid and put into use in Q1 2024 · Replacement of 452 T5 fluorescent lamps at the Taipei headquarters with LED lamps with environmental protection labels, which is expected to save approximately 43,000 kWh of electricity every year · Position of all warehouses above the second floor to keep cargo from flooding risks, and establishment of a second logistics center in Shenzhen Futian Free Trade Zone for inventory quantity and amount diversification · 100% insurance coverage of all logistics centers for their monthly inventory values
--------------------------	--

Talent attraction and retention, human capital development, and diversity, inclusion and equity

Impact identification

- Positive** |
- Employee well-being and development: To support the Group's global presence, we offer competitive salary, training, welfare, and career development opportunities, and recruit international talents to diversify employee composition.
 - WT's internal innovations and exchanges are boosted by varied perspectives and experiences of employees from different regions due to the Group's growth through merger and acquisition and the resulting diverse composition of employees.
 - Faced with varied operational challenges, the management would improve work fulfillment and enhance work adaptability and effectiveness.
- Negative** |
- The fierce competition for electronic and electrical talents in the semiconductor sector could result in a high turnover and an increase in recruitment and training costs.
 - The declining birthrate has impacted the current labor force, and it takes longer time than ever to fill vacant positions, increasing potential operating costs.
 - An insufficient development of multi-functional talents for global operation and management may result in a restrained management perspective.
 - After the significant expansion, WT has now employees in more than 10 countries. However, its current training program is neither sufficiently digitized nor available in enough languages to effectively cultivate and develop professional knowledge of all employees.
 - With relatively more laws and regulations to be reviewed in the countries where WT operates, failure to take appropriate inventory may lead to legal violation, discrimination, penalties from the competent authorities, lawsuits, damage to company reputation, or public concerns that lead to failure to attract job applicants.

Policies/commitment

WT formulated and published on the official website after the Chairman signed the Social Policy and Code of Conduct as standards for all employees, customers, suppliers, and other stakeholders in compliance with the Universal Declaration of Human Rights, the United Nations Global Compact (UNGC), the ILO Declaration on Fundamental Principles and Rights at Work, and other international human rights conventions and initiatives. It also has policies and regulations relevant to talent recruitment, training, and inclusive workplace in place.

Goals	Short term (1-2 years):	<ul style="list-style-type: none"> Increased international recruits year by year and strengthened communication capacity between the Taiwan headquarters and other operating bases Training and development planning in support of our global operations 100% completion of Section Manager level transition leadership training for new managers Trainees' participation in and satisfaction of training programs both $\geq 85\%$ Requirement of retaking the course or test by those who fail a course-end test (< 80 points) Introduction of human resources business partner (HRBP) system Optimization and promotion of anti-discrimination report channels, and improvement of opinion diversity and inclusion at workplace Full employment of employees with disabilities
	Medium term (3-5 years):	<ul style="list-style-type: none"> Improvement of the Group's E-Learning Platform to ensure the system environment is universally suitable for all our operating sites around the world, and to incorporate IDP to associate with individual development and performance Incorporation of post-training feedback from the trainees' unit supervisors Establishment of a rotation system to cultivate hands-on generalist managers Evaluation of a work engagement survey in Taiwan headquarters
	Long term (5-10 years):	<ul style="list-style-type: none"> Regular market surveys to ensure our salary and benefit package offers are competitive Establishment of a sound performance appraisal system Both genders making up at least 35% of the management by 2029 Development of Leadership Diversity: Cultivation and promotion of leaders with diverse perspectives and assurance of leadership diversity to reflect diversity across the Organization Promotion of collaboration and cross-cultural communication: long-term commitment to promoting the Group's cross-regional and cross-cultural communication and building a team that is capable of coping with different cultural backgrounds
Action plans	Increase positive impact	<ul style="list-style-type: none"> Continue to promote diversity and equal promotion in the workplace, with female managers accounting for 35%, and promote personal career development plans Continue to promote the recruitment and career shadowing plan of the Want Talent Program Continue to recruit more talents with disabilities through job re-definition Promote employee assistance programs Provide diverse channels for employees give feedback, seek employees' inputs, and build a better workplace Evaluate employee survey types and practices, and conduct work engagement surveys and analyses
	Reduce negative impact	<ul style="list-style-type: none"> Run online transitional leadership training and workshops for new executives Partner with universities to promote talent development programs Activate organizational communication channels through employee interviews, with the Chief Human Resources Officer guiding department heads in the communication HRBP 2024 Plan
2023 Achievements		<ul style="list-style-type: none"> Selected as a constituent of TWSE RAFI® Taiwan High Compensation 100 Index A total of 27,398 hours of training across the Group Gradual implementation of the Group's training framework in various training programs, including orientation training, technology application courses, and transitional training for new managers Introduction of E-Learning Platform in China to improve training operation and resource usage efficiency and promptness across operating sites in South, Central, and North China and other regions Improvement of new supervisors' transitional leadership training within three months after taking office, and completion of the training for 47 new supervisors in 2023 Cultivation of young outstanding and promising talents, with whom the Chief Human Resources Officer conducts regular HRBP interviews to understand their development needs and collect feedback from their unit supervisors, and to whom personnel development training is given through workshops. The achievements in 2023 include: establishment of a training program for new supervisors, online education and training for new employees, and a lower turnover rate of new hires.

Social Impact

Impact identification

- Positive** |
- WT determines to give back and serve public interests by acting as "a key promoter at important moments". The collaboration with enterprises in other sectors, upstream suppliers, and downstream customers to sponsor schools through the execution of two voluntary initiatives of WT Education Foundation helps reinforce its supply chain partnerships.
 - The long-term, regular one-on-one online reading companionship would inspire children to expand their horizons through reading and build their self-confidence. WT uses Internet technology to overcome geographical barriers and open up children's horizons through reading.
 - Accompanying children with photography brings benefits such as aesthetic education, self-confidence boost, and community knowledge building.
- Negative** |
- The giving-back initiatives are currently solely funded by WT's company profit, which may not be able to sustain the programs.
 - The high turnover of volunteers in both programs may affect the quality of the courses.
 - Various environmental and social trends may lead to changes in the Foundation's donation plan.

Policies/commitment

For more information about the two programs of WT Education Foundation, visit their [official websites at Shining Hope: https://shininghope.wtmec.com/](https://shininghope.wtmec.com/)

One-on-one Online Reading: <https://one-on-one-study.wtmec.com/>

Goals	Short term (1-2 years):	<ol style="list-style-type: none"> One-on-one Online Reading <ol style="list-style-type: none"> Set up 1 to 2 new schools Build fundraising capabilities, develop new fund donation channels, and call on WT Group's midstream and downstream suppliers and customers to join the efforts Leverage volunteer resources, including employee volunteers, school volunteers, social group volunteers, etc. Shining Hope <ol style="list-style-type: none"> Promote the Shining Hope calendar fundraising project to make the children's works more widely seen Recruit local volunteers Others <ol style="list-style-type: none"> Increase ESG-related fund donation Leverage benefits of each program 							
	Medium term (3-5 years):	<ol style="list-style-type: none"> Set up a sharing platform (between upstream and downstream partners and adopters) Set up a volunteer system and volunteer reserve list Improve the planning and building up of the library collection of each school Bring in effective external resources, including funds and publicity resources 							
	Long term (5-10 years):	<ol style="list-style-type: none"> Set up more schools and benefit more rural pupils, as long as the programs break even Optimize the volunteer system Become a model 							
Action plans	Increase positive impact	<ul style="list-style-type: none"> Continue to optimize course content to reflect changes in the social environment and culture, strengthen communication with partners, and conduct activities to enhance corporate image Introduce climate change thinking, inspire sustainability perspectives in the children, and promote sustainable development in partnership with other enterprises Encourage active employee participation 							
	Reduce negative impact	<ul style="list-style-type: none"> Offer better-planned and diverse activities to help those in need in a more systematic way as well as enhance our brand value Share resources with partners and establish a sharing platform Shape a corporate volunteer culture and incorporate it into onboarding training program, give priority to recruiting new hires as volunteers, and deepen the public interest concept of giving back to society Increase funds, reduce expenditure, and improve the efficiency of limited resources available 							
2023 Achievements	1. The One-on-one Online Reading Program runs seven schools in partnership with 9 organizations (including 7 pupil centers and 2 universities), and a breakdown of the numbers of people/person-times having received the services in 2023 is as below:								
		WT Mailiao School	DBS Fenyuan School	Dyaco Erlin School	Pou Chen Shiu-Shuei School	Puyong Yitzu School	Hsinyuan Penghu School	Tingfang Xinshe School	Total
	Online Reading Program	40	40	30	30	26	40	26	232 persons
	Reading partner meetup	1,360	1,440	1,080	1,050	884	1,200	728	7,742 person-times
	Volunteer training	56	52	35	42	62	48	46	341 persons
	Christmas DIY	27	4	3	27	11	18	4	94 person-times
	20	20	15	15	18	20	13	121 persons	
2. The Shining Hope Program reached out to 160 children from 20 schools and involved 75 volunteers who devoted 62,000 hours in total.									

Corporate Governance and Framework

Strengthened internal control and risk management to build a sound management mechanism

- 3-1 Sound Corporate Governance
- 3-2 Excellent Financial Performance
- 3-3 Digital Optimization
- 3-4 Compliant Tax Policies
- 3-5 Enhanced Risk Management
- 3-6 Deepened Information Security
- 3-7 Ethical Corporate Management

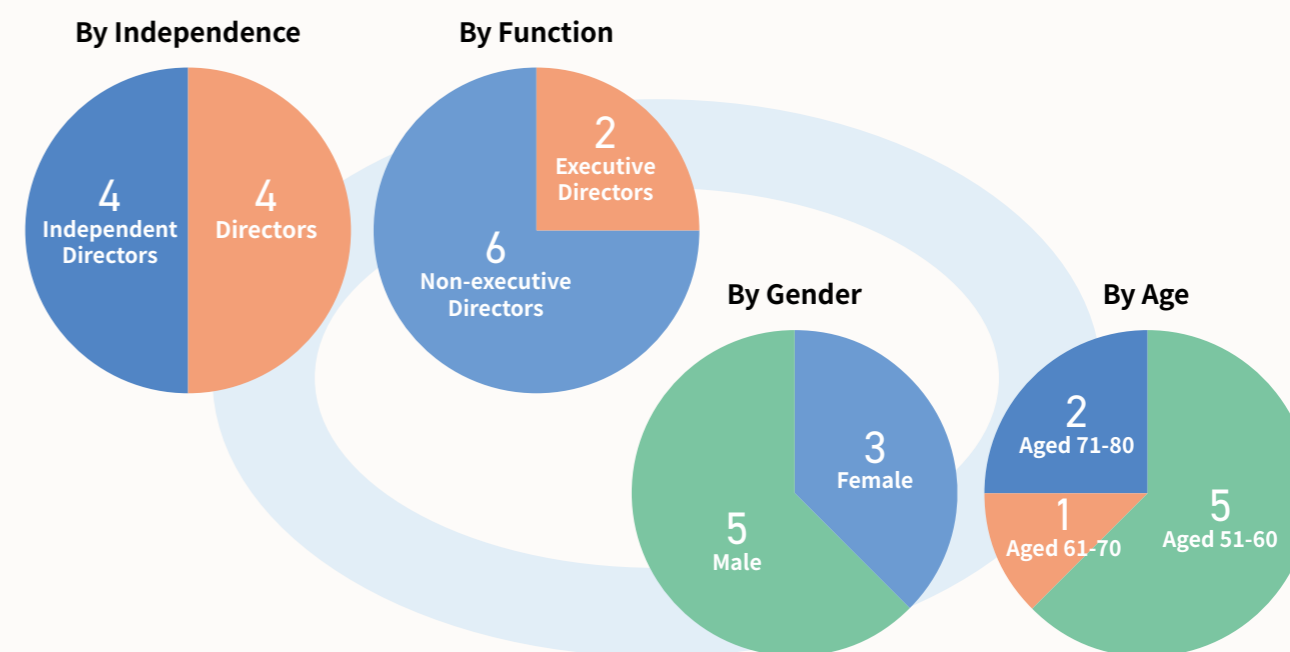
chapter 3-1 Sound Corporate Governance

Reinforce Corporate Governance

The Board of Directors is WT's highest governance body. The Board of Directors are mainly responsible for monitoring the achievement of the Company's operational goals and performance, providing strategic guidance to the management team, and overseeing the Company's compliance with laws and regulations to ensure the best interests of its shareholders. In order to optimize the quality of the Board's decision-making, there are a number of functional committees with different competence under the Board to effectively review the Company's decisions on important issues and supervise their implementation. In addition to the Corporate Governance Best Practice Principles, WT has a diversity policy to meet the needs of the Board's operational and developmental functions, while taking into account the Directors' professional knowledge and skills. Directors are elected at the shareholders' meeting in accordance with the Rules for Directors Election. There were three functional committees under the Board: Audit Committee, Remuneration Committee and Risk Management Committee. In order to optimize and improve the Board's functions and strengthen the management mechanism, WT began appointing a corporate governance supervisor in 2019 to handle matters relating to the Board meetings and shareholder meetings, assist the Directors in their orientation, continuing training, duty performing, and compliance with laws and regulations. For details, see Implementation of Corporate Governance in 2023.

annual shareholders meeting to strengthen the Board's supervisory function. For the implementation of the Board Member diversity policy, see the Corporate Governance section of the WT official website. The Board of Directors meets at least once a quarter. In 2023, the Directors' in person attendance rate at the 15 Board meetings was 94% , and the Independent Directors' was 100%. Items falling into the nine types of matters specified in the Rules of Procedure for Board of Directors' Meetings were submitted to the Board for discussion, including operating plans, financial reports, internal controls, chairman selection, fundraising, issuance of securities with equity nature, and other matters required by laws and regulations. A total of 55 major resolution were adopted in 2023. See Major Resolutions of Board Meetings under the Corporate Governance section for details.

Composition of WT Board of Directors



Organizational restructure and creation of the Nominating Committee and the Sustainable Development Committee in 2023

In 2023, the Nominating Committee was created, and the Nominating Committee Charter was formulated. The Nominating Committee makes nominations to the Board after reviewing the qualification of shortlisted candidates for Directors and verify the independence of those for Independent Directors. In addition, following a comprehensive consideration of its functionality and competence, the Risk Management Committee was abolished in 2023 with its governance mechanism merged into the newly established Sustainable Development Committee. The Sustainable Development Committee, which consists of two functional groups, the Sustainable Development Team and the Risk Management Team, applies the risk management mechanism to enhancing the management of sustainability-related risks and impacts and to promoting and implementing sustainable development.



1 additional independent director was elected in 2023, with currently 4 seats in total.

Independent directors making up half of the Board Enhance the Independence of the Board of Directors


The Company's Chairman concurrently serve as President to improve operational efficiency and the execution of decisions. In 2023, an additional Independent Director was by-elected as the eighth member of the Board by the

To reduce the possibility of conflicts of interest between the Chairman and the other Directors, WT discloses information including the content of the items, the names of the interested Directors, and reasons for recusals in the annual reports, as required by Article 15 of the Rules of Procedure for Board of Directors' Meetings. In addition, in compliance with the requirements of Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers, at least half of the Board Members are

Independent Directors, and more than half of them are neither employees nor executives. Every year, WT arranges for each Director to attend professional director courses provided by external organizations such as Taiwan's Securities and Futures Institute to improve the Board's operational effectiveness. To implement corporate governance, Independent Directors may provide input and make suggestions in each functional committee for the Board's information. In addition, information such as the existence of controlling shareholders and related party transactions is disclosed in the annual reports.


For detailed information on the members of the Board, the Audit Committee and other functional committees in 2023, including their age range, experience, tenure, concurrent positions in other companies, as well as relevant information on their Board meeting attendance rate, continuing education status, and recusals record, see Chapter 3: Corporate Governance Report of WT's 2023 Annual Report for the description of implementation status of recusals of Directors.

Article 20 of WT's Corporate Governance Best Practice Principles



Professional knowledge and skills

Professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.




Basic requirements and values

Gender, age, nationality and culture, etc. It is preferred that female directors make up at least one third of the Board.

Audit Committee members are hands-on with 100% attendance

The Audit Committee is composed of all Independent Directors. With one Independent Director by-elected in 2023, there are currently four Committee members, with Kung-wha DING serving as the convener and chairman. The Committee meets at least once every quarter. The accountant must communicate fully with the Independent Directors on audit planning, audit, and audit results. The Internal Auditing Officer presents the implementation status and other matters to the Audit Committee at every non-emergency meeting. In 2023, a total of fourteen Audit Committee meetings were held with all members having a 100 percent in-person attendance rate. For detailed information, see the Operation of the Audit Committee in 2023.



Audit Committee Oversight Functions

- 01 Adequate presentation of the Company's financial statements
- 02 Selection or dismissal of the CPA, and evaluation of his or her independence and performance
- 03 Effective implementation of the Company's internal controls
- 04 Compliance with relevant laws and regulations by the Company
- 05 Management and control of existing or potential risks for the Company

Improved executive compensation management system Establish the Regulations Governing the Share Ownership of the CEO and Non-Executive Directors

The Remuneration Committee is composed of three Independent Directors. The purpose of the Committee is to take into account the Company's operational performance, make objective and professional recommendations to the Board, and assist the Board in implementing and evaluating the Company's overall compensation and welfare policies. In addition, the remuneration of directors and executives is determined and reviewed in accordance with the Director and Functional Committee Remuneration Payment Guidelines and the Regulations Governing Compensation Payment of Executive Officers as necessary to strike a balance between sustainable management and risk control. In 2023, a total of four Remuneration Committee meetings were held with all members having a 100 percent in-person attendance rate. For detailed information, see the Operation of the Remuneration Committee in 2023.

The Regulations Governing the Share Ownership of the CEO and Non-Executive Directors in 2023 to encourage the CEO and non-executive Directors (excluding Independent Directors) to hold an appropriate amount of the Company's stocks for a long period, so that their performance could be consistent with shareholders' interests and they could share the Company's operating results with shareholders.

In 2023, the General Manager's total annual pay (NT\$23,400,000) was 19.8 times of the median (NT\$1,180,574) of that of the employees (excluding the General Manager) who have worked for more than six months in 2023 at the Taiwan headquarters and the four subsidiaries including Morrihan, Nuvision Technology, Maxtek Technology, and Techmosa. The General Manager's pay increase from 2022 to 2023 was -71.6 times of the employees' median pay increase at the Taiwan headquarters including the four mentioned subsidiaries. The ratio was negative as there was a negative increase in the General Manager's total pay during the period. The total pay included the basic monthly salary and variable bonus and excluded the stock ownership trusts. Only the employees who have been employed throughout both 2022 and 2023 were taken into account for the median calculation to prevent discrepancies between the statistical median and the actual situation caused by issues such as incomparability of the pay increase of those who have not received a full year's remuneration in both years (including new hires in 2022 or departures in 2023), and the absence of remuneration increase data for the new hires in 2023.



Upgrading risk management with Compensation and Clawback Policy for Executive Officers

The Compensation and Clawback Policy for Executive Officers was formulated in 2023 and adopted by the Board in 2024, which formally include environmental and social operational performance into the Executive Officers' compensation evaluation criteria. In particular, environmental and social performance each account for at least five percent. In addition, to prevent executives from engaging in behaviors that exceed the Company's risk appetite for higher remuneration, the Policy also stipulates that in cases where a manager's misconduct leads to a major violation of laws or regulations, and causes a significant risk loss or a need for recompiling financial statements, the Company will recover the excess rewards and significant risk loss incurred by current or former managers due to their misconduct. The content and reasonableness of the above-mentioned remuneration and the difference to be recovered must be reviewed by the Remuneration Committee before submission to the Board for discussion and approval. The remuneration system shall also be reviewed in a timely manner based on operating situation and relevant laws and regulations.

Two new committees, both with more than half of the members being Independent Directors

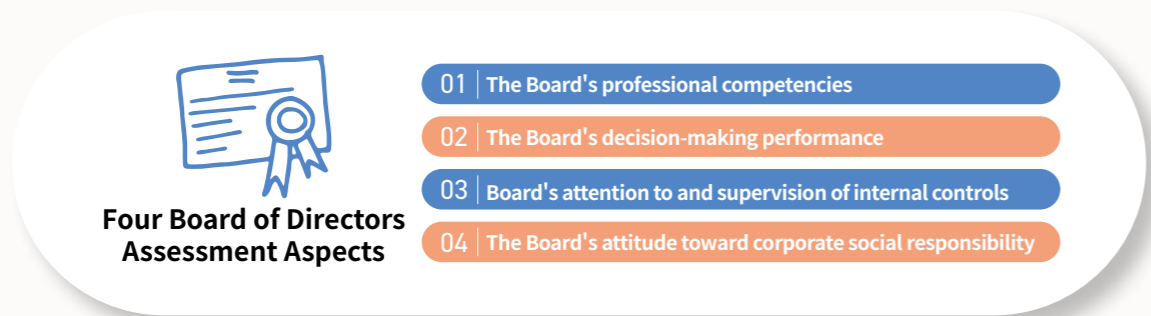
The Sustainable Development Committee was established in November 2023 to supervise and manage the implementation of sustainable development. At least three of the Committee members shall be appointed by the Board, and more than half must be Independent Directors. The Committee currently has five members. They are the Chairman, one Director and three Independent Directors. Its first convener and chair is Director Kerry Hsu. There are two functional groups under this Committee: Sustainable Development Team, headed by Chief Sustainability Officer Willie Sun, and Risk Management Team, headed by Chief Financial Officer Cheryl Yang.

The Nominating Committee was established in November 2023 to assist the Board in developing and managing human resource strategies for Directors and senior executives through fair and transparent procedures. At least three of the Committee members shall be appointed by the Board, and more than half must be Independent Directors. The Committee currently has three members. They are the Chairman and two Independent Directors. Its first convener and chair is Chairman Eric Cheng.

Board and functional committee performance assessment

WT has formulated the Rules for Board of Directors Performance Assessments in 2016, which clearly stipulates that the Board shall be evaluated at least once a year, and its performance must also be assessed once every three years by an external professional independent institution or an external team of experts and scholars. The assessment results must be reported to the Board, and be used as a reference to determine individual directors' remuneration payment and nomination for the Board re-election.

In 2023, Taiwan Institute of Ethical Business, an external professional institute, was commissioned to assess the Board's performance. The Institute and its executive experts have no business dealings with WT and thus are independent. The assessment was conducted through document review, questionnaires and on-site interviews with the Directors in four major aspects. The assessment concludes with two specific recommendations: 1) Increase the Independent Directors' understanding of the operations of overseas subsidiaries and deepen their interaction with the executives; 2) Continue to implement the Company's sustainable management goals. The internal and external assessment results were discussed at the Board meeting on February 16, 2024, which agreed to optimize WT's corporate governance implementation by making the recommended improvement. For detailed information, see The implementation of external board performance evaluations.



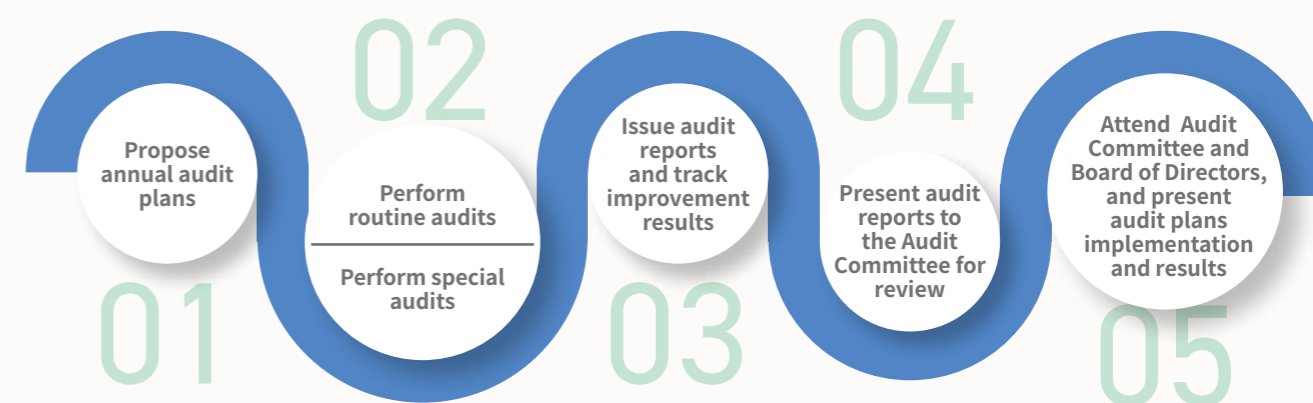
Ranked for the **fourth consecutive year** in the top **5%** in the listed companies category, and top **10%** in the OTC/TWSE-listed companies in electronics sector with NT\$10 billion plus market value category of the 10th Corporate Governance Evaluation.



Rigorous internal auditing to ensure integrity and objectivity

In WT, the Internal Audit Department is an independent unit under the Board. The appointment and dismissal of the Company's internal audit supervisor are approved by the Audit Committee and passed by the Board. The appointment, dismissal, evaluation, review, salary, and compensation of internal auditors are handled in accordance with the Corporate Governance Best Practice Principles, and shall be submitted by the internal audit supervisor to the Board Chairperson for approval. The internal auditors are evaluated and reviewed once a year.

The purposes of internal audits are to assist the Board and executives in inspecting and reviewing defects in the internal control systems and measuring operational effectiveness and efficiency, to make timely recommendations for improvements to ensure the sustained operating effectiveness of the systems, and to provide a basis for review and correction.



Self-monitoring to enhance system adaptability

Regular internal audits are performed according to the annual audit plans, which is passed by the Board and based on identified risks. Special audits may be performed on a project basis when necessary. After an audit is concluded, the audit report and followup report are submitted for review to the Audit Committee before the prescribed statutory dates. The audit supervisor shall attend regular Audit Committee and Board meetings to report on the status and results of audit execution.

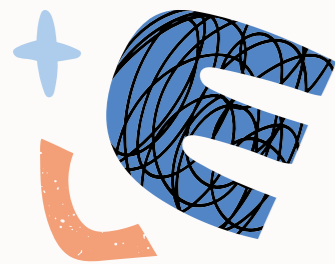
All internal departments and subsidiaries are to conduct self-assessments once a year and implement the Company's self-monitoring mechanism. The design and implementation of the internal control system are adjusted in a timely manner in response to changes in the environment. The self-assessment reports are reviewed and approved by internal auditors, and the self-assessment results and audit discoveries provide a basis for the Board and General Manager to produce Internal Control System Statements.

WT has established an internal control system related to the management of financial and non-financial information in accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies, and has incorporated the preparation of sustainability reports into the internal control system for management. The Company's management also exercises due diligence to ensure the quality of Sustainability Report.



Corporate governance-related facts

- The Independent Directors received **12.8 hours** of training on average, and the Directors **11.3 hours**.
- The Independent Directors' in-person attendance rate at the 15 Board meetings was **100%** on average, and the Directors' **94%**.
- The individual and consolidated financial statements audited by certified public accountant were released 47 days after the end of the year (required by law within 75 days) ; the quarterly CPA-audited statements **33 days** after the end of each quarter on average (required by law within 45 days).
- A total of **9** in-person and online Investor Conferences were held.

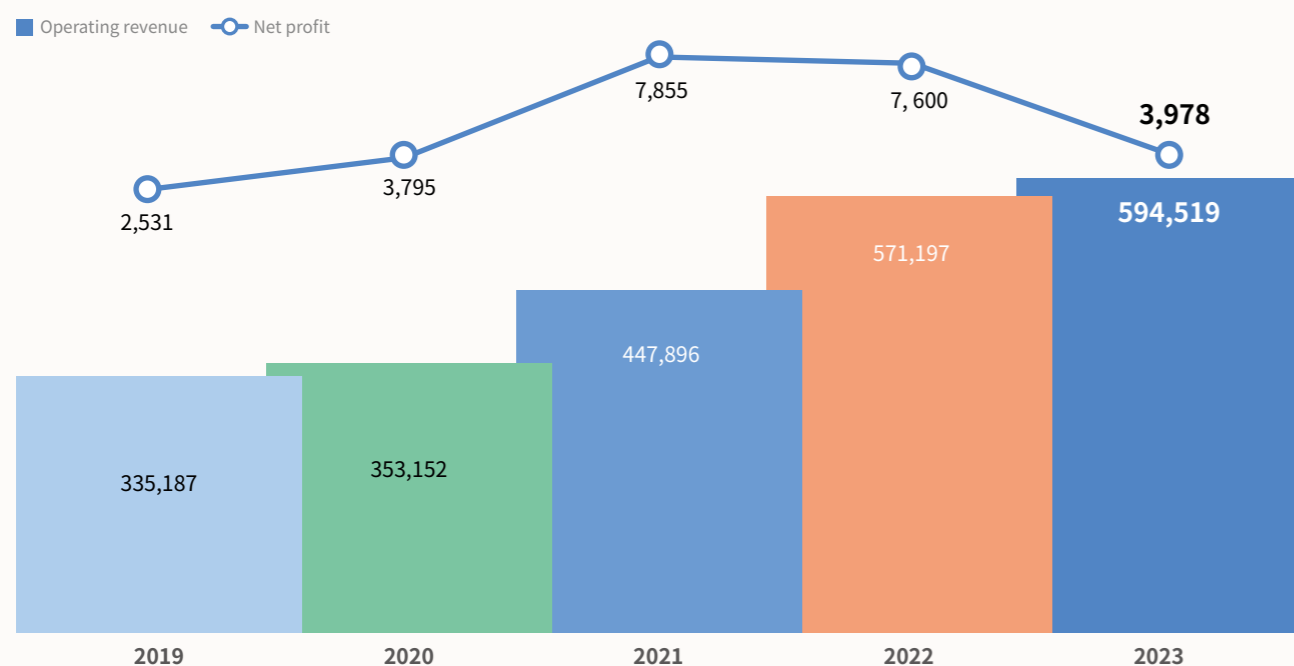


chapter 3-2 Excellent Financial Performance

Continued growth in 2023! 4% increase in the Group's operating revenue

WT's consolidated net operating revenue was NT\$594.5 billion in 2023, an increase of NT\$23.3 billion or by 4%, from 2022. The net profit was NT\$4 billion in 2023 and EPS was about NT\$4.24 based on weighted average outstanding shares.

Operating Revenue and Net Profit, 2019-2023 (in NTD million)



Optimistic outlook for long-term semiconductor market demand

2023 was a challenging year for the global semiconductor industry. The weak overall global economic environment, high inflation and high interest rates have intensified and extended the global semiconductor inventory adjustment cycle. Despite the challenges posed by the macro environment, the Company has demonstrated strong resilience. Facing the uncertainty of global economic recovery in the post-pandemic era, the rapid development of AI technology, the changes in the electronic product supply chain, and the increasing demand for energy conservation and carbon reduction brought about by climate change, the market demand and growth potential is expected to remain strong for the semiconductor sector in the long term. WT will continue to focus on high-growth products and applications such as third-generation semiconductors, electric vehicles, industrial control, energy management, green energy, cloud data centers, 5G communications, etc, as the rapid development of these application fields requires the supply of semiconductor components. To strengthen the foundation for sustainable business operations, WT will continuously improve its operational efficiency by optimizing the operation management system, enhancing its risk management, reinforcing its financial control system, upgrading its human resource management, and

strengthening its ability to provide added values in the electronic components industry chain.

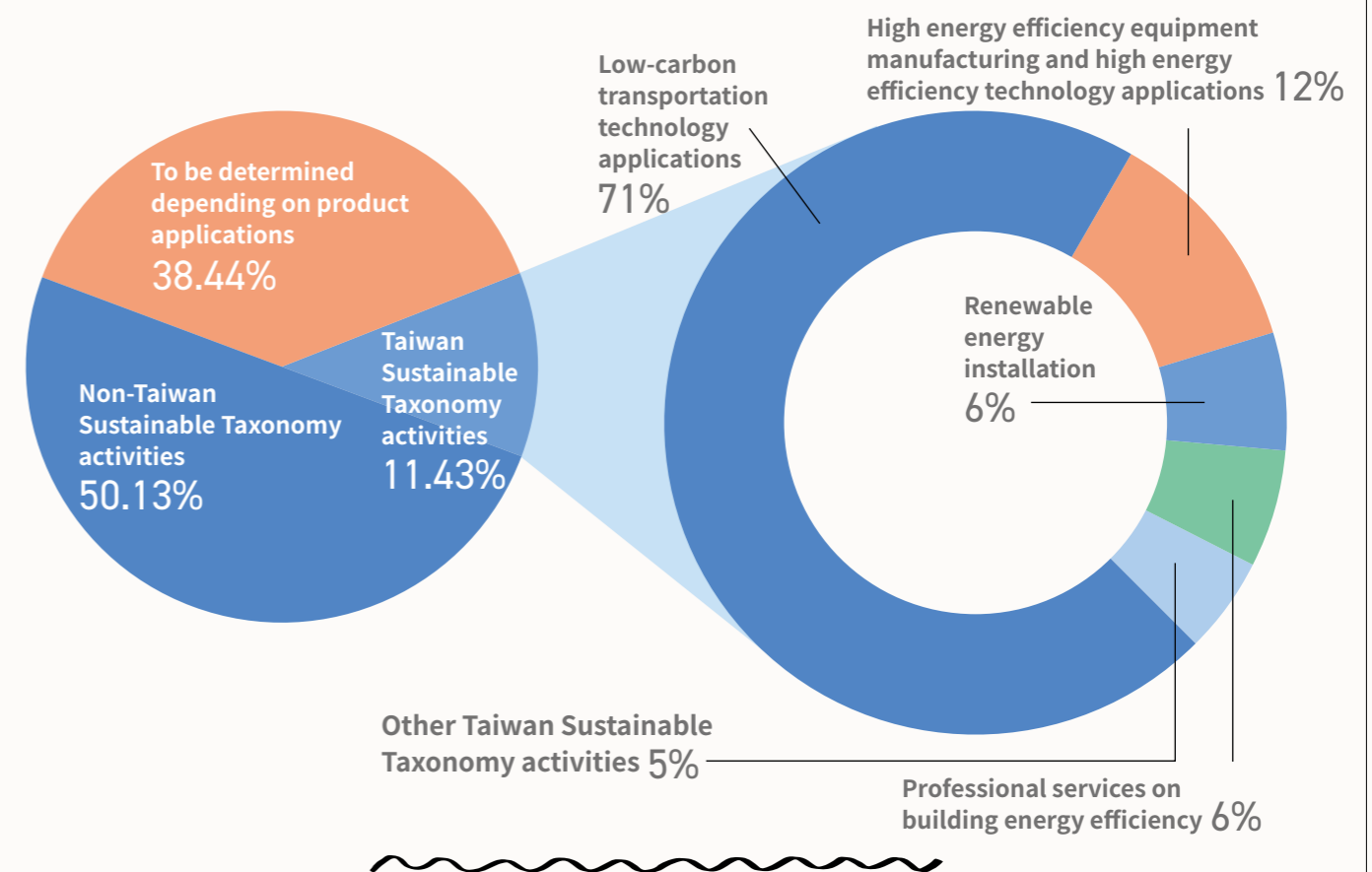
Continuously providing the best services to help customers achieve forward-looking and sustainable product design

The industries and activities covered by Taiwan Sustainable Taxonomy activities are important global trends towards sustainable development. WT systematically manages the application fields of products it sells to consistently provide optimal services to meet its customers' needs and assist them in developing forward-looking sustainable product designs. WT has conducted an analysis to identify existing products that are in line with forward-looking economic activities specified by the Reference Guidelines for the Identification of sustainable economic activities in Taiwan Sustainable Taxonomy by the Financial Supervisory Commission. They are applications related to low-carbon transportation technology, high-efficiency equipment manufacturing and high-efficiency technology-related applications, and renewable energy installation. WT will continue to invest resources in these application fields to meet the goal of 20 percent operating revenue contribution from forward-looking economic activities by 2030.



Revenue contribution from Taiwan Sustainable Taxonomy activities increased by **1.57 percentage points**

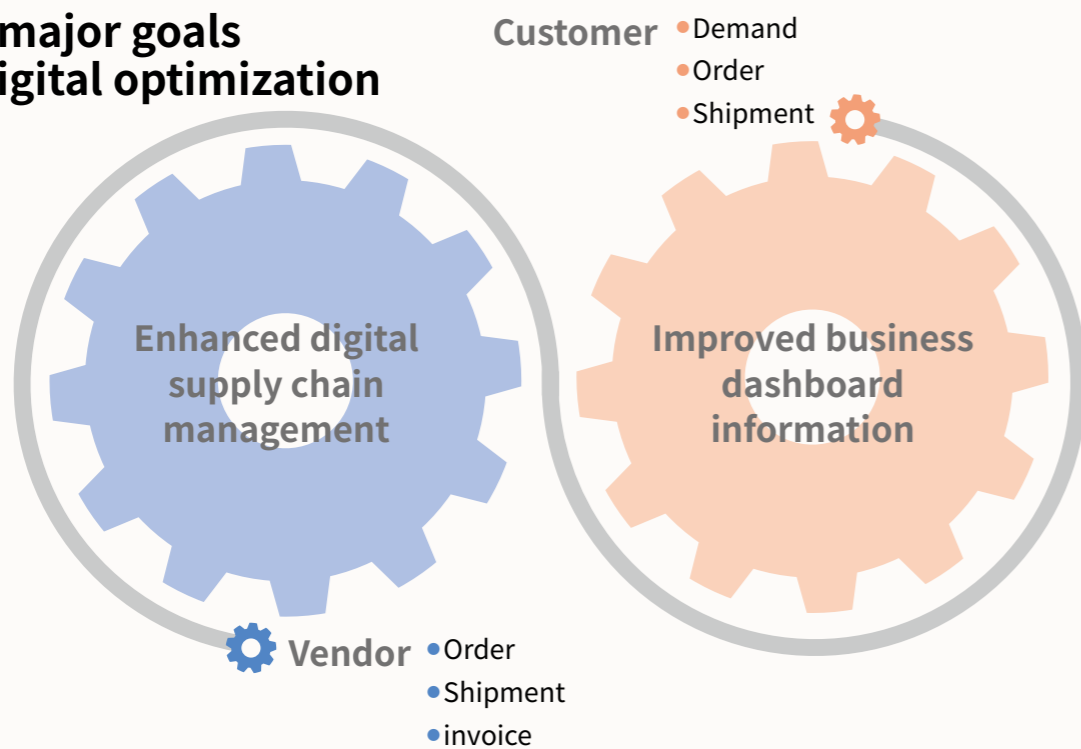
Low-carbon transportation technology applications, high energy efficiency equipment manufacturing and high energy efficiency technology applications, and renewable energy installation accounted for **11.43 percent** of WT's operating revenue in 2023, up **1.57 percentage points** from 2022.



chapter 3-3 Digital Optimization

Improving operational efficiency and delivering low-carbon services

Two major goals for digital optimization

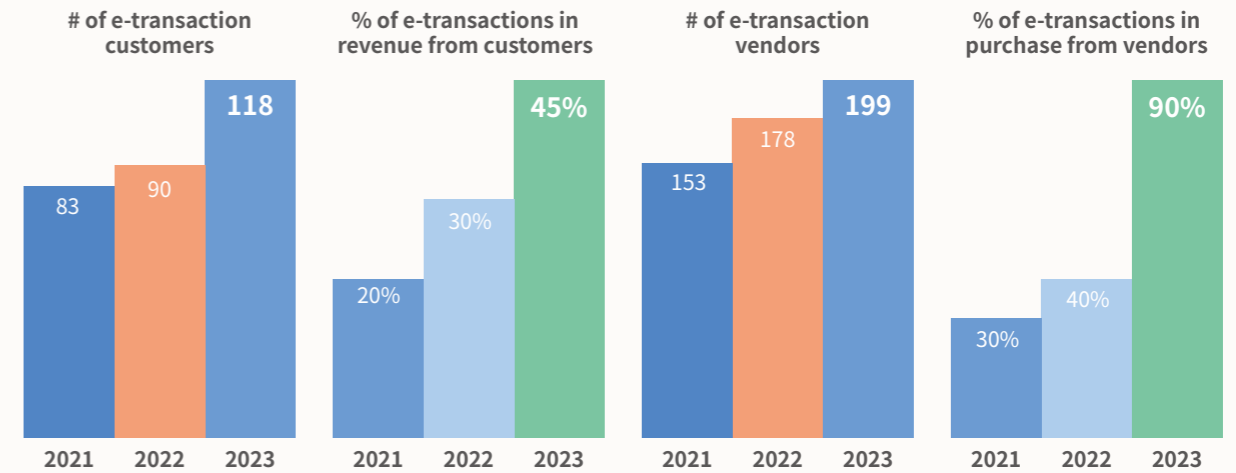


Increasing digital transactions and information exchange year by year

With more than 10,000 customers and vendors, WT has introduced an operating model featuring electronic transactions and data exchange to significantly improve employee's efficiency with digital sales and procurement procedures and with mutually agreed electronic exchange protocols that allow data interfacing. The following table shows the numbers of e-transactions with customers and vendors and their shares in revenue or purchase amounts in the past three years.



45% of the Group's revenue and 90% of its purchases are e-transactions



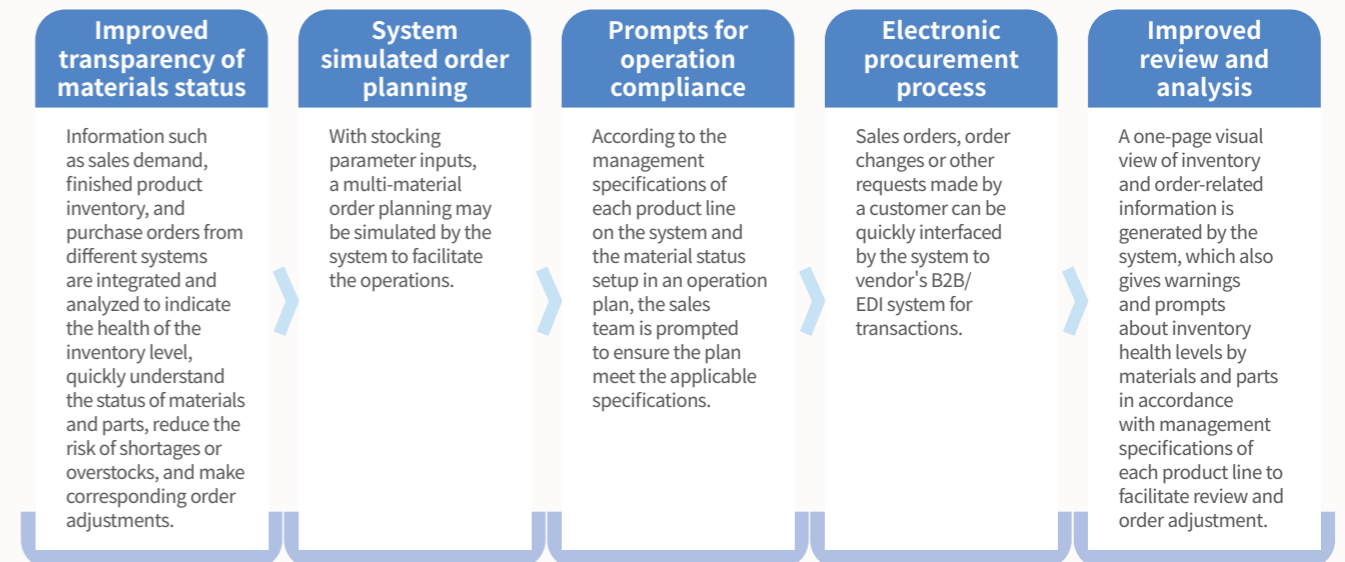
Digital transformation of operation and management procedures

Digitizing supply chain management

The complete establishment of a well-structured enterprise database, which was the Phase I goal of digital transformation, was followed by work on the supply chain operations such as procurement, stock and inventory management, customer order and shipment management in 2022. A trial run of some operation procedures and report management began in Q4 2022, and the optimized procedures have been gradually introduced in 2023 to improve processes such as procurement, shipment date reply, customer PO management, and paperless value-added tax invoicing.

Optimized processes and improved efficiency

System improvement status for procurement in 2023



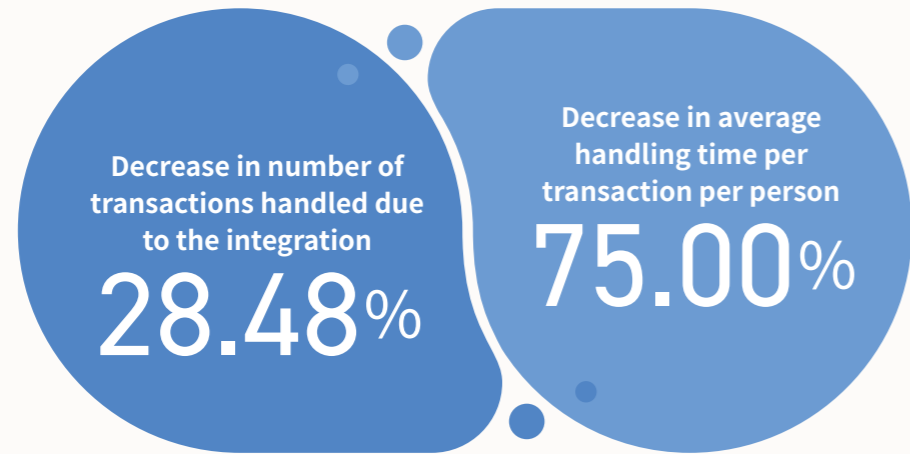
- #### Electronic sales procedures
- 01 Sales Forecast
 - 02 Price information
 - 03 PO creation/modification
 - 04 Shipment date reply
 - 05 Shipping notice
 - 06 Invoice information

- #### Electronic procurement procedures
- 01 Project design registration
 - 02 Price inquiry
 - 03 PO creation/modification
 - 04 Vendor shipping notice/invoice information
 - 05 Shipment arrival information
 - 06 Payment

Visual procurement decisions greatly improved work efficiency

In 2023, a centralized procurement platform was created to provide a one-page view of the necessary information for procurement decision-making, so that the dedicated sales and procurement personnel and procurement approval supervisors can quickly determine and proceed with procurement-related procedures and approval, and reduce inventory risks. Electronic procedures for shipment date change request and order cancellation request were also introduced.

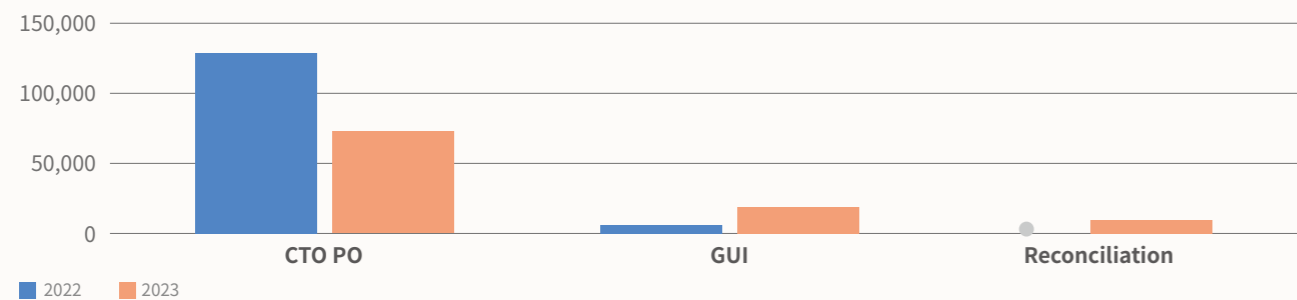
Procurement process improvement results



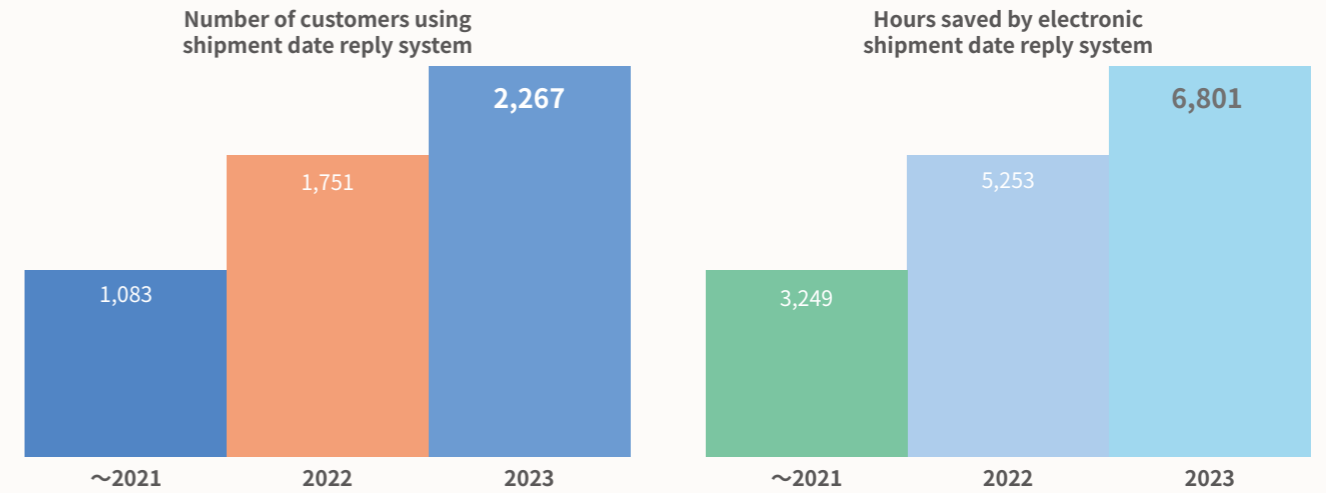
Sales process system improvement status in 2023

E-transaction PO management	Customer PO management	Improved shipment date reply	Paperless GUI
<ul style="list-style-type: none"> The creation/modification of customer PO is interfaced to the WT system through B2B/EDI. Once confirmed by the responsible person, the information is immediately returned to the customer's system. In 2023, three more customers of the Group have adopted the e-transaction procedures. With customers without access to system interfacing, EXCEL VBA or RPA process automation tools are used to simplify the process of PO entry. 	<ul style="list-style-type: none"> WT's order management platform integrates with different customers' online systems to save processing time and strengthen customer PO management. POs are signed electronically, with a log of changes kept on the system. Once a PO is signed off, the responsible person is notified to take following steps. 	<ul style="list-style-type: none"> On average, each sales representative or assistant needs to spend several hours a week to reply shipment dates to hundreds of customers, which is cumbersome and time-consuming. In 2023, a customer shipment date reply system was introduced to calculate the shipment date. The preliminary date will be confirmed by the responsible person before returning to the customer, saving a significant amount of processing time. 	<ul style="list-style-type: none"> The roll-out of e-invoice system to all customers was completed in 2023. The GUIs are now issued by the system, reducing manual preparation time and achieving 100% paperless.

Electronic customer PO, GUI and reconciliation result (Unit: Number of pens)



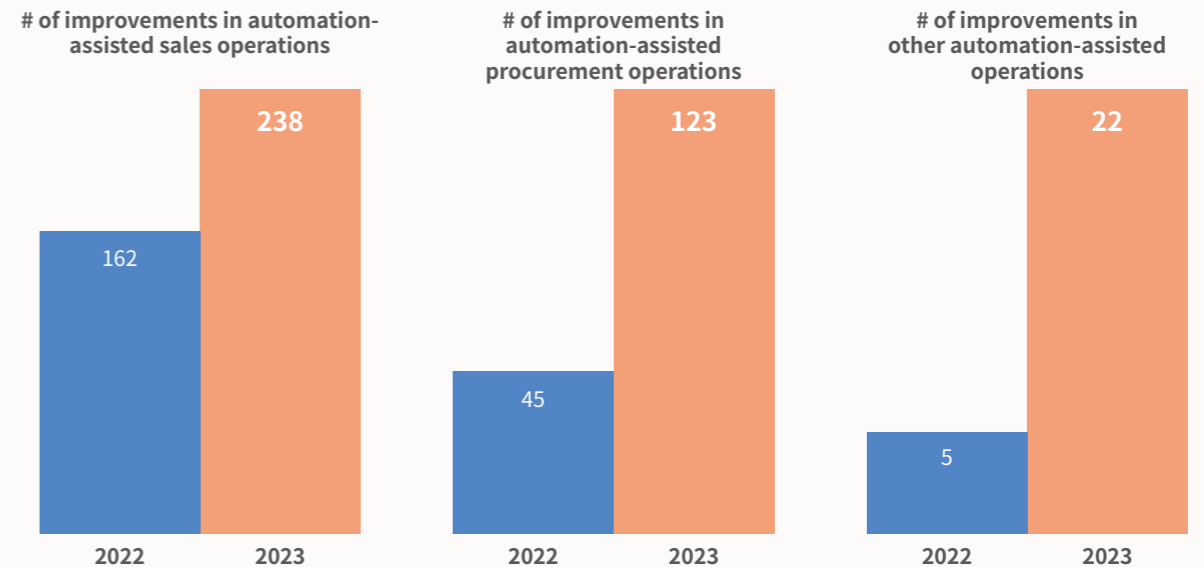
Changes in the Number of Customers Using the Shipment Date Reply System and Changes in Time Saved



Customized reports are generated with software assistance to simplify operations and enhance management work

Supply chain management are increasingly performed on the system. In addition, a customized automation-assisted module using Excel VBA tools to export customized reports was introduced to improve employees' work efficiency and value by facilitating some time-consuming and labor-intensive tasks that require manual processing or customized reports.

Customized Automation-assisted Module Enhance Efficiency in Sales, Procurement, and Other Areas

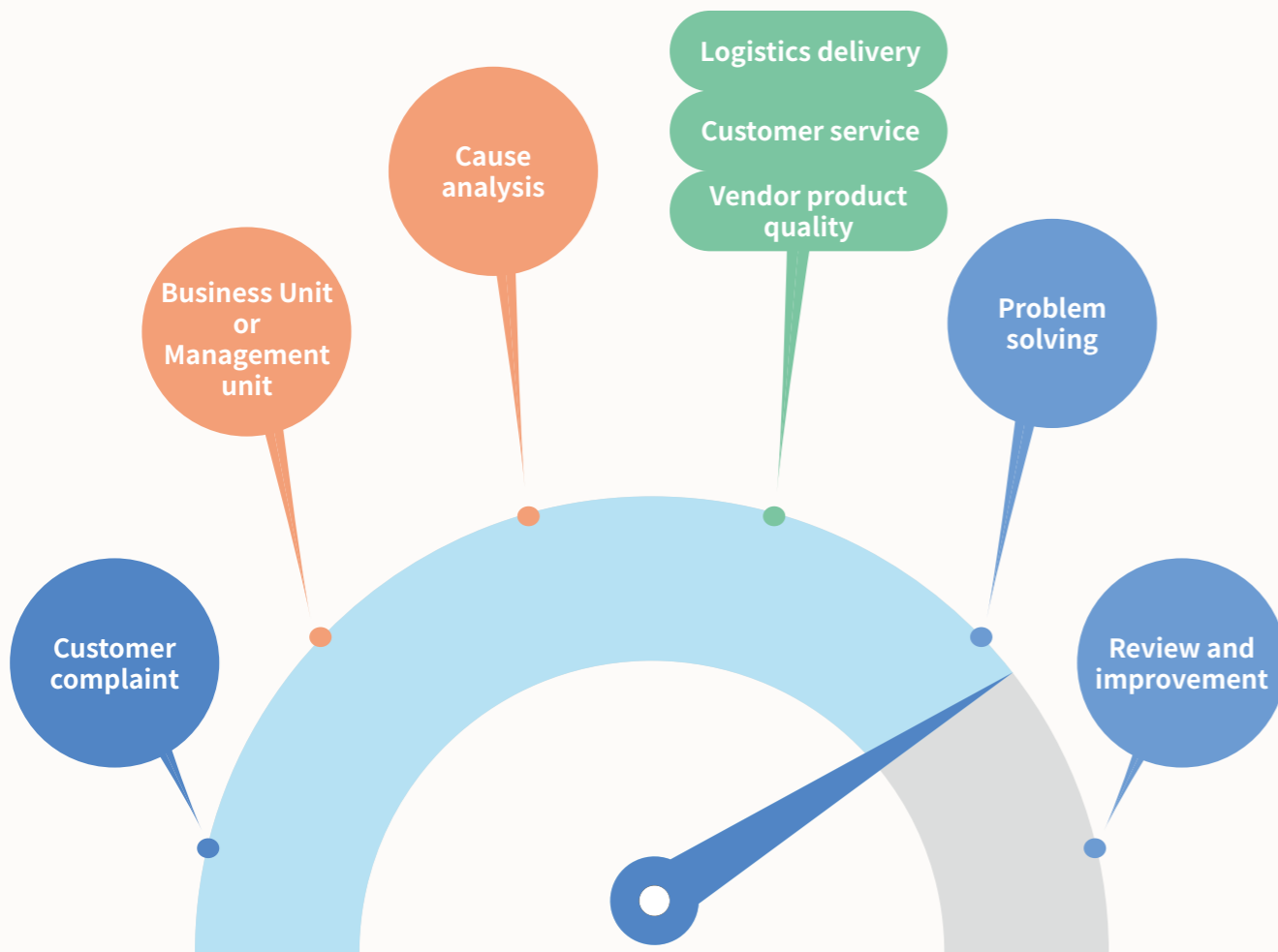
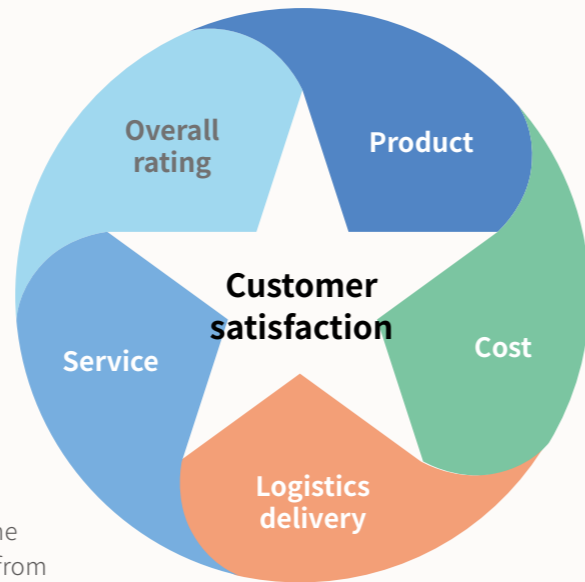


Business dashboard for a quick grasp of practical work information

At WT, business dashboards are customized for users in different roles at different levels to meet their functional and decision-making requirements. Operational data automatically collected, sorted, and compiled on a daily basis by the system are made conveniently accessible via mobile devices or the Intranet to appropriate executives and employees, so that they are kept well-informed of the up-to-date operation status and trends and thus able to respond to and take action on any anomaly at the earliest possible moment.

Providing customers with comprehensive services

WT's sales representatives regularly communicate with customers about sales orders, shipment dates and other transactions related matters. There is also a customer complaint mechanism in place for customers to provide feedback about service quality, product shipment quality, or other abnormal events. In order to ensure the overall customer service quality, a plan to set up customer satisfaction survey system has been launched in 2023. Opinions will be collected through questionnaires from important customers and new customers in 2024 as a basis for WT to continuously improve its service quality. The survey will be divided into five major aspects to understand the satisfaction level of each aspect. In addition, the input from customers will be gathered, and an improvement solution for each problem formulated and followed to ensure service quality. WT has already a customer complaint procedure in place to collect customer feedback about products and services. The complaints are filed to the competent units to analyze the cause, and keep track of improvements. Not only a reply will be given to customers about how the complaint is eventually handled, but internal publicity or training will be strengthened to prevent similar incidents from recurrence.



chapter 3-4

Compliant Tax Policies

Complying with international tax standards and publicly disclose tax information

Taxes are not only a cornerstone of national governments' provision of local infrastructure and public services, but also an important source of funding to attain global sustainable development goals. To meet changes in global tax environment, increasing complexity in cross-border transactions and global anti-avoidance trends, WT continues to interact and cooperate with tax authorities in countries where it operates.

Facing the trend of international tax equity, WT implements corporate governance and shapes a corporate tax culture by formulating tax governance and transfer pricing policies, while taking into account the overall operational development and the creation of operating profits. The policies are reviewed annually to reflect international tax trends, and the need for revisions evaluated. WT files honestly in accordance with the regulations of each location where it operates, and make proper use of applicable government tax incentives.

In preparations for the upcoming Controlled Foreign Corporation (CFC) system, WT has adjusted its organizational structure to comply with the international anti-avoidance trend for tax fairness, reorganized its substantive operating affiliates registered in countries with low tax burdens, and prudently assessed the impact of the taxation policy on the Group. It also keeps close watch on any legislative news.

Tax irregularities or unethical matters can be reported internally and externally through WT's exiting whistleblower mechanism. All tax information disclosed in relevant public channels, such as annual reports at the shareholders' meeting, is derived from financial statements certified by an accounting firm.

WT tax policies

- 01

Compliance with tax regulations

We handle tax matters and file taxes in accordance with tax laws and regulations of each country in which we operate as well as international rules and standards (e.g., the arm's length principle, OECD regulations, etc.). We pay reasonable tax liabilities commensurate with economic value in the countries in which we operates in order to fulfill our social responsibility.
- 02

Information transparency

We disclose tax-related information in compliance with financial reporting standards.
- 03

Reasonable tax saving

We use legal tax incentives and do not engage in tax planning for the purpose of avoiding tax liabilities.
- 04

Established communication channels

We established a mutually respectful and trustful communicative relationship with tax authorities with whom we can conduct timely clarification of possible tax issues for major transactions.
- 05

Managing tax risks

Tax implications must be taken into considerations when key company decisions are made. Operating environment and transaction patterns must be analyzed, and established investment structures reviewed to determine their consistency with sustainable tax strategies and management policies, with a view to developing adjustments.

Tax payment situation

WT's effective income tax rate and cash income tax rate are both higher than Taiwan's statutory income tax rate of 20% for profit-making enterprises, mainly because the Company's management retains part of the current year's earnings without distributing in consideration of the working capital required for the Group's future operational growth, and is required thus to pay tax for the undistributed earnings. The increase in the cash effective tax rate in 2023 is mainly due to the difference in income tax payment time and the increase in profits in 2022 relative to 2021.

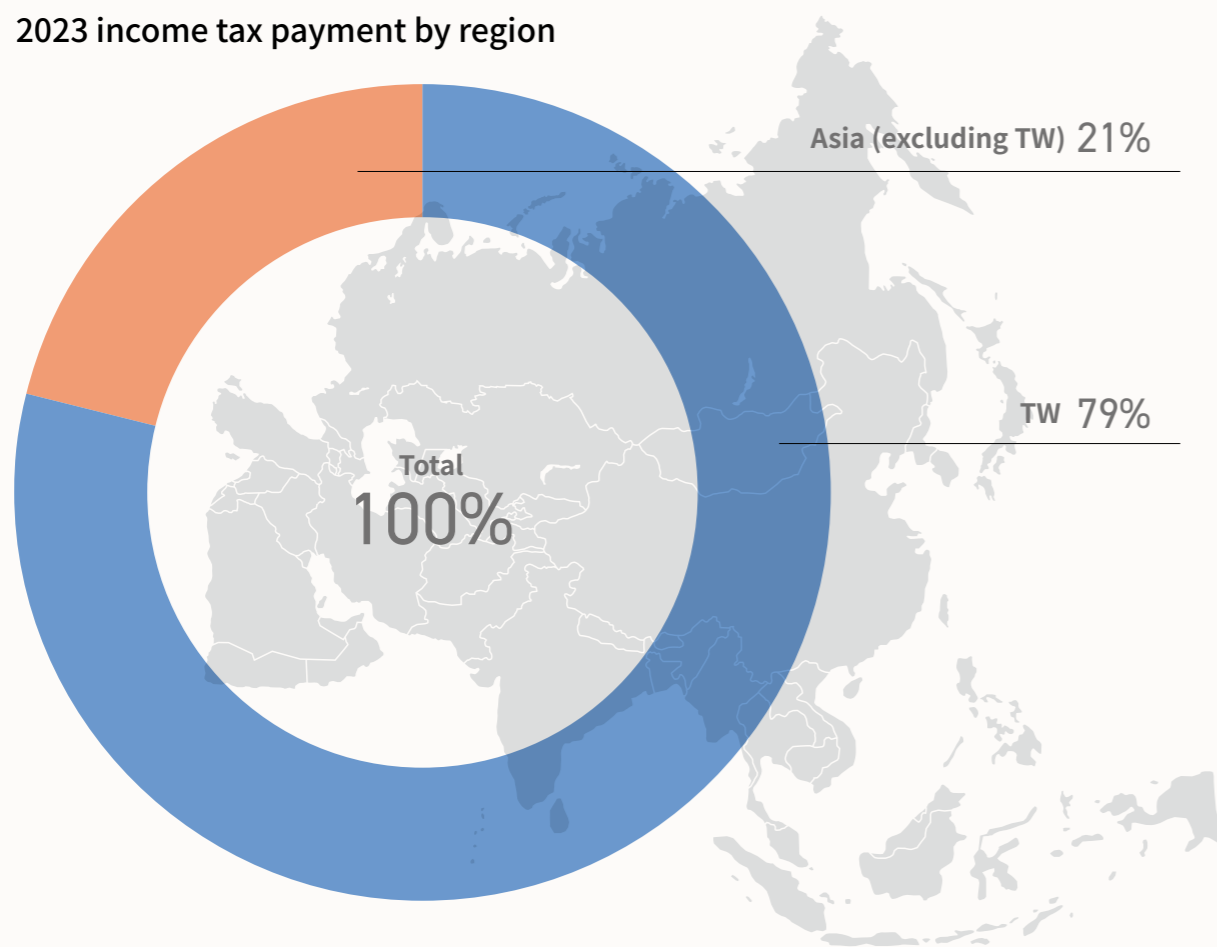


In 2023, WT's effective income tax rate is **23.43%**
The effective tax rate on cash is **30.59%**

	2021	2022	2023
Net profit before tax (A)	10,180	9,911	5,195
Income tax expense (B)	2,325	2,311	1,217
Income tax paid (C)	1,133	2,376	1,589
Book effective tax rate (D)=(B) ÷ (A)	22.84%	23.32%	23.43%
Cash effective tax rate (E)=(C) ÷ (A)	11.13%	23.97%	30.59%

(in NTD million)

2023 income tax payment by region



chapter 3-5 Enhanced Risk Management

Combining sustainable development with risk management to strengthen sustainable operations

In 2023, WT set up the Sustainable Development Committee to combine sustainable development management capabilities and coordinate corporate risk management. The Committee comprises two functional groups, Sustainable Development Team and Risk Management Team, and takes the operating mechanism over from the Risk Management Committee that it replaced. The Committee is currently made of five members: the Chairman, one Director and three Independent Directors. The Risk Management Committee had one meeting in 2023 before presenting the risk management operation status to the Board. Starting from 2024, the Sustainable Development Committee will also meet regularly every year and report the risk management operation status to the Board. The Committee may also meet whenever necessary. Each of its functional groups is responsible for the actual implementation of risk analysis, improvement and tracking.

The Risk Management Team is designated to implement risk management. It is mainly responsible for executing overall risk management within WT, formulating risk management policies, structures and mechanisms, establishing qualitative and quantitative management standards, and reporting the risk management implementation status and results to the Sustainable Development Committee.

WT Risk Management Roles and Responsibilities

Risk management organization	Roles and responsibilities
Board of Directors	The Board of Directors is the supervisor of risk management and the highest governance body. With the objectives of complying with laws and regulations and promoting and implementing risk management, it approves risk management policies, continuously supervises the effective operation of the risk management mechanism. It undertakes the ultimate responsibility of WT's risk management system.
Sustainable Development Committee	The Sustainable Development Committee reports directly to the Board, and is responsible for reviewing the appropriateness of risk management policies and structures, reviewing major risk management strategies, including risk appetite or tolerance, reviewing management reports on major risk issues, supervising improvement mechanisms, and regularly reporting risk management status to the Board.
Risk Management Team	The Team is designated to implement risk management, and is mainly responsible for executing overall risk management, formulating risk management policies, structures and mechanisms, and establishing qualitative and quantitative management standards.
Sustainable Development Team	The Team coordinates inter-departmental efforts to formulate mitigation plans based on sustainability impact risk assessment results, and keeps track of and reviews the results.
Auditing Office	The Auditing Office reports directly to the Board, and is responsible for independent supervision and quality assurance, internal control system revision and promotion, and audit planning and execution. The Office is required to submit an annual audit plans based on the risk assessment results every year, and reports on the audit plans implementation status to the Audit Committee and the Board.
Accountable Units	Each accountable unit is responsible for the actual implementation of risk management, and the unit heads are responsible for analyzing, monitoring and reporting the risks within their scopes, and ensuring that the risk management mechanism and procedures can be effectively implemented.

WT's Risk Management Procedure



WT's Risk Management Authority and Responsibilities

- 01 Economic risks**
Operational: Market structure and demand, industry development and competition, sales or procurement concentration, product and raw material prices, product development and services, business model changes, organizational structure adjustment, talent recruitment, public relations, patent application and maintenance, intellectual property protection, etc.
Financial: Inflation, financing, liquidity management, exchange rate, interest rate hedging, financial investment, strategic investment, etc.
- 02 Environmental risks**
 Operation interruptions caused by extreme weather events or natural disasters
- 03 Geopolitical risks**
 Legal compliance, sales or procurement concentration, changes in operating models, product and raw material prices, and organizational structure adjustments
- 04 Technology risks**
Information security: Failure to ensure information confidentiality, integrity and availability as a result of potential exposure of the information assets to unbearable risks
Technological changes: Development of clean technologies with higher efficiency in response to extreme climate and mis- and disinformation as a result of the rise of generative AI
- 05 Social risks**
 Labor shortage
- 06 Other risks**
Legal compliance: Failure to comply with laws and regulations or deficient contract specifications
Other emerging risks: Viral infections such as COVID-19

Emerging risks in six major types were assessed according to risk management practices

Risk Type	Risk Identification	Attention	Risk Factors	Current Impact on the Company	Countermeasures
Economic risk	Inflation, market demand, industrial development and competition, liquidity management, financing, forex rate, interest rate hedging, and dividend distribution caused by economic recession*	Keep monitoring	The extensive terminal market is closely related to the overall economy. An economic recession will inevitably lead to a decline in demand for electronic products, and thus, a decline in demand for WT's products.	The fiscal and monetary subsidies from governments during the COVID-19 pandemic, as well as the rise in energy and food prices caused by the war in Ukraine, have led to a decline in global economic growth, inflation, and rising interest rates in the post-pandemic era, which has caused a decline in WT's profits.	Formulate business strategies based on the overall economic situation and market conditions, improve the overall presence in the electronic components market, continue to expand market share, increase profitability, continue to optimize the operation management system, and strengthen risk management to improve operational efficiency.

Risk Type	Risk Identification	Attention	Risk Factors	Current Impact on the Company	Countermeasures
Economic risk	Operational risks caused by concentrated purchases or sales	No need	Concentrated purchases or sales pose a risk of crucial impact on the sales performance if a major agency right or customer is lost.	In 2020, WT lost the agency right of a supplier who made the biggest contribution to its revenue, and managed subsequently to make up for the lost performance by deepening partnership with other suppliers. At present, WT has a relatively extensive pool of more than 400 vendors and more than 25,000 customers, and there is thus not a concern on excessively concentrated purchases and sales.	Maintain good relations with existing customers and vendors, and strive to expand customers and vendors by actively seeking new customers and developing new agency product lines as a professional distributor of electronic components most of whose vendors and customers are well-known domestic and foreign companies.
Environmental risk	Hazards caused by strong typhoons, natural disasters, extreme weather events, heat, and energy uncertainty	Keep monitoring	Climate change-caused problems such as droughts, snowstorms, typhoons, floods, heat, energy uncertainty around the world result in an unstable supply of electronic components.	Problems caused by disasters such as droughts, snowstorms, typhoons, floods, heat, and energy uncertainty may have varying degrees of impact on the manufacturing of electronic components, physical inventory risks, and import and export schedules.	Continue to deploy globally and diversify operating regions, vendors and customers to reduce the operational risks caused by extreme weather events in a single region.
Geopolitical risk	Legal compliance, concentration of sales or purchases, changes in operating models, product and raw material prices, and organizational structure adjustments exposed to geopolitical conflicts	No need	Geopolitical changes and conflicts could cause uncertainties in the entire electronic components industry chain, as its design, manufacturing, testing and sales involves transnational interdependent cooperation.	Trade wars, national security concerns, and changes in legislation in different countries caused by geopolitical conflicts would impact the electronic components industry on product supply and demand, price, production capacity, transportation, import and export controls, and other matters, thereby affecting WT's operations.	Continue to deploy globally and diversify operating regions, vendors and customers to reduce the impact of geopolitical risks in a single region.
Technology risk	information confidentiality, integrity and availability exposed to cyber insecurity	Keep monitoring	Due to the expansion of cybercrimes and information insecurity in recent years, information assets are increasingly exposed to intolerable risks that threaten the confidentiality, integrity and availability of information.	Data leakage may cause financial losses to the Company, damage to its goodwill, and even affect its corporate operations. Information security incidents may cause disruption in the Company operations, system crashes, etc., thereby causing economic losses. Cyber extortion may lead to the Company paying high ransoms, its data being made public, thereby causing customer claims and economic losses.	Survey and identify the security level of information assets, formulate a grading system, conduct risk assessment, and identify key targets for protection based on levels. Introduce traffic defense services to mitigate damage caused by DDos attacks (such as network, dictionary, or brute force attacks) and secure the availability of order taking and shipping services. Strengthen the Advanced Persistent Attack (APT) Detection System to fill anti-virus loopholes and reduce the risk of zero-day attacks.
Social risk	Labor shortage	No need	The low birth rate makes it difficult to recruit and thus causes a talent shortage.	Considering the Company's current steady growth, there are no significant risks in the short term.	After the cross-border mergers and acquisitions in recent years, WT has operating bases in more countries. As their operations are highly complementary, resources can be shared to improve work efficiency, boost revenue growth, and reduce the need for continuous increase in manpower.
Technology risk	Changes in product supply and demand due to emerging technology trends	Keep monitoring	As WT mostly deals with hi-tech products, a rapid change in the industry and technologies will affect its sales product portfolio to a certain degree and possibly its revenue.	As WT is an electronic components distributor with a business model involving taking an order from a customer before placing orders with vendors, there is limited inventory risk. However, its operational growth is subject to its knowledge of new products brought about by changes in the industry or technologies.	WT's R&D and sales teams keep watch on potential impact of change in technologies or the industry on the Company. In addition, the R&D team further develops products with emerging clean technologies to secure source of profit and environmental sustainability with a more diverse and green product portfolio.
Other risks	Change in government policies and legislation	Keep monitoring	Its operation would be affected if there is a change in important industry policies or legislation made by government of a country where WT operates.	National governments all tend to encourage the development of high-tech, semiconductor, and high-value-added industries. As the Company mainly deals with semiconductor components, there are no major changes in government policies and legislation at this stage. Moreover, more countries are likely to introduce policies or regulations on energy conservation, carbon reduction and net-zero carbon emissions, which would benefit the sales of low-carbon products.	WT's legal, accounting, and stock affairs teams keep watch on and dutifully gather market intelligence and legislative changes at home and abroad, and timely consult legal and accounting experts to propose measures in response to major changes in domestic and foreign policies and legislation. The R&D team further develops products with emerging clean technologies to increase sales of low-carbon products

*For detailed information on risk analysis and management policies related to financial risks in economic category, see the 2023 Annual Report.



chapter 3-6 Deepened Information Security

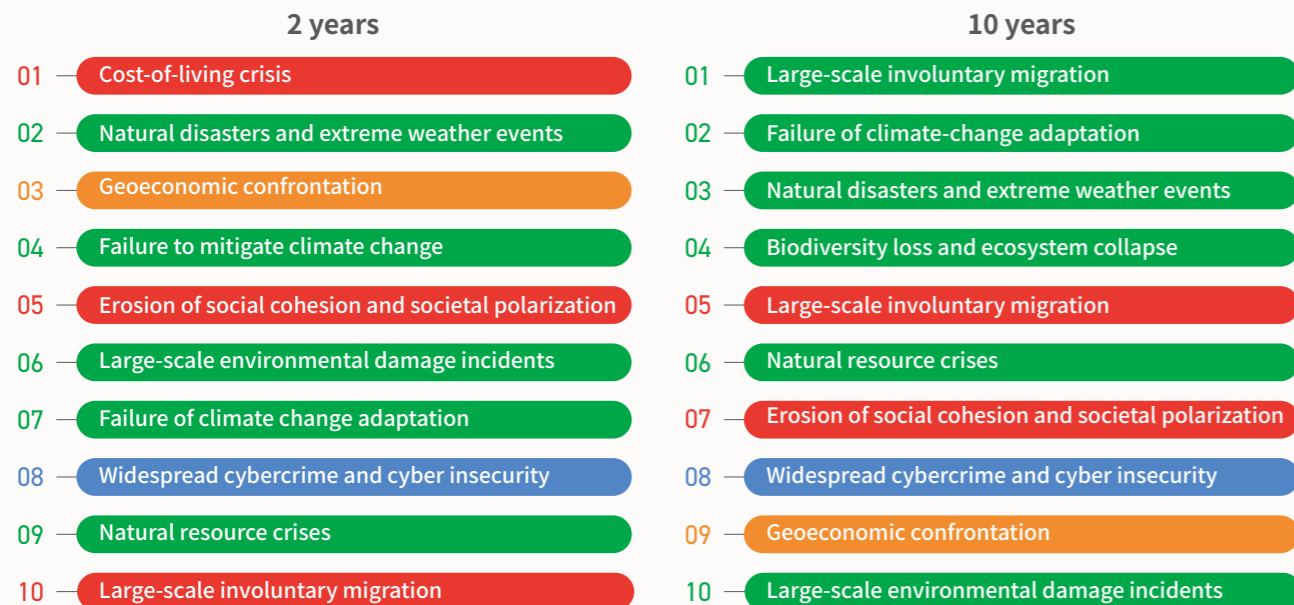
Protecting corporate assets with enhanced overall supply chain information security

In order to ensure the confidentiality, integrity and availability of WT's information assets, to comply with the requirements of relevant laws and regulations, to protect them from internal and external deliberate or accidental threats, and to meet business needs, information security policies have been formulated as a basis for compliance to effectively and reasonably mitigate operational risks. The policies are applicable to WT and its affiliates, subsidiaries that are 100% directly or indirectly owned, controlled by WT, subsidiaries that sell or provide services for the Group, all personnel of the mentioned organizations, outsourcing service providers, student workers, and visitors, etc. In addition, information security clauses have been added to external contracts.

According to the 2023 World Economic Forum (WEF) Global Risk Report, "Widespread cybercrime and cyber insecurity" is ranked as the 8th risk within 2 years and 10 years. With increasingly complex cyber espionage or cyber crimes, such as loss of privacy, data fraud or data theft, compromised information security protection may lead to data leakage and blackmail risks, and even core system disruptions, causing serious business losses and damaged goodwill.

In view of the growing importance of information security and increasingly rampant cyber attacks, WT's Information Security Department is headed by Chief Information Security Officer at the level of deputy general manager. The Department, composed of one dedicated director and two dedicated personnel, is responsible for information security risk management, incident investigation, system vulnerabilities disclosure, and information security system evaluation and introduction, etc. Following the establishment of the Sustainable Development Committee, information security management strategies and results will also be presented to the Sustainability Development Committee before being submitted to the Board. There were no major information security incidents involving sensitive information leakage

WEF's Global Risks Report 2023



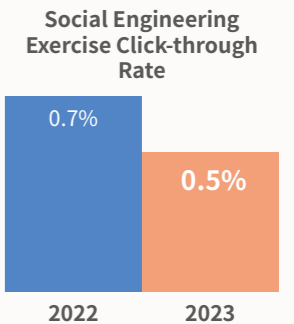
Source: WEF's Global Risks Report 2023

or information service disruption in 2023, and no financial losses were caused to customers or suppliers due to the information security incidents.

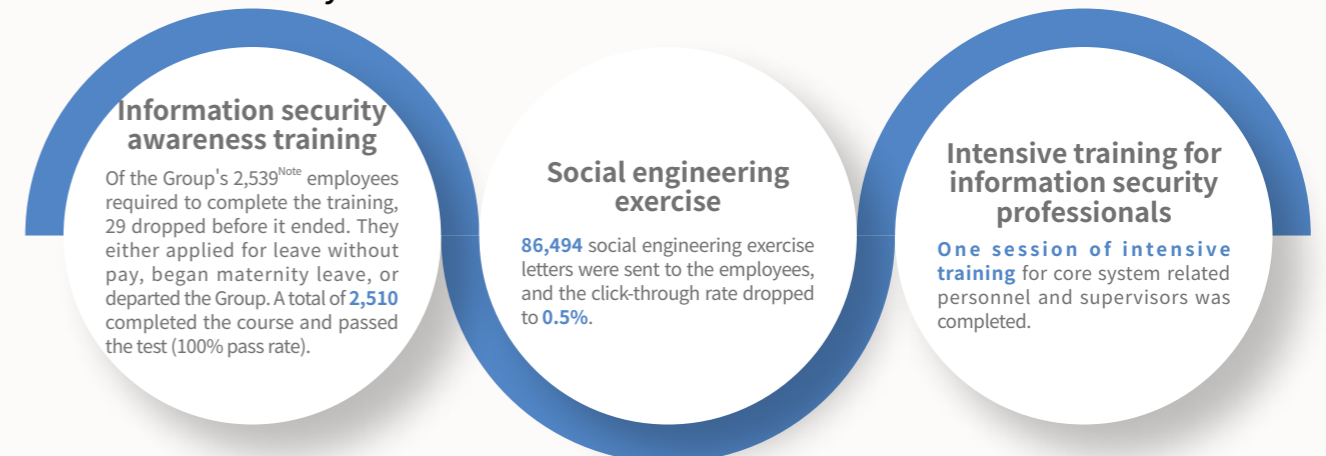
Information security certificates are used as a mechanism to check and continuously improve information security professional capabilities. In 2023, a total of six international certificates in information security governance, information security management and auditing were obtained, including CEH Master, CISA, and ISO 27001 Lead Auditor. In addition, WT has joined joint information security defense organizations such as Taiwan CERT/CSIRT Alliance and Taiwan Chief Information Security Officer Alliance to strengthen the joint information security defense system by identifying relevant information security trends and sharing threat intelligence. At a meeting of the Taiwan Chief Information Security Officer Alliance in 2023, WT shared its supply chain security practices, explaining how to help vendors improve their information security capabilities and strengthen overall supply chain security protection.

Regular refresher training to raise employee safety awareness

While conventional information security protection boundaries are no longer effective, employee security awareness has become an important part of information security management. From 2021, randomly selected phishing templates are sent out every month for social engineering exercises. For employees who click on phishing emails, there is a system in place to require refresher training, notify their direct supervisors, and keep track of the training results, in order to reduce information security threats caused by employees lacking information security awareness.



Information Security Awareness Methods 2023 results

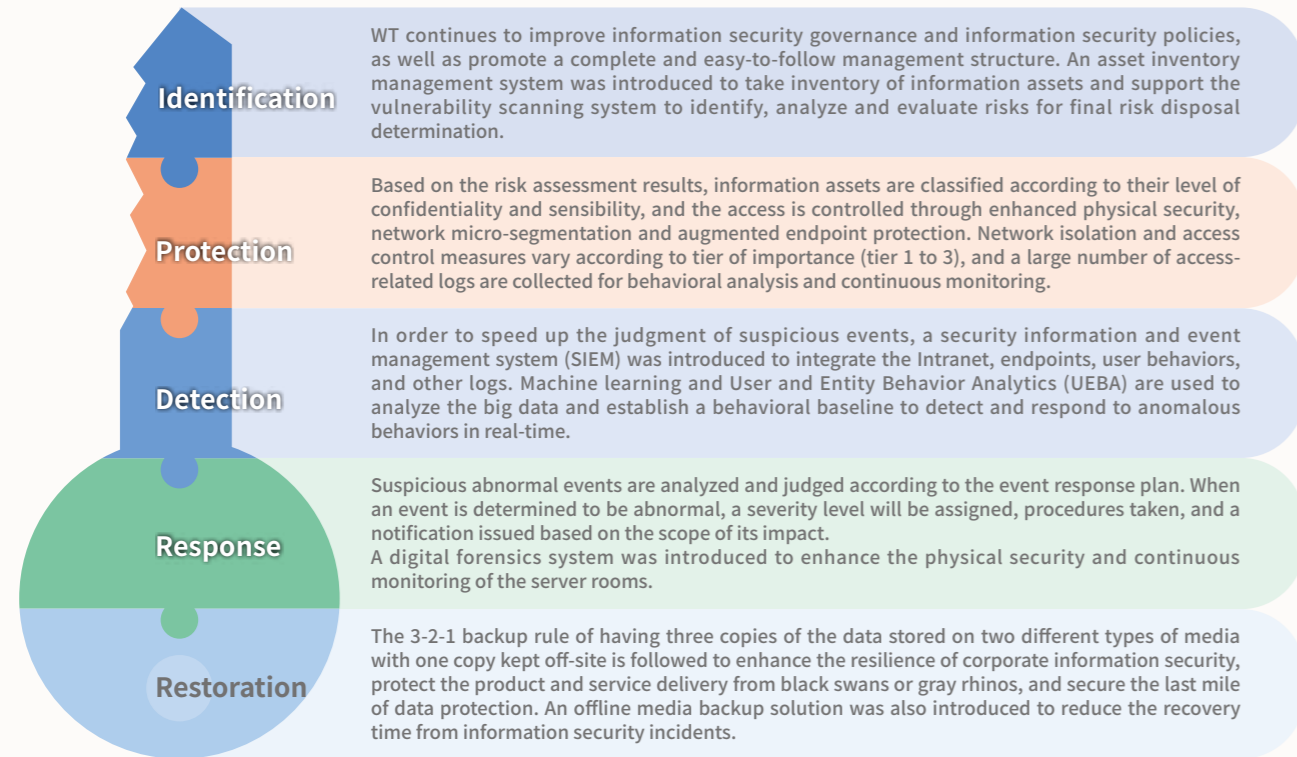


Note: After the merger with Excelpoint in 2022, the management systems are set to be integrated in phases, and the information security training and social engineering exercises are scheduled to be integrated in 2024.

Implementing information security management system to upgrade corporate information security resilience

Based on ISO 27001 and NIST CSF, WT introduced and strengthened its security control measures, constantly evaluates its information security protection mechanism from point, line and plane, and develops different technical combinations. It also adopts defense-in-depth approach and security-by-design principles to further strengthen multi-layer security in eight aspects, which are management, data, endpoint, application, network, third-party supply, business continuity and emergency response, intelligence integration and joint defense, so as to reduce impact of information security risks to acceptable levels and continuously monitor residual risks. In addition, ISO 27001 verification and red team exercises were performed by third-party institutes to verify the effectiveness of management mechanisms and system security protection, and strengthen information security resilience. WT is ISO/IEC 27001:2013 and CNS 27001:2014 verified via TCIC, with certificates valid until 2025. The information security measures it took in 2023 with regard to the five NIST CSF core functions were as follows:

Refer to Relevant Cybersecurity Actions in 2023 According to the Five Categories of the NIST CSF



Five major measures to improve information security control and network protection

WT adopts defense-in-depth approach, security-by-design principles, and continuous threat exposure management (CTEM) concept to identify assets that are vulnerable to attack paths. WT manages risks to reduce the probability and impact of threats. Its information security control measures in 2023 include:

<p>Intelligence/inspection</p>	<p>Endpoint</p>	<p>Data</p>	<p>Application</p>	<p>Net</p>
<p>Domestic and foreign information security news, open source intelligence (OSINT), and information security reports from equipment vendors and joint defense organizations are collected and analyzed on a daily basis. An external third-party institute is commissioned to conduct penetration testing or red team exercises every year.</p>	<p>An anti-virus and endpoint detection and response (EDR) is installed, updated and scanned regularly on PCs and endpoints. A behavioral analysis modules is also activated. An outsource managed detection responses (MDR) is also in place.</p>	<p>Confidential and sensitive data transmission and storage are encrypted and protected. Scrapped information assets are processed by information personnel every year to ensure that the media can no longer be read. An external professional team is also commissioned to degauss and physically destroy scrapped information assets and send them to a government approved recycling facilities. The whole handling process is watched by dedicated personnel and recorded.</p>	<p>Vulnerability scans are performed weekly, with identified vulnerabilities evaluated for patching priorities, and vulnerability patching managed on a regular basis. Multi-factor authentication is introduced, with weak password detection performed regularly according to NIST 800-63B. Fido2 physical passkeys are introduced for important cloud services to strengthen identity authentication and reduce the risk of account password theft and cracking.</p>	<p>Next-generation firewall (NGFW) with application identification capabilities, intrusion prevention and advanced threat protection functions was introduced. Employees and visitors are distinguished with identity recognition modules to separate their access paths. An advanced threat protection module was added to the basic spam identification to improve the ability to diagnose contents of letters.</p>

Response to customers' information security concerns

WT relies heavily on information systems and online transactions to conduct business with its upstream and downstream partners. WT regularly returns information security self-assessment questionnaires to customers and vendors, and communicates with them on specific information security issues from time to time. In addition, to meet customer requirements, a third-party information security service provider is commissioned by a customer to perform host vulnerability scanning and penetration testing to ensure supply chain information security.

Business continuity and emergency response

24/7 information security monitoring

WT has a dedicated information security mailbox to receive information security notifications from external sources to inform internal security improvement.



Around-the-clock information security monitoring

A security operation center (SOC) and managed detection response (MDR) hosting services are run by a contracted service provider to ensure 24/7 monitoring of information security threats.

Regular information security incident exercises to ensure recovery in the shortest possible time

To enhance corporate resilience and maintain high availability of the information system, tests and exercises are conducted at least once a year according to the business continuity plan of the information security management system. The exercise involves a simulated incident in the main system, switch of the main data center operation to off-site, detailed record of the exercise and results, and subsequent review and follow-up of continuous improvement. In 2023, the number of unexpected power outages decreased by 25% relative to 2022. Nevertheless, WT continued to conduct a power supply abnormality exercise to ensure that emergency generators can be activated immediately and normal operation of the facilities and systems can be maintained. The exercise proved that the emergency response procedures were appropriate and all the facilities and systems were in normal operation.

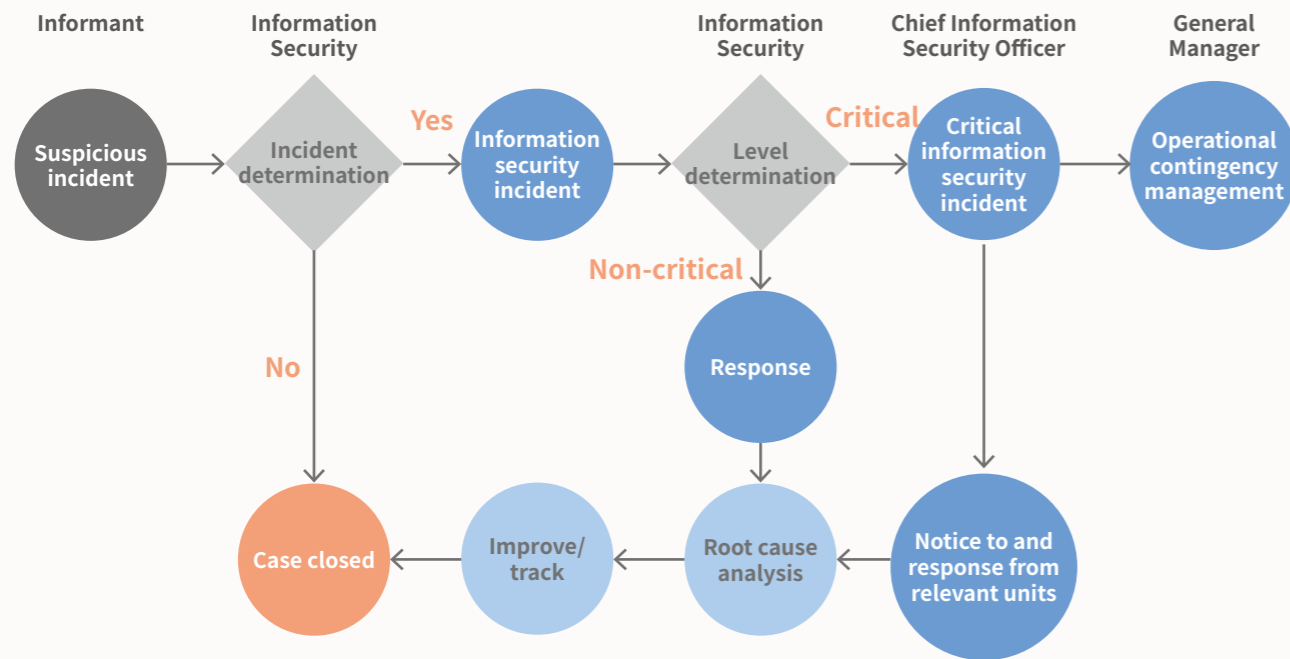
Setting up information security notification system for hierarchical management and rapid response

WT has security incident management procedures in place, which classify information security incidents into four levels and specify notification procedures accordingly. The individual who spots an information security incident reports it to IT or information security personnel who then determines whether it is an incident and its level before forwarding accordingly. A critical incident will be immediately reported to the Chief Information Security Officer, who will pass it on to the General Manager for emergency response.

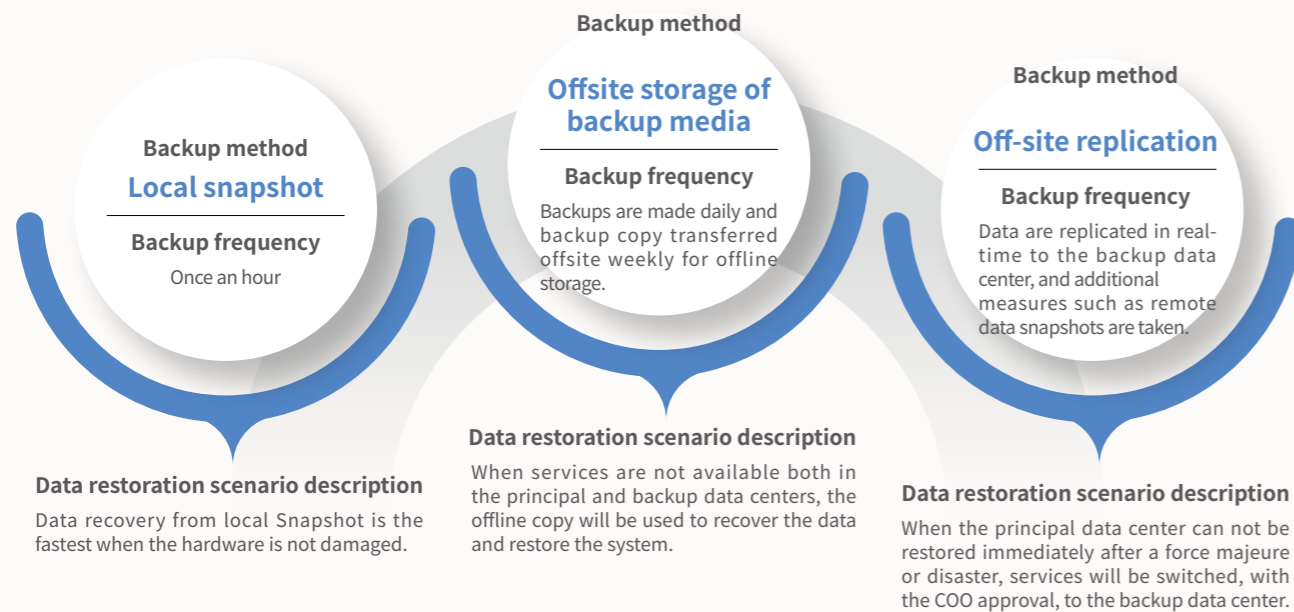
The information department must remove and resolve information security incidents within the target time, and conduct reviews and improvement measures after the incident is concluded to prevent its recurrence. If the assessment of the incident cause and impact find that the incident was caused by an employee's behavior, he or she will be punished in accordance with the work rules.

A total of four information security incidents occurred in 2023, all of which were non-critical. Three of them involved leaked passwords, which were all responded to and handled immediately and caused no impact; and the other involved an external network anomaly experienced by WT's network service provider, and the traffic was instantly redirected to the backup route. No core services, confidential or sensitive data, or confidential information related to transactions with customers or vendors were leaked in these incidents.

WT Information Security Incident Flow Chart



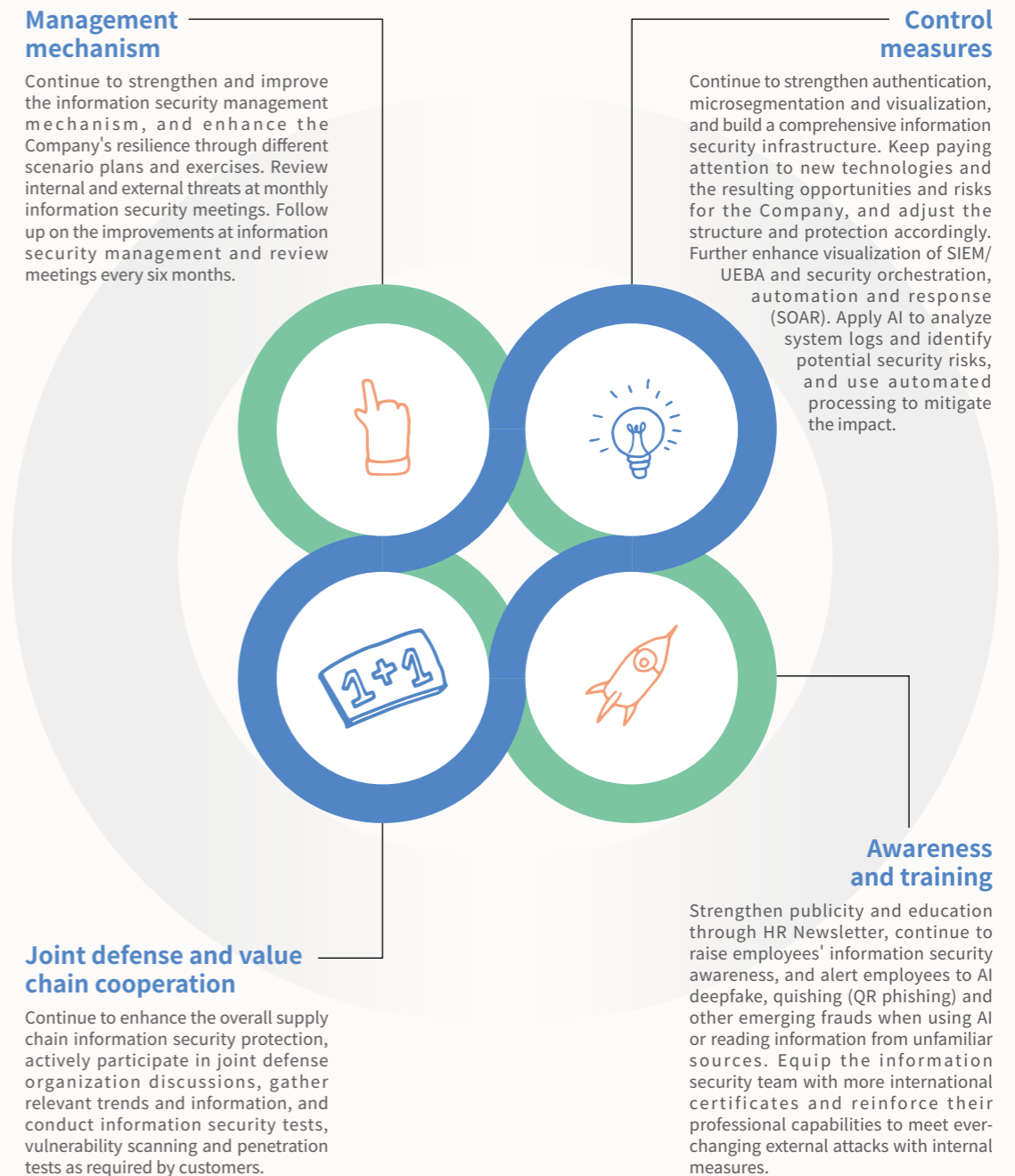
Backup measures for systems under attack



WT's information security performance

- 1 security awareness training session for all employees & 1 intensive training session for core system related personnel and supervisors
- 86,494 social engineering exercise messages with a CTR of 0.5%
- 1,197,576 spam emails intercepted & 777,857 email threats detected
- 122,708 threats intercepted at endpoint
- 55,730 system and software vulnerabilities repaired
- 6 more international information security certificates & 200+ hours of professional training

Information security management plan for 2024





chapter 3-7 Ethical Corporate Management

Committed to ethical standards and a transparent and responsible corporate culture

Integrity is WT's most important core value and business philosophy. The Group's executives and employees must abide by clear moral standards and code of conduct, and do their utmost to fulfill WT's commitments to shareholders, banks, customers, employees, vendors and other suppliers. It is also the core requirement for WT to gain competitive advantage and act correctly.

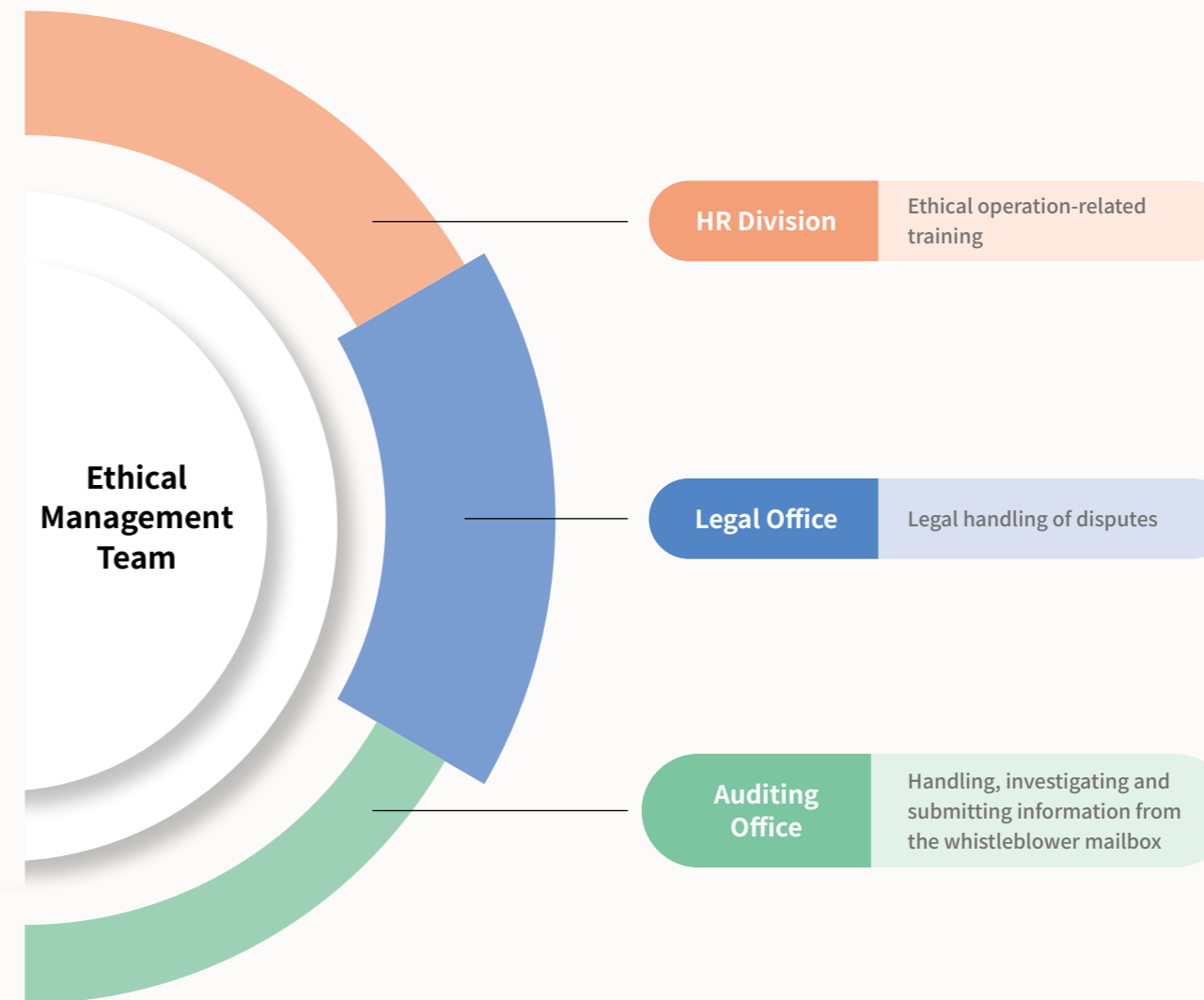
In 2020, WT formulated the Social Policies and Code of Conduct, United Nations Anti-Corruption Policies, and United Nations Sustainable Development Goals Policies. In 2023, it released Anti-corruption, Anti-bribery and Anti-money laundering Policies, and revised the Ethical Corporate Management Best Practice Principles in line with global corporate governance and anti-corruption concepts and frameworks. The social policies and codes of conduct apply to the Board members, the Group's employees, independent contractors, suppliers, and all those who do business with WT.

The Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, Codes of Ethical Conduct, and Supplier Code of Conduct that the Board has adopted are available in either the Corporate Governance section or Sustainability Report section of the Company's official website and the Intranet in Traditional Chinese, Simplified Chinese and English. Information on Ethical Values and Professional Code of Conduct and Insider Trading Prevention Education and Advocacy are made available on the Intranet for all employees' reference. In addition, relevant personnel are also appointed to participate in lectures and symposiums held by industrial associations or professional groups, so as to strengthen the Group's ethical operation policies.

Regular refresher training on Code of Conduct to raise integrity awareness among all employees

An annual refresher training is given to all employees of the Group to ensure they are aware of applicable rules and regulations. In 2023, a total of 2,566^{note} in-service employees were required to receive refresher training and 224 new hires to receive on-board training on Ethical Values and Code of Conduct. All of them have completed the course and passed the test (100% pass rate), with an accumulated attendance of ethical management training reaching 1,486.5 hours.

Note: After the merger with Excelpoint in 2022, the management systems are set to be integrated in phases, and the ethical management training is scheduled to be integrated in 2024.



Promoting integrity management across departments to ensure implementation

To improve ethical management, the Ethical Management Team was jointly formed by HR, Legal and Auditing office, and headed by the Chief Human Resources Officer. Each department is responsible for making ethical management policies, formulating and implementing relevant measures, and handling reporting procedures within their functions and responsibilities to ensure the implementation of the Ethical Corporate Management Best Practice Principles.

WT has a complete and effective mechanism in the internal control system to reduce the probability of risk occurrence. Each operating unit conducts self-assessment with regard to business activities and operating procedures highly exposed to dishonest behaviors, and reviews risks in the operating procedures through internal controls. If a change in internal control system is necessary, the audit team will be notified of the adjustment. The internal auditors are informed of risk assessment results to prioritize high-risk operations among items in the annual audit plans and strengthen preventive measures. The audit execution results are presented to regular Board meetings, and the Company's annual internal control self-assessment requires each department and subsidiary to self-assess the internal control system to ensure the effectiveness of the design and implementation of the system.

The Ethical Management Team reports the results of the previous year's ethical management implementation to the Board every year. At the Board meeting on January 31, 2024, training on Ethical Values and Code of Conduct, status of professional ethical violation reports, and prevention of insider trading were reported to assist the Board in evaluating whether the ethical management prevention measures established by the Company are operating effectively.

No involvement in political-related initiatives and no political donations

WT has not made any direct or indirect donations to political activities, political parties/associations/NGOs, politically-related organizations, individual politicians, or other voting/referendum initiatives in the past five years. The amount of political donations has been NT\$0. In addition, WT has not lobbied on specific issues or conducted related activities with interest representative groups.

Compliance with laws and regulations

WT strictly abides by all applicable laws and regulations at each operating location. As of the end of 2023, the Taiwan headquarters was fined NT\$50,000 in accordance with Article 24 of the Labor Standards Act after a labor inspection discovered failure to timely complete the handling of an overtime application. Subsequently, the management was reminded to fulfill their management obligations and care for employees at all levels. The working hours management and overtime tracking mechanisms were strengthened, attention is paid to employees' labor rights and physical and mental health protection. No violation of laws or regulations were found in economic aspect (investment, securities, taxation, etc.), environmental aspect (air pollution, wastewater, waste, etc.), or social aspect (human rights, disabilities, injuries, etc.) in any operating sites, and thus no resulting penalties from the competent authorities.

Types of honest behavior	Number of cases proactively discovered or reported	Actual number of violations investigated
Corruption or bribery	0	0
Discrimination or harassment	0	0
Conflict of interest	0	0
Money laundering or insider trading	0	0
Other	1	0

Whistle-blower ID and the investigation process are kept highly confidential

WT has a whistle-blowing system specified by the provisions of Article 23 of the Ethical Corporate Management Best Practice Principles and Article 21 of the Procedures for Ethical Management and Guidelines for Conduct. Anyone who suspects or discovers a violation should take the initiative to report it to Independent Directors, supervisors, internal audit supervisor or other appropriate person.

WT's whistleblower channels include an internal whistleblower mailbox and a whistleblower section on the official website for whistleblowers to report illegal conduct of company personnel. The Auditing Office is responsible for accepting external reports, forwarding them to the heads of relevant units for investigation, and following them up until the cases are closed. The identity of the whistleblower, the content of the report, and the investigation process are all kept confidential. A complete record of the case acceptance, investigation process, and results is kept for five years. In addition, an independent hotline, dedicated mailbox, and special handling procedures have been set up for sexual harassment complaints in order to protect the privacy of the complainant. A serious breach of integrity is subject to removal or dismissal in accordance with relevant laws or management regulations, depending on the circumstances of the case.

Reporting Channels

Mail to "14F.,No.738, Zhongzheng Rd.,Zhonghe Dist., New Taipei City 235603 , Taiwan (R.O.C.)"
 WT Website: "Report Ethical Violation in the Workplace"

Receiving Unit

Auditing Office





Toward a Happy Enterprise

Offering employees the best environment to shape a happy and healthy workplace

- 4-1 Talent Recruitment
- 4-2 Talent Development
- 4-3 Inclusive Workplace
- 4-4 Health Management
- 4-5 Employee Relations
- 4-6 Workplace Safety



chapter 4-1 Talent Recruitment

Creating a high-quality work environment as talents are essential for an enterprise

WT understands that PEOPLE are the most important asset of an enterprise. In order to create a better work environment for employees and attract professional talents to join the Company, WT follows the laws and regulations of the countries where its business bases are located, as well as the Social Policy and Code of Conduct formulated to meet its commitment to safeguard labor rights. Recruitment-related activities have been planned and executed according to the annual headcount plan of each department. In accordance with Article 38, Paragraph 1 of the People with Disabilities Rights Protection Act, WT employs a sufficient number of people with disabilities, simplifies the work process and assigns appropriate work to accommodate their needs, and provides timely care and encouragement from time to time.

As of the end of 2023, all the employees across WT's operating sites are permanent and full-time hires. There are no employees on fixed-term (Labor regulations in China require employment contracts be signed in the form of fixed-term contracts in the first two years. However, all WT staff are on non-fixed-term contracts, so new employees who signed fixed-term contracts for the first two years with the Company are not separately counted), part-time (hourly paid), or zero-hour contracts. There are a total of 25 cleaning staff and 12 drivers who are working at WT and not employed by WT.

WT's four core people-oriented concepts

Diversifying recruitment channels and developing promising talents

WT recruits talents aligned with WT's core values via multiple channels including job bank websites, online platforms (such as LinkedIn, CakeResume, Blink, etc.), campus career centers, partnerships with universities, colleges, departments, as well as internal referrals. A complete training and development plan is provided to ensure talents translate learning into performance effectively, and thereupon build a talent pool ready for a rapidly-changing future. In 2024, an internal recruitment system will be designed and implemented for mid- and high-level supervisors transferring to another department and employees to another job.

In 2023, WT made some post-pandemic adaptations to its recruitment practices. In addition to strengthened publicity through various recruitment platforms, WT gave several on-campus recruitment presentations again, offering various full-time and internship vacancies. In order to develop talents while allowing students to apply what they have learned and gain work experience, a number of internship opportunities for different types of work will be offered in 2024 (such as sales, FAE, procurement, PO management, information, process optimization, human resources, etc.), totaling more than 20 vacancies. In addition, WT will also work with universities in cultivating promising talents, by providing scholarship funds to the College of Social Sciences, National Chengchi University and College of Engineering, Donghai University in 2024.

Bringing in new blood to maintain corporate vitality

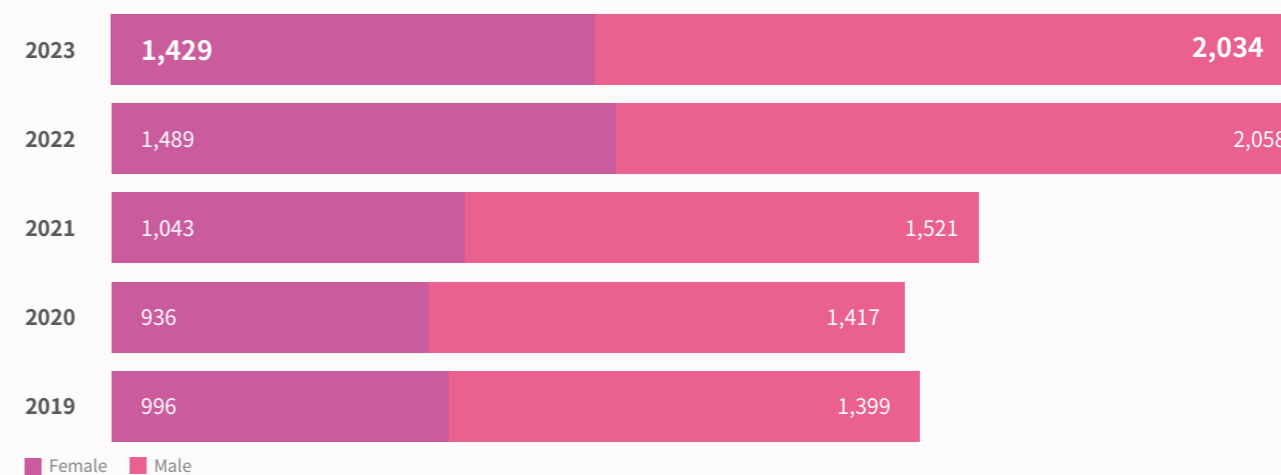
In response to the rapid development, WT secures a competitive edge for the future by keeping a talent pool in line with the group's long-term development strategy, and an optimized array in terms of level, number and structure. As of the end of 2023, the total number of WT employees was 3,463, a decrease of 84 employees, or 2.37%, compared with

2022, of which women accounted for 41.26%. Women account for 30.80% of managers, and 28.81% of mid-level and above supervisors. In particular, women account for 22.62% of supervisors in the sales department. In 2024, the value of diversity, equality and inclusion will be further promoted, with a goal of 35% female managers by 2029.

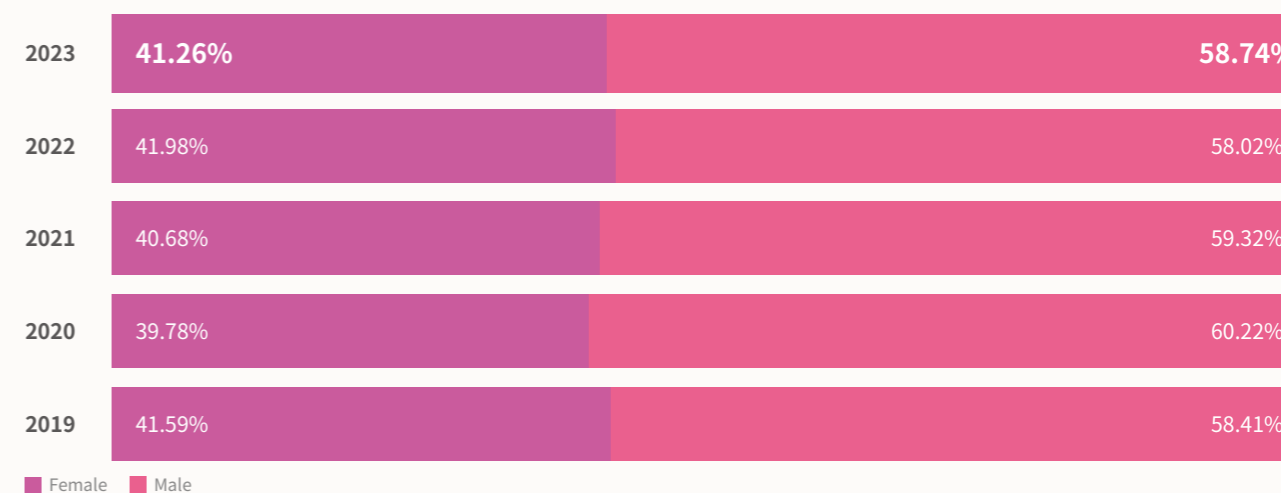
In 2023, the turnover was 14.93%, or 517 employees; and the voluntary turnover was 14.84%, or 514 employees. There was a merely 0.09 percentage point difference. By age, the turnover was only 5.62% among those aged 50 and over, and a higher 32.79% among those under 30 years old. In 2023, the new hire rate was 11.98%, or 415 employees. By gender, there was a merely 0.98 percentage point difference. By age, the new hire rate is a higher 32.79% among those aged under 30 years old, however, the 5.62% among those aged 50 and over is up 3.36% relative to 2022.

WT's success is a result of an array of excellent talents and a team of young workers. With as many as 94.80% of its employees having a college degree or above, WT is able to cope with the fast-changing business environment and market trends with timely responses, innovative ideas and energy.

Employee Count by Gender, 2019-2023

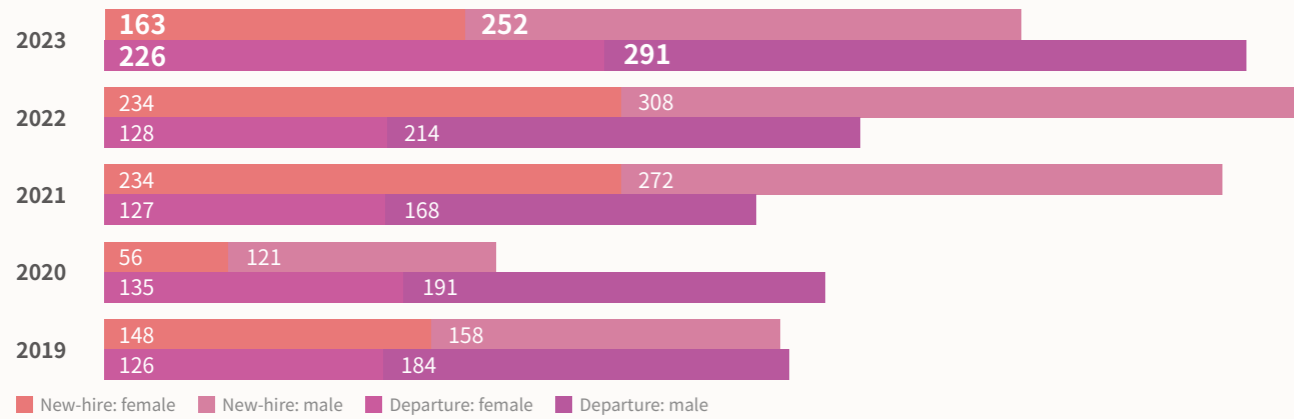


Employee Distribution by Gender, 2019-2023

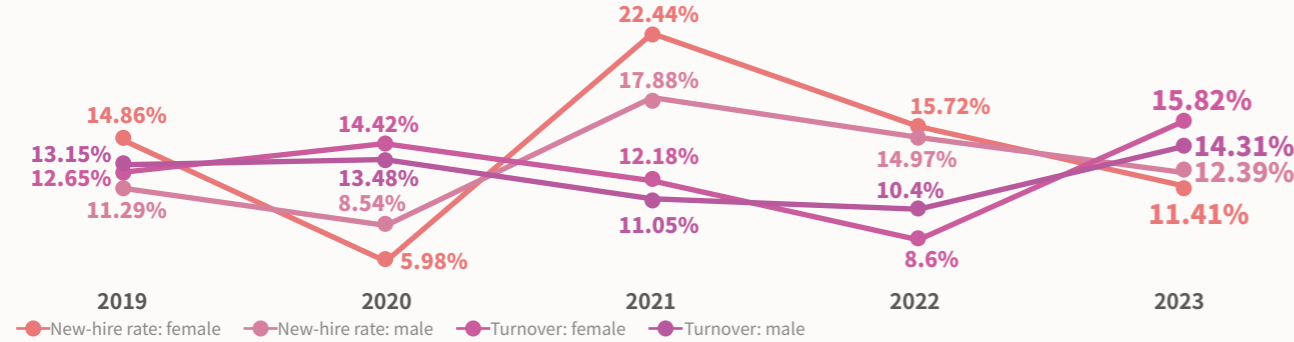


Note: Senior managers are division heads or above, mid-level managers are department heads and section heads, junior managers are team leaders, and professionals are those not in executive positions.

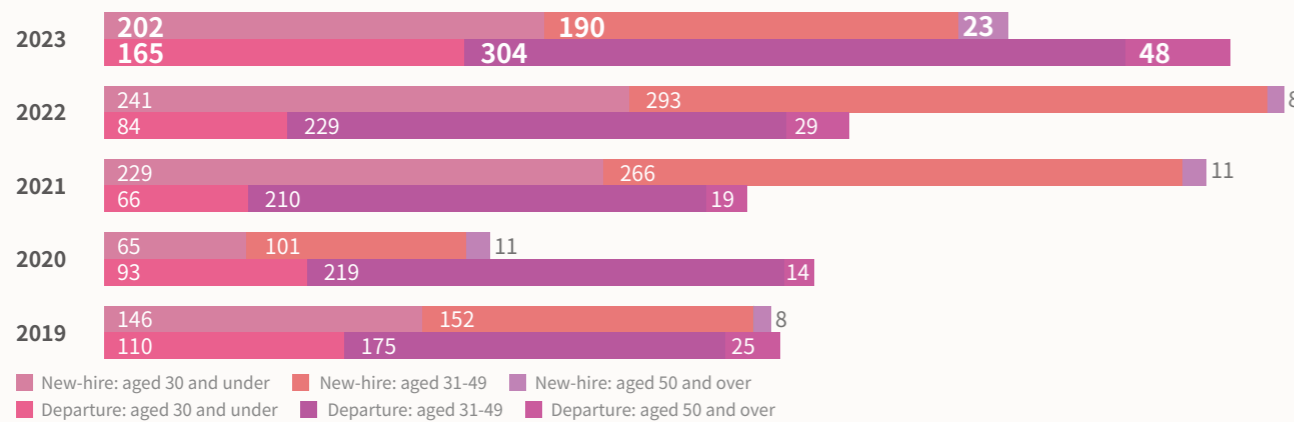
New-hire and Departure by Gender, 2019-2023



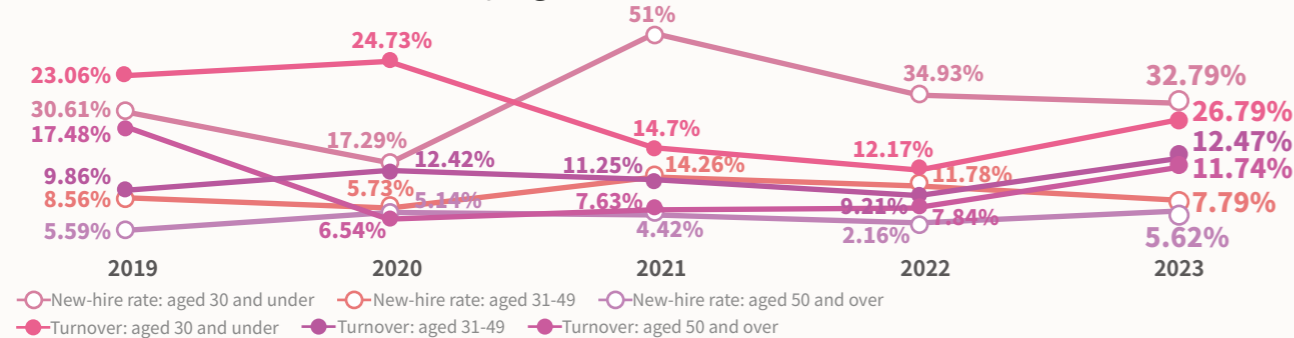
New-hire Rate and Turnover by Gender, 2019-2023



New-hire and Departure by Age, 2019-2023



New-hire Rate and Turnover by Age 2019-2023



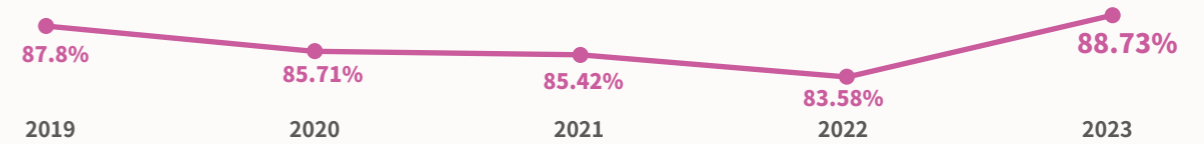
Note 1: New-hire rate = the number of new hires of the category in the year ÷ the total number of employees in the category at the end of the year
 Note 2: Turnover = the number of separating employees of the category in the year ÷ the total number of employees in the category at the end of the year
 Note 3: The numbers of new and departing employees from 2019 to 2022 both exclude those who were newly hired and departing in the same year. In 2023, they are no longer excluded.

Professional team drives innovation and creates edges in the sector

WT's management is mainly made of professionals in the electronic information industry. The marketing personnel at the front line have years of experience in trade marketing. The professional logistics support and technology R&D personnel, who are the proud of WT, promote existing products, strive for new agency lines and solve customer needs externally, and continuously improve the financial business system internally. The major managers have more than 10 years of experience in the semiconductor trade industry. The accumulated agency business and insight of market development trends gained over the years help them develop businesses and visions, and continue to run the operations towards prosperity. Therefore, WT strives to develop major functions of human resource management to make the best use of its talent pool, promote organizational development, and achieve the goals of "matching people with jobs, getting the right people for the right jobs, and making the best use of people's talents."

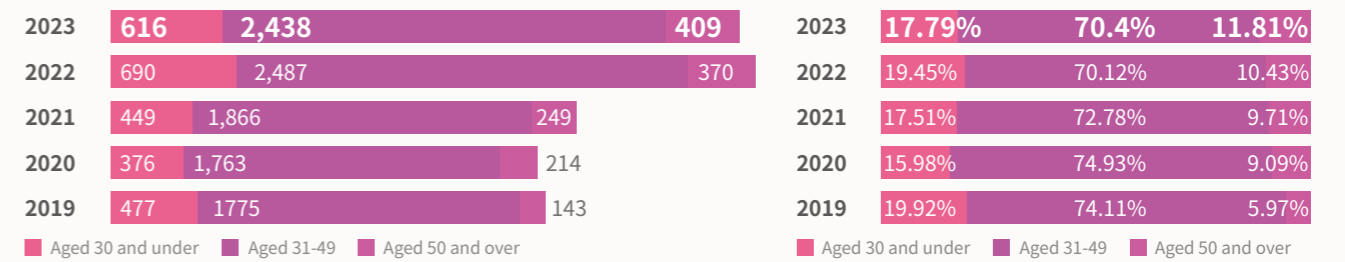
Proportion of Local Hire in WT's Senior Management, 2019-2023

In 2023, the proportion of local hires in senior management across operating bases reached 88.73%.

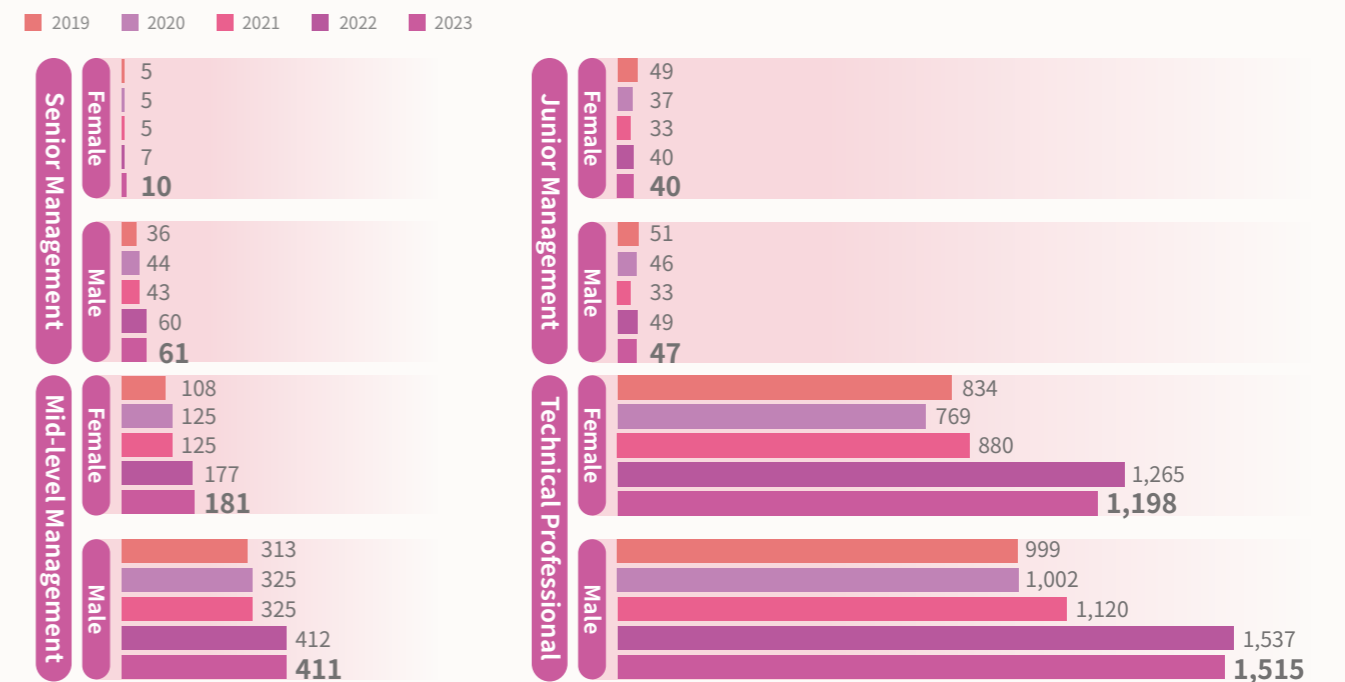


Employee Distribution by Age 2019-2023

The employee age distribution is stable, with no age differentiation in hiring and retention.



Employee Count by Position and Gender, 2019-2023



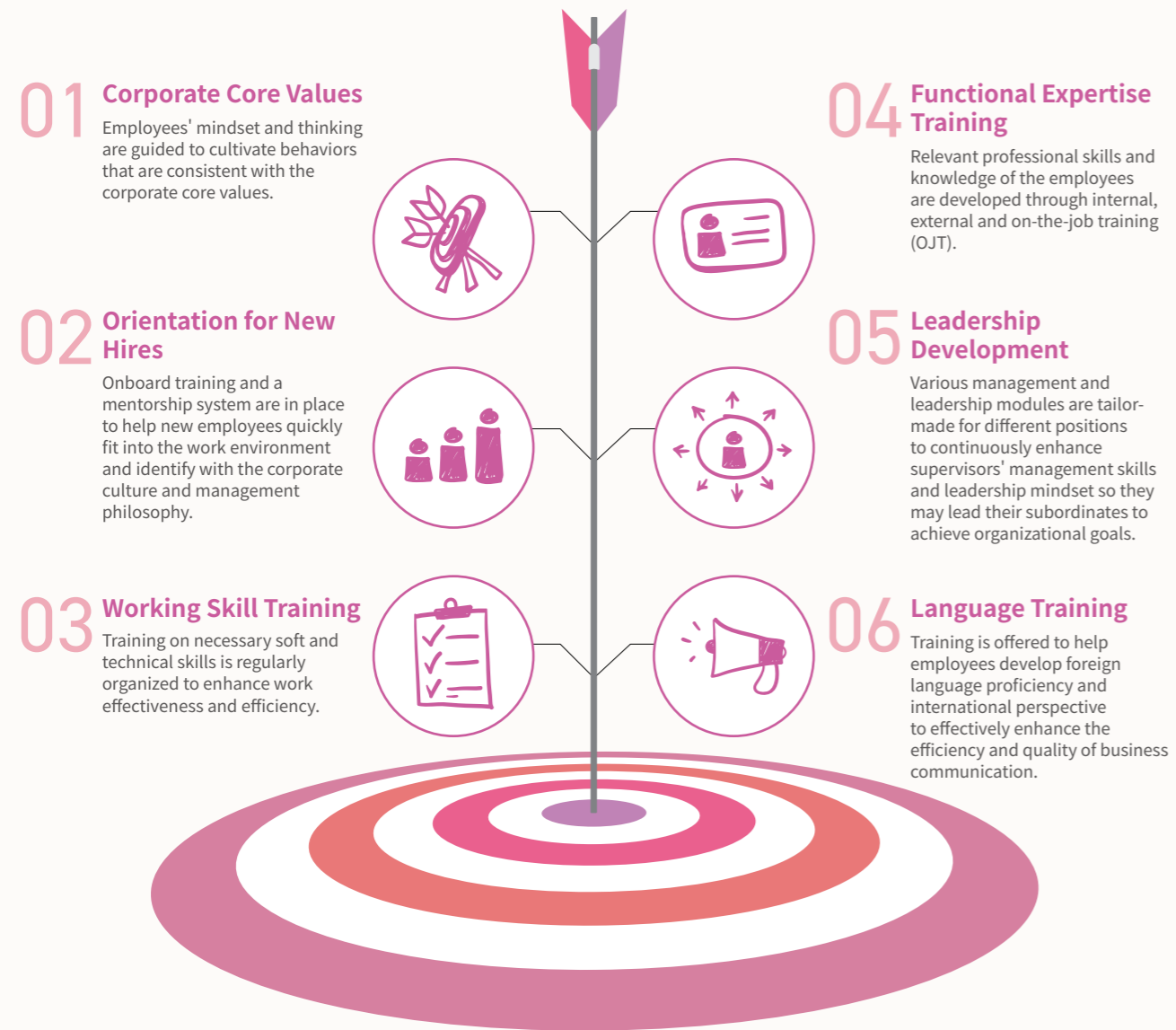


chapter 4-2 Talent Development

WT cares to plan the best and most complete career blueprint for employees

An enterprise's development stems from its belief in talent cultivation. WT group values the comprehensive development of employees and creates a work environment suitable for the right people. In a fast-changing environment, in order to equip the talent pool with the capacity to adapt to future changes, WT has established a training and development plan to effectively translate learning into performance.

WT Training and Development Plan Framework

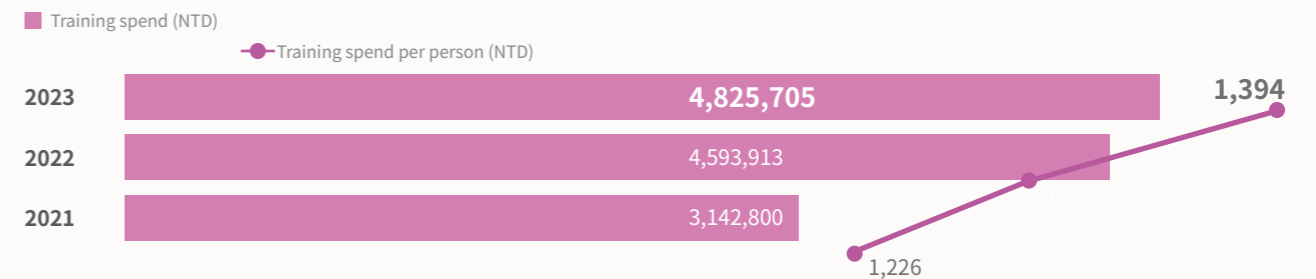


In 2023, WT invested NT\$ 4,825,705 in total in education and training. Throughout the year, 458 sessions of training were given to 17,587 person-times, totaling 27,398 hours. The average training hours of all employees were 7.91 hours. On average, female employees received 0.61 hours more training than their male counterparts.

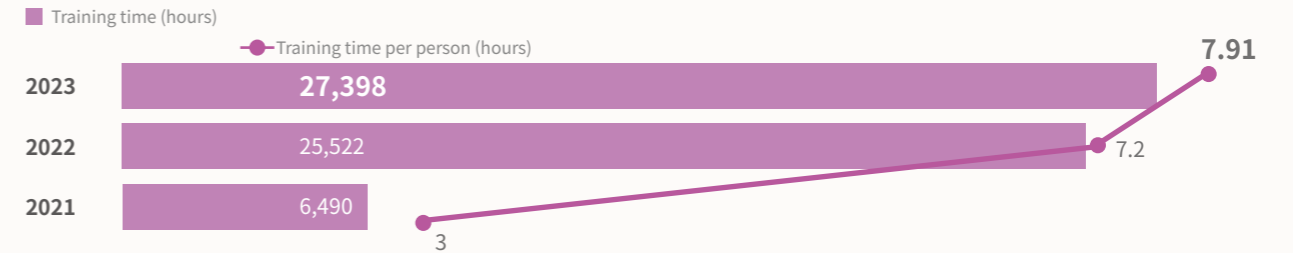
Total Training Spend and Time, 2019-2023

More training sessions and higher attendance: adapting to micro-courses to enhance learning effectiveness

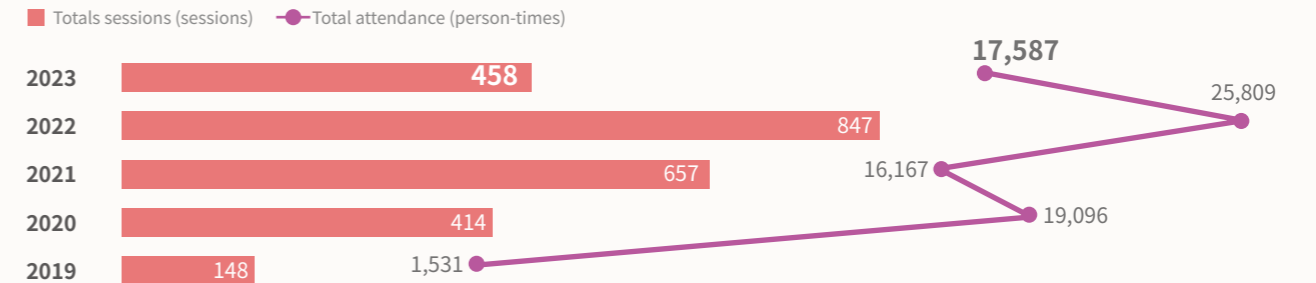
Total Training Spend, 2019-2023



Total Training Time, 2019-2023

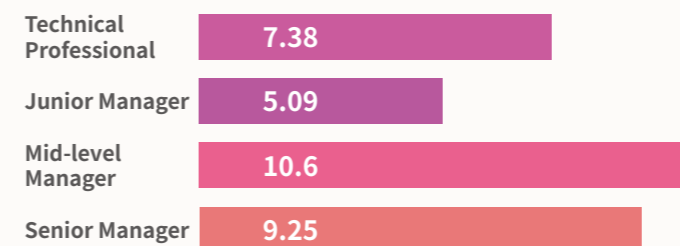


Total Training Sessions, 2019-2023

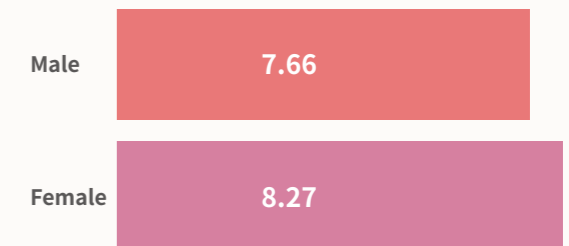


Note: From 2021, the training-related statistics began to include all bases in Taiwan, China, Hong Kong, South Asia, and South Korea.

Training Hours per Person by Position 2023 (in hour)



Training Hours per Person by Gender 2023 (in hour)



Three major optimization measures for talent development in 2023

- 1. Improve departmental OJT (On the Job Training) awareness :** In addition to general training of the Company, each department in Taiwan has customized department-specific product technology courses based on the different attributes of the products and customers they are responsible for, including product knowledge, technology content, and experience sharing. In 2023, a total of 3,127 person-times received 6,322 hours of physical and digital learning.
- 2. Strengthen process optimization training :** The Company is committed to improving its work efficiency of each operating process, promoting digital optimization, and strengthening training when a system is launched. In 2023, a total of 1,766 person-times received 3,272 hours of physical and digital learning.
- 3. Promote personal career development plans :** There are currently more than 30 people being trained and rotated in the "Want Talent" elite training program.

Enhanced New Hire Training Program

- 1. Mentorship system :** Supervisors or senior employees are appointed as mentors to help the new hires fit into the company culture and work environment.
- 2. New hire training program :** The new hire training starts from the on-board date, and provides courses on functional skills in basic stage (1-3 months) and advanced stage (after 6 months) to familiarize new hires with corporation processes and key policies.
- 3. The program adopts on-the-job training method** and is conducted in an online and offline blended learning mode in a step-by-step manner to help new hires to develop relevant functional skills.



New Hire Training Program *monthly plan

	Dec. to Jan. every year	On-board Date	First three months	From sixth month
Functional Expertise	Lecturers are notified to finalize curriculum & updates	New employee orientation	<ul style="list-style-type: none"> Technology/Application for sales & FAE Operation Roadmap for CRS/IS Operation course > The supervisor may determine this to be mandatory according to the degree of proficiency 	[optional] <ul style="list-style-type: none"> Electronics course Business course Each BU's customized courses
Corp. process/ Common curriculum			<ul style="list-style-type: none"> Corporate Process course Code of conduct (within the 1st week) Information security training (within the 1st month) New hire cross training (within the first 3 months) 	<ul style="list-style-type: none"> Excel course (mandatory for operation managers)

Enhanced overseas training capacity

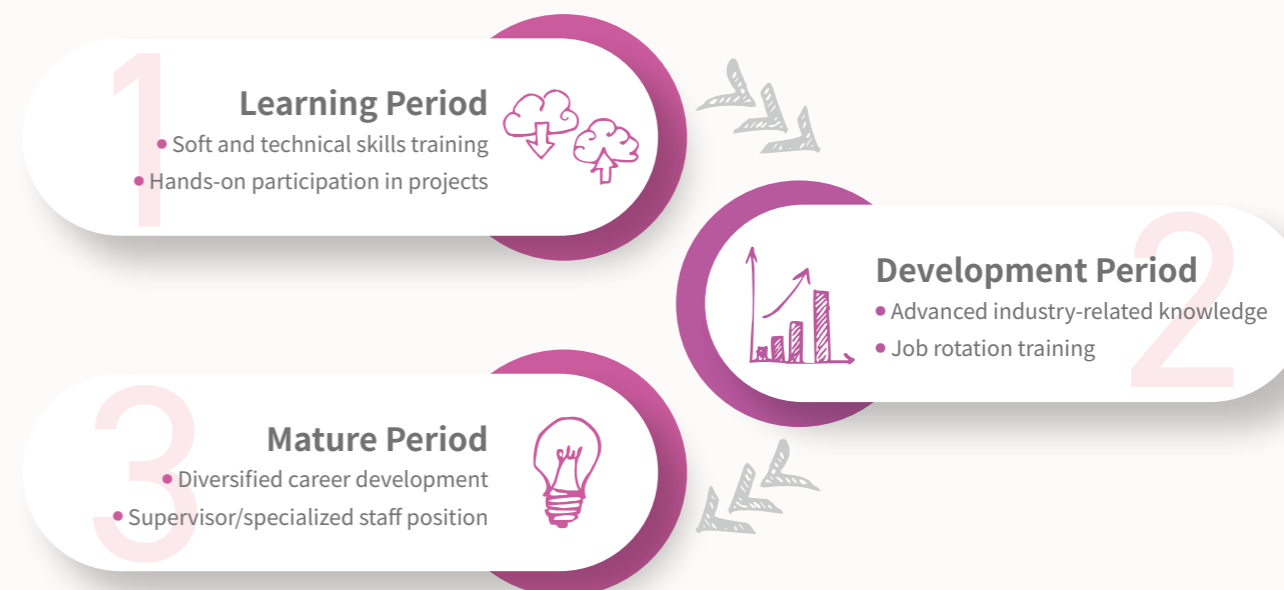
Integrating internal and external resources to promote hybrid learning

With the advent of the digital era, WT introduced the WT e-Learning Academy, a digital learning platform that combines online and in-person learning. In the post-pandemic world, learning styles have changed and the proportion of digital learning has increased. Based on WT's training and development plan, WT e-Learning Academy has established courses in five categories, combining e-newsletters, a knowledge center, and online courses to integrate internal and external resources and enrich the platform's content, while becoming a platform for linking WT's knowledge transmission and communication. WT will continue to refine and hold regular course planning workshops in the hope of providing richer training resources to all employees through continuous innovation.

Want Talent, an elite development program for promising talents

To provide a better career pathway program, WT launched the "Want Talent" elite training program and recruited selected new graduates for the program. In addition to soft skills and technical courses, job rotation training and participation in important projects and large-scale conferences are organized for them to gain a comprehensive understanding of the core concepts of the Company's operation. Furthermore, senior executives and the human resources department show regular care for them, provide them career guidance, and plan their individual advancement goals and development, to keep them in a changing and challenging work environment. Meanwhile, salary adjustments and rank promotions have been made according to performance and market standard of the individual, offering market competitive salary and fair benefits.

Want Talent Program Development Process



Meetings with promising talents to check and bond with them

The Chief Human Resources officer and HRBP meet with promising young talents regularly to check in on their career needs and their unit supervisors' feedback, in order to prepare them for leadership and bond with them.

chapter 4-3 Inclusive Workplace

Paying attention to employee welfare and rights to build mutual trust and reliance

WT values the welfare and rights of its employees and actively promotes harmonious relations between management and labors. Work rules and various management regulations have been formulated in accordance with the Labor Standards Act and relevant laws and regulations, and the Code of Practice for Sustainable Development has also been formulated to specify the rights and obligations of both employers and employees in management matters, so that employees can fully understand, comply with, and protect their legitimate rights and interests. In the case of any major changes in the operating conditions that may affect employees' rights and interests or work environment, WT informs employees within the statutory minimum notification period in order to protect employees' rights and interests.

Implementing human rights risk assessment to create a suitable workplace

WT formulated, in accordance with international human rights conventions and initiatives, a Social Policy and Code of Conduct, which was signed by the Chairman and published on the Company's official website as a standard for all employees, customers, suppliers and other stakeholders to follow.

In 2023, a human rights risk assessment covering 13 items in five categories was carried out at WT headquarters in Taiwan and found no high-risk employees. In addition, WT continues to raise the awareness of human rights issues for all employees through various education and training mechanisms, including education in pre-employment orientation for new employees, and through the WT e-Learning Academy, where employees can browse relevant online courses at any time. In 2023, 91 new hires were required to attend the human rights training, with a completion rate of 100%.

In addition, to ensure a discrimination-free and harassment-free workplace, WT trains all employees of the Group on human rights issues in the four major aspects of the Social Policy and Code of Conduct, which are labor rights, health and safety, ethics, and management systems. In 2023, a total of 2,790 current employees have received the human rights training, including 224 new hires at operating bases in Taiwan and China and 2,566 others who required regular refresher training (100% pass rate).

WT's human rights policies are in line with:



Implementation policy	Assessment Items	Affected group	High risk population
Provide a safe and healthy work environment	1. Employee occupational safety and health 2. Physical workplace safety 3. Employee health management and medical consultation 4. Health care and emergency notification	Employees	0 persons
Eliminate unlawful discrimination and ensure fairness in job opportunities and pay	1. Diversity and equality in recruitment, promotion and rewards 2. Promotion is evaluated based on employee performance and professional skills	Employees	0 persons
Prohibit child labor	1. No child labor 2. Identity certificates are checked upon employment. Those who do not comply with the legal norms will not be hired.	No child labor	0 persons
Prohibit forced labor and human trafficking	1. No slavery or forced labor 2. Regulations and practices on overtime work and women's night work 3. Effective controls on attendance and overtime	Employees	0 persons
Assist employees in maintaining physical and mental health and work-life balance	1. Provision of breastfeeding related facilities for nursing employees 2. Provision of diverse clubs and company activities to establish a work-life balance.	Employees	0 persons

Offering multiple channels for smooth communication

WT provides a good platform for communication so that all relevant parties can access the stakeholders' section on the Company's official website. Employees may express their opinions to HR via email, telephone calls or in writing to communicate with the Company in two-way with regard to problems or concerns they encounter in work systems and environments. Each responsible unit will properly handle and provide feedback or improvement solutions to achieve effective communication. In 2023, one such input was received through the Company website, and none through internal channels. See "3-7 Ethical Corporate Management" for details.

In addition, regular executive and departmental meetings are held, and employees kept informed of operational changes that may have a significant impact on them by means of announcements. As of now, employees' rights and interests are well protected and there have been no major employer-employee disputes or negotiations. With good communication and interaction between the two parties, it is believed that a harmonious labor relations in the future will be sustained.

An incentive scheme more generous than legally required to maximize values for both parties

WT respects gender fairness and equality in pay. Nevertheless, an analysis of the existing employee makeup found that male employees are mostly in sales positions, which have a reward system for performance bonuses, or in application engineering related positions, which also have a higher pay due to the external salary benchmark; while female employees are mostly in logistics positions providing support for operations. The gender pay gap is mainly caused thus by different remuneration structures for different functions. WT will continue to improve the gender ratio of STEM (technology, engineering and other occupations) and optimize the gender makeup of all functions to close the gender pay gap.

Position	Taiwan				China			
	Basic Salary		Annual Total Pay		Basic Salary		Annual Total Pay	
	Female	Male	Female	Male	Female	Male	Female	Male
Senior manager	1	1.11	1	1.02	1	0.99	1	1.09
Junior manager	1	1.11	1	1.19	1	1.14	1	1.20
Non-executive	1	1.06	1	1.11	1	1.17	1	1.30

Note: Senior managers refer to division heads or above, junior managers refer to associate managers or other managers, and non-executives refer to all other employees.

Variable performance bonuses are distributed to share surplus results with employees

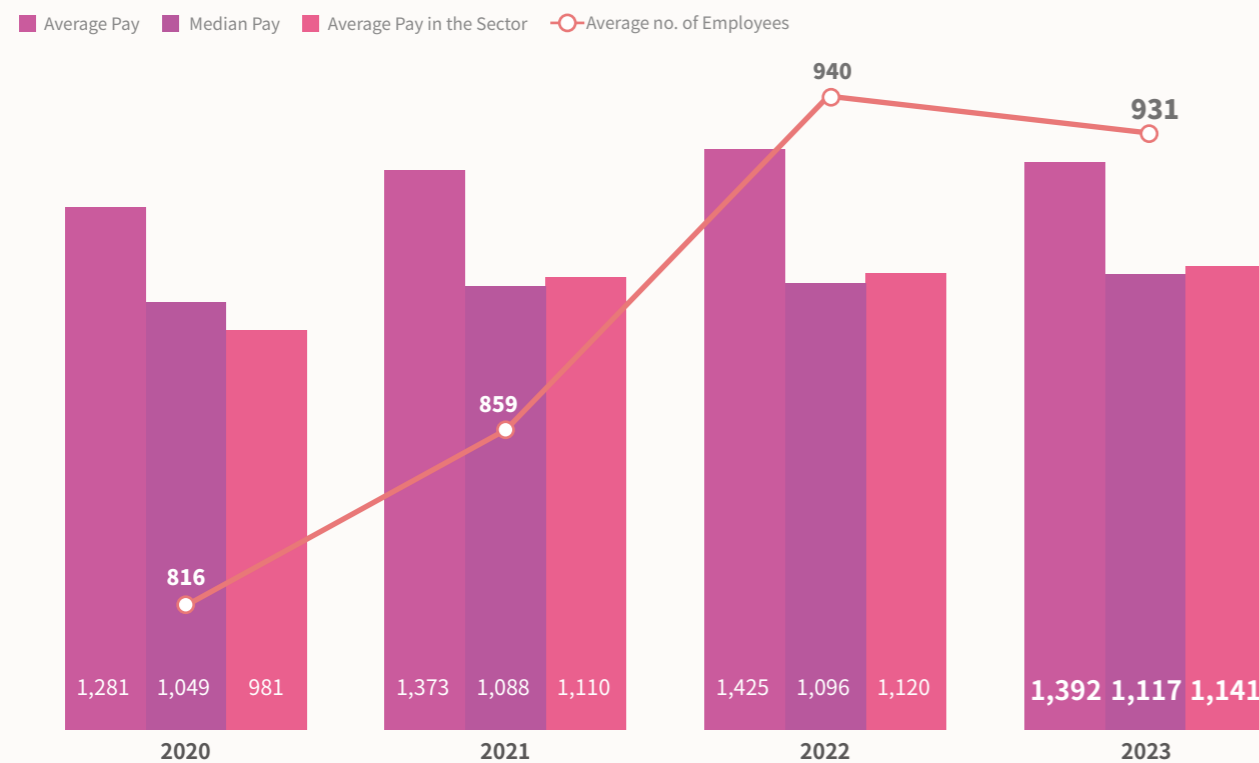
In the five major regions where it operates, WT's standard entry-level pays are 1.03 to 2.16 times the local legal minimum wages. There is no gender difference in standard entry-level pays at WT. In addition, as required by SASB Standards, the entry-level basic pays at WT's five logistics centers are 1.12 to 2.16 times the local legal minimum.

Region	Taiwan	Shenzhen	Hong Kong	South Korea	Singapore
Standard minimum pay for all entry-level personnel ÷ legal minimum wage	1.04	2.16	1.45	1.03	Not applicable
Actual minimum pay for entry-level personnel in the logistics center ÷ legal minimum wage	1.17	2.16	1.45	1.12	Not applicable

Note: Singapore has no minimum wage laws or regulations.

In addition to providing employees with market-competitive fixed salaries, WT designs quarterly (or annual) variable performance bonuses based on the overall operation profile, the achievement of departmental goals, individual performance and the nature of duties, so as to share operational achievements with employees and motivate them. WT also offers long-term incentives, with deferred compensation linked to the company's long-term performance, to senior managers and key personnel. The average salary was NT\$1,392,000 in 2023, 2.32% lower relative to 2022, because the proportion of bonuses has been slightly reduced due to the decline in the overall international economic situation and market situations. The median salary was NT\$1,117,000 in 2023, 1.92% higher relative to 2022. It has increased for five consecutive years, an increase of 11.59% from 2019.

Pay for Full-time Non-executives, 2020-2023 (in NTD thousand)



Employee Stock Ownership Trust is established with 100% Company Incentive

In September 2020, WT Taiwan headquarters established an Employee Stock Ownership Trust, with employees (members) jointly organizing the Employee Stock Ownership Trust Management Committee. Employees with one year of experience are free to participate. As of the end of 2023, 90% of eligible employees are participants. Employees contribute a fixed amount from their monthly salaries, while the Company also contributes 100% of the incentive money to the Trust's dedicated account. By allowing employees to share in operational growth, the Trust not only retain talents as intended, but also help employees to accumulate wealth through small savings and secure their pensions in the future.

Full contribution is made to the pension fund to protect employees' retirement life

People-oriented WT not only values benefits for its employees during their employment but also actively takes care of their lives after retirement. The Supervisory Committee of Employee Retirement Reserve Fund was established for employees of WT individual companies who choose to stay in the pension scheme of the Labor Standards Act. The Committee is composed of nine members, of whom three represent the employers and six represent the employees, and is re-elected once every four years. The Committee reviews and approves the amount of the employee pension fund and its deposits and payments to ensure labor rights and interests. The pension reserve is set aside at 2% of monthly wages and deposited in a special account in the Bank of Taiwan. An actuary was commissioned to issue an actuarial report on the employees' pension fund for 2023, which shows that the present value of the defined benefit obligation is NT\$223,995,000 and the fair value of plan assets is NT\$165,099,000, which met the requirements of a full provision by government decree. In addition, for employees who opted for the labor pension plan under the Labor Pension Act, a monthly contribution of not less than 6% of pay is made to the employees' personal accounts at the Bureau of Labor Insurance.

WT Pension Scheme by Region

Region	Pension Scheme	Employer Contribution	Employee Contribution
Taiwan	Defined Benefit Pension Plan	2% of the wage is set aside monthly for pension reserve	No regulations
	Defined Contribution Pension Plan	6%, capped at NT\$9,000	0 to 6%, depending on personal choice, capped at NT\$9,000
Shenzhen		15% for local residents, 14% for the others	8%
Shanghai	Endowment Insurance	16%	8%
Beijing		16%	8%
Hong Kong	Mandatory Provident Fund	5%, capped at HK\$1,500	5%, capped at HK\$1,500
South Korea	National Pension	4.5%, capped at ₩265,500	4.5%, capped at ₩265,500
	Retirement Pension(Defined Contribution)	8.33% of annual salary	No regulations
Singapore	Central Provident Fund	7.5% to 17%, depending on age, capped at S\$1,071	5% to 20%, depending on age, capped at S\$1,260

WT believes that only by providing employees with a secure work environment and a fair welfare system can employees fully contribute their talents without any worries and thus create maximum value. The benefits provided to the entire Group's full-time employees in 2023 included group insurance, wedding gift money, maternity allowance, consolation money, health checkups, holiday gifts, company outings, departmental and club activities, seminars, and welfare items. The spend on employee benefits, including overseas regions, was approximately NT\$91.67 million.

Type	Project
Bonuses/Gifts	1. Year-end bonus
	2. Three festivals bonus/gifts
	3. Holiday gifts
Insurance	1. National Labor Insurance/National Health Insurance/Labor Pension
	2. Group insurance
Leisure	1. Domestic trips
	2. Departmental dinners, team building activities
	3. Club activities, and sports competitions open to all employees, vendors, customers, and peer companies
	4. Volunteer activities
	5. Holiday activities
	6. Fitness classes (Soothing yoga, energetic aerobics, aerial yoga, etc.)
Scheme	1. Performance bonus
	2. Training
	3. Regular promotion assessment
	4. Employee Stock Ownership Trust
Subsidies	1. Wedding gift
	2. Maternity allowance
	3. Hospitalization allowance
	4. Funeral consolation money / funeral arrangement fee
	5. Telephone bill subsidy for field staff
	6. Parking fees and fuel subsidy for field staff
Leave of absence/ Vacation	1. Two days off per week
	2. Pre-emptive special leave system (new hires are entitled to 10.5 days in the first year, and special leave is granted in proportion to the current year of employment)*
	3. Flexible working hours
	4. Parental leave
Other	1. Regular employee health checkups, doctors' visits and occasional health forums
	2. Nursing room
	3. Stores providing WT special offers
	4. Library resources
	5. Free coffee, herbal tea, fresh milk, soy milk, and cereal
	6. Provision of healthy breakfast, nutritious fruits, and vegetarian lunch boxes
	7. Movie tickets
	8. Arrangement for charity-run massage services
	9. Year-end Gala

* which are more generous than the Labor Standards Act provisions



chapter 4-4 Health Management

Promoting five major strategies to improve employee health

Four major plans

- Maternal health protection program
- Prevention of abnormal workload-triggered diseases
- Illegal infringement prevention
- Prevention of ergonomic hazards

Physician consultation

- Monthly physician consultations
- Quarterly physical therapist services
- Health managers are always available for consultation

Health forums

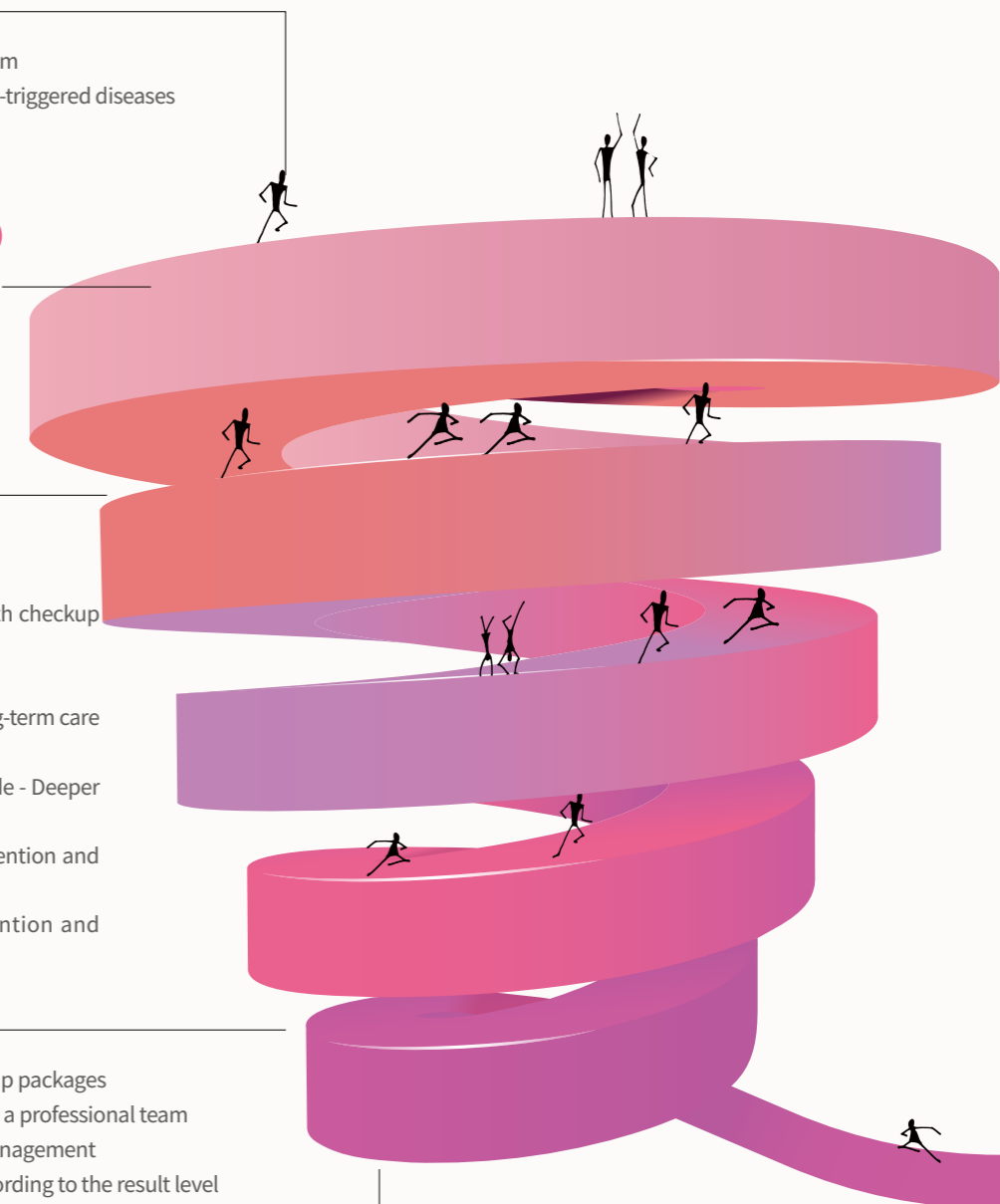
- Exercises - Sliding disc training
- Exercises - Elastic band training
- Health checkup explained - Health checkup big data analysis
- Parenting - Parent's guide to 3Cs
- Care for parents - How to use long-term care resources
- Romantic relationships - Love code - Deeper love after conflict
- For women - Breast cancer prevention and treatment
- For men - Major disease prevention and health care

Health checkup

- Offering a variety of health checkup packages
- Report analyzed and explained by a professional team
- Classifying checkup results for management
- Giving appropriate treatment according to the result level

Exercises

- Employee clubs (eight clubs for physical and mental balance)
- Walking events (with individual exercise tasks)
- Fitness classes (yoga, aerobics, etc.)



A series of Pick Up and Go activities combined exercises and environmental protection

WT has multipurpose classroom, and organizes various sports courses to encourage employees to develop good exercise habits, and enhances their awareness of self-health management. In 2023, the Shanghai, Shenzhen, and Beijing offices in China continued to engage professional instructor to lead yoga classes, so that employees can strengthen their bodies and relax their bodies and minds under correct guidance. A common hobby may lead to a common health and beauty.

The employees were encouraged to bring their families with them to experience the mountains in northern Taiwan. A series of interactive games were incorporated into the program, and the background stories of each peak and trail explained by guides. A total of 1,022 person-times participated in the ten walks in 2023. Through observation and feedback from employees, it can be seen that the walk did not pose a challenge to the participants. They unanimously agreed that the walks could be more strenuous. Therefore, the future walks will be more challenging, or walks of different levels of challenge will be offered to suit different age groups and physical conditions.

In 2024, it is planned to plan a series of "Health Passport" activities with a higher intensity of health activities. The activities include the adoption of Shimen Baisha Bay, Laomei Lvshitao Beach, Kite Park Beach and Zhongjiao Sand Beads on the north coast of New Taipei City. Beach cleaning activities in the bay, hiking and hiking with different levels of difficulty, and physical training tasks that can be completed at home. employees can choose fitness tasks that suit them based on their own health and physical condition, and strengthen the observation of individual sports conditions. When implementing weekly health exercise video feedback, we will pay more attention to employees' exercise postures and physical condition reactions after exercise. This will be coupled with quarterly consultation services from physical therapists starting in 2023, so that employees can learn more about health while exercising. What sports are suitable for you?

Listen to employees' needs and organize diversified customized lectures

Over the years, we have continued to actively promote health promotion activities. We analyze health examination data every year to understand the health problems of employees, and combine it with the lecture satisfaction questionnaire of the previous year to understand employees' feelings and needs. In addition to arranging corresponding health education topics. In addition, it also conforms to the promotion content of the four major plans. In 2023, family education lectures and health lectures will be held in Taiwan and China, with the themes of "Parent-Child Relationship - 3C Parenting Battle", "Intergenerational Relationship - Long-term Care Resources, Use This Way", "Love Relationship - Love Code - After the Conflict", love each other more", "Health checkup big data analysis", "Sliding disc training" "Elastic band training", "Female theme-prevention and treatment of breast cancer", "Male theme-prevention and health care of major diseases (lung cancer, myocardial infarction, prostate)", the lecture content not only explained information, but also provided practical exercises for daily life applications. Employees gave positive feedback and recognition after the meeting.

Encourage regular health checkups and provide multiple health checkup plans

WT currently has a full-time health manager in Taiwan to plan and promote employee health management. In addition to providing health checkup consultation and advice to employees, doctors are also invited to the company every month for medical consultation services. Employees are entitled to a health checkup expense subsidy once every year, which is better than required by the laws and regulations. There is also a flexible accumulation system, allowing employees to choose from a wider range of checkup items with the higher amount accumulated for up to two years. In 2023, the health checkup utilization rate reached 85.6% in Taiwan, and 80% in China. The steady increase in the health checkup utilization rate reflects an increase in employees' health awareness. In the future, examination items will be identified and made available based on the prevalence of major diseases around the world and in specific regions for employees to choose from according to their own needs or family medical history.

Track health checkup results and schedule physician consultations

To provide more package options and more schedule flexibility to suit personal preference, application for a variety of health checkup packages (such as cardiovascular programs, gastroenteroscopy programs, etc.) is open from January to November every year in Taiwan, and four hours of health checkup leave are granted. After the checkup, a professional team will analyze and explain the report, define management standard by health checkup result levels, and give appropriate treatment accordingly: Level 1 is normal, Level 2 will be given occupational health education guidance, Level 3 be given occupational medical consultation and health education, and Level 4 be referred to specialized medical attention or treatment after an occupational medical interview. In China, health checkups are completed between April and July every year.

Each office in Taiwan has an ambulance notification window, arranges first aid personnel training and regular return training, and can effectively provide rescue guidance when an emergency occurs. AEDs are installed in the building, and the location is announced for emergency rescue. The Mainland China Region currently focuses on arranging first aid courses and related lectures to popularize employees' first aid knowledge. In the future, first aid reporting windows will also be set up in different regions. Blood pressure monitors are installed at designated locations in the office to always care about the health of employees. In response to influenza epidemic peaks in autumn and winter every year, in addition to regularly promoting and encouraging employees to receive influenza vaccines, we will also provide a half-price subsidy for the "Oriental Influenza Cell Culture Vaccine" in 2023, and arrange for vaccination to be completed before October to promote early prevention and treatment Measures can help avoid the risk of serious complications or death after infection.

Weight loss activities were retested after one year, and 27 employees maintained the results

A series of weight loss activities held from October 2022 to January 2023, with 423 participants and 85 groups, resulting in a total weight loss of 890 kilograms by January 2023. An annual acceptance event will be held for weight maintenance in 2023. In August 2023, a total of 34 employees passed the first stage of qualification review. By the end of the event in January 2024, 27 employees had successfully completed the challenge. In 2024, we plan to plan a series of "Health Passport" gathering activities that are more closely related to health sports. We hope to continue the good results of this event and reach a higher level.

The 2023 weight loss series purchased a professional body fat meter to provide employees with continuous monitoring of their own health and physical condition. Employees can conduct interviews with health managers based on the measurement data, and scientific data assists in diet and exercise planning.

Four major plans for employee health protection

Prevention of abnormal workload-triggered diseases

In order to avoid abnormal workloads, supervisors at all levels are required to take the initiative to care for the labor conditions of employees. Any health problems may be reported to the health manager for assistance and care. Health consultation and abnormal workload assessment are available during the monthly doctor consultation service.

Prevention plan for illegal infringement during the performance of duties

At the workplace, the Company has posted relevant publicity materials and specified a complaint hotline and email address in the work rules. If a colleague encounters sexual harassment, stalking, or other illegal acts while performing their duties, they can file a complaint. To safeguard the rights of complainants, the handling of complaints is conducted in a confidential manner, and the complainant's name or other identifying information that could reveal their identity will not be disclosed. The person handling the complaint should create a written record of the handling process of the complaint, and follow the guidelines for preventing illegal infringement of job duties. The related execution records should be kept for 3 years.

Prevention plan for ergonomic hazards

The nature of WT's work often involves sitting for long periods of time at workstations, which may cause chronic effects on muscle, fascia, and intervertebral discs. WT provides employees with adjustable desks and chairs to reduce the risk of such ergonomic hazards. The workstations can be adjusted according to individual needs, so that workers can work at a good gaze

angle in a healthy posture. There are also standing workstation areas to reduce sitting time. In addition, seven robot vacuum cleaners were purchased for the cleaning staff to reduce repetitive gestures. The robots worked for 1,743 hours in total in 2023, sparing cleaning staff approximately 145.25 hours per month of repetitive gestures operating vacuum cleaners.

Relevant awareness posters have been posted on the health bulletin board on each floor. A pilot project began in 2023 inviting professional physical therapists to visit the offices once a quarter to provide one-on-one consultation and guidance on how to adjust incorrect postures, relieve discomfort and other ways to prevent ergonomic hazards. The physical therapists may provide treatment when necessary, including fastening to relieve pain from carpal tunnel syndrome, and dressing and bandaging in the case of muscle soreness and discomfort after exercise. They also give advice on how to exercise correctly. The sessions were very popular in 2023, and those who have attended the sessions gave positive feedback and support to the project in the questionnaire survey, commenting that it is highly practical and helpful. An increased number of sessions are therefore planned for 2024.

Maternal health protection plan

WT Taiwan employees, including cleaning staff and other contractors, are all eligible for WT's four major health protection plans. There is no shift or night work. The employees are entitled to prenatal leave, maternity leave and parental leave as legally specified. The Maternal Health Protection Plan was introduced to ensure the childcare-work balance for female employees. The Plan provides dedicated nursing rooms, professional health and safety consultations during pregnancy, postpartum and lactation periods, as well as priority parking spaces and other maternity-friendly work environment measures. In addition, related books and magazines in the reading area are available for borrowing, such as Mombaby, Parenting magazines, etc..

Deluxe nursing room

To accommodate female employees' breastfeeding needs, WT has created a cozy and comfortable breastfeeding space exclusively for mothers. The temperature in the nursing room is maintained at a comfortable level. There is access control and surveillance camera at the entrance. The interior is fully equipped with adequate fire protection equipment to ensure safety, and all facilities are in compliance with the laws and regulations. A wide range of amenities are available, such as breast milk storage refrigerators, freezers and bottle sterilizers.



The average retention rate at reinstatement anniversary in the last 3 years was more than 80 percent

WT Taiwan employees are entitled to parental leave before their children reach the age of three as specified by the Gender Equality in Work Act. The retention rate at reinstatement anniversary was 78.6% in 2023, as nine of the thirteen employees scheduled to return from the parental leave actually reinstated. The average retention rate in the past three years was 86.2%, showing that they managed to reintegrate to the work and strike a balance between work and family life.

Parental leave and reinstatement statistics, 2018-2023

	2018	2019	2020	2021	2022	2023	
Number of female employees taking parental leave	Number of persons eligible for parental leave (A)	66	63	69	56	47	
	Number of applicants for parental leave (B)	20	16	9	8	16	
	Estimated number of persons to be reinstated in the year (C)	26	13	7	13	12	
	Actual number of persons reinstated (D)	10	22	10	5	12	9
	Number of persons still employed 12 months after reinstatement (E)	10	19	10	4	9	
	Reinstatement rate after completed leave (D)/(C)	84.62%	76.92%	71.43%	92.31%	75.00%	
	Retention rate at reinstatement anniversary (E)/previous year (D)	100.00%	86.36%	100.00%	80.00%	75.00%	
Number of male employees taking parental leave	Number of persons eligible for parental leave (A)	105	114	108	92	81	
	Number of applicants for parental leave (B)	0	0	1	2	1	
	Estimated number of persons to be reinstated in the year (C)	-	-	-	2	1	
	Actual number of persons reinstated (D)	1	-	-	2	-	
	Number of persons still employed 12 months after reinstatement (E)	1	-	-	-	2	
	Reinstatement rate after completed leave (D)/(C)	-	-	-	100.00%	0.00%	
	Retention rate at reinstatement anniversary (E)/previous year (D)	100.00%	-	-	-	100.00%	

Note: The number of people "-" indicates that there is no scheduled reinstatement or actual reinstatement; the ratio "-" indicates that the denominator is 0, and the reinstatement rate or turnover rate is thus not calculated.



chapter 4-5

Employee Relations

Organizing various activities to improve employees' physical, mental and spiritual health

WT has various clubs, which offer exclusive courses and activities for their members, as well as a wide range of activities with different themes, large and small, for all employees to join. A variety of public-interest activities are organized to advocate environmental protection and social care, during which employees may relax and have fun through meaningful club activities, and build positive family and parent-child relationships. The club general assembly held at the beginning of each year allow new employees to explore and choose their favorite clubs to join. The Company makes continuous efforts to seek breakthroughs and set up more different types of clubs for a diversified all-round development, so the members may encourage and support each other to complete a competition, and exchange health and sports information. Club members participate in static activities to relax their bodies and minds, or dynamic activities to sweat and get naturally high. The Company not only provides subsidies and promotes the clubs, but also encourage employees' engagement, so as to make sports and hobbies one of its pillars.

Actively promoting club activities for team building

Golf Club, a newly-formed club

The Golf Club was officially launched in 2023. With the subsidy and support from the Company, employees who would otherwise not have the opportunity to play golf could join one of the Club's Tuesday after-hour sessions at golf course and get a hands-on experience. Once becoming a formal member, they would have access to professional instruction. Seasoned players of the Club are happy to teach beginners and make golf become a fashionable, elegant and accessible leisure sport in WT. The Club will enter formal operation in 2024, and be involved in organizing monthly the employee cup competitions, the WT Microelectronics Invitationals, and occasional friendly rounds with suppliers and customers. Through the Club, employees will be inspired and motivated to play a new sport.



Pushing boundaries with The Fun Run Club and Mountain climbing Club

The Fun Run Club participated in five marathons in 2023, including Dahu Strawberry Culture Carnival Marathon, Matsu Beigan Hard Ultra Marathon, Marie Claire Pink Run, New Taipei City OSH Cup Road Race, and Banqiao Marathon Road Race. This year, a series of training courses were organized according to individual runner's physical fitness, road running experience and personal health status. Road race participants were given advice on distance and terrain that match their training intensity, so that even first-timers could complete the event healthily and safely within their own limits.

After the competition, sharing sessions were organized where participants can share the problems and interesting stories they encountered during the event. Setting off in the early hours of the morning, running enthusiastically despite heavy rain, and facing scorching sun and sandstorms could not deter their determination to cross the finish line. Engaging in proper sports activities can effectively improve physical, mental, and spiritual health, embodying the true essence of the Company's continuous efforts to promote various sports.

The managers of the mountain climbing club include members with professional mountain climbing licenses and extensive climbing experiences. They lead the members to visit various beautiful mountain landscapes. Besides difficult mountain climbing events, easier hiking schedules have been planned for families. In 2024, we plan to organize mountain camping trips to explore the visual impact of starry nights in areas with low light pollution in the mountains. We aim to experience awakening in the morning amidst the sounds of insects and birds, and enjoy the comfort of light mist, morning dew, and dawn, which will undoubtedly bring another level of physical and mental well-being to our employees.



The Fun Run Club Runs to Become Taiwan's No. 1

The Club's President Chang Jiajun won the 41th place in the men's individual in the IAU 24 Hour World Championships 2023 among more than 300 contestants from 41 countries. With 230.541 km, he is number one in Taiwan. He was also the first Taiwanese athlete who has made it to the 230 km since seven years. His amazing performance not only promotes sports in the Company, but is also worth being recorded in Taiwan's sports history.

Making friends in the Basketball Club and Badminton Club and having the first WT Cup

The Badminton Club and basketball competitions were organized for team-building and fun. The Company provides prize money, trophies, medals, a venue and facilities to create an authentic competition atmosphere. The cheering group composed of employees and their families also lift up the players' spirits and give them a sense of formal game. Families and friends are invited to participate in weekend events so as to spread health awareness and inspire more to engage in sports.

Customers and vendors are invited to register and make friends on the court to celebrate the shared love for sports and forget about the stress from work. Ball game competitions were promoted since the Basketball Club's "WT Microelectronics Cup Invitational" in 2023. Invitation was widely sent out to partner companies for the round-robin tournament. Adjustment was made to the format and scale of the friendly matches to diversify WT's effort to promote healthy sports and expand the employees' social circle as well as knowledge. A total of 5 teams participated in the four-week tournament, which not only saw the original objective of meeting friends through basketball achieved, but also sew the seeds for more invitational tournament in the future.



Calming the soul and nourishing the body with The Floral Art Club and Cooking Club

The Floral Art Club organizes flower art courses periodically. The course contents include knowledge on various plants and bonsais. This is used to promote the important role of green plants in slowing down global warming and effectively enhance the green atmosphere in the office. Green living starts from all angles. The vases allow employees to bring their own pots for re-decoration, which not only breathes new life into the pots, but also allows the concept of recycling to be implemented indefinitely. The "New Year Flower and Rice Screen Hanging Decoration" course is held in conjunction with the New Year holiday. It combines traditional rice screens with seasonal flowers to create festive decorations, adding a different embellishment to home decorations during the Lunar New Year. In response to the Chinese Valentine's Day "Flowers and Words" course, fresh flowers are paired with round glass pots and displayed through a layered circular perspective to enhance a different experience of beauty for employees. The Cooking Club continues to align its course arrangements with the theme of enjoying health through vegetarianism, starting with healthy low-carbon diets. It promotes healthy eating among employees by encouraging the use of seasonal local ingredients and striving to



consume a diverse range of whole foods as much as possible. In our busy daily lives, we often overlook the importance of a balanced diet. Imbalanced nutrition in meals can also increase health risks among employees. Starting from 2023, we are implementing activities promoting low-sugar and lowsodium diets. We focus on ingredient selection, seasoning combinations, and basic cooking techniques, aiming to make healthy eating effortless and balanced nutrient intake the top priority.

Continue applying for the Sports Enterprise Certification Review and the CHR Healthy Citizen Enterprise Initiative in 2024

In 2024, WT will apply for a renewal of the the Sports Enterprise Certification Review by Taiwan's Sports Administration of the Ministry of Education it received in 2021. The Certification is valid for three years. WT joined the CHR Healthy Citizen Enterprise Initiative in 2023, and will undergo a CHR evaluation conducted by the Health Magazine in 2024. We are doing our best to take full care of the employees' physical, mental and spiritual well-being, and expect the third-party review advise areas where we could do better and more for our employees.

Eating well to live well

Selected fresh delicious drinks without safety concerns are provided. Coffees are prepared with top Swiss automatic coffee machines using carefully selected quality coffee beans that have passed SGS toxin tests. Tea drinks are brewed from organic tea from a non-toxic natural farming plantation in Ruisui, Hualien. High-quality fresh milk drinks certified with FSSC 22000 Food Safety Management System are strictly checked for impurities and expiration date upon arrival to ensure that employees enjoy the safest and healthiest fresh milk.

On the weekly Fruit Day, healthy and safe fresh fruits from our small long-term partner farmers in central Taiwan are offered to the employees. The direct fruit procurement from the place of origin improve the farmers' income, so that they can focus on growing healthier and more delicious fruits, reduce the use of pesticides and allow the land rest. Direct delivery from the place of origin also reduces food carbon footprint. While the fruits are distributed, their grower's story is told and words shared. The transparent production and marketing creates an emotional bond between employees and the fruits in their hands. In China, fresh fruits are locally sourced to promote a balanced diet with more fruit consumption.

WT is committed to advocating the importance of balanced meals and breakfast. Breakfast bar events and vegetable lunch boxes are organized in the Taiwan headquarters, while healthy and balanced breakfasts are also provided every Monday in the offices across 28 cites in China. With the concept of "eat less meat and more vegetables; reduce carbon and increase health", a plant-based food campaign was launched to promote awareness of a low carbon diet and serve the purpose of energy saving, carbon reduction, health enhancement, and physical burden alleviation. According to the International Meatless Day, one meatless meal reduces 760 grams of CO2 emission. At that rate, the carbon-reducing vegetable meal events in Taiwan, with the participation of 3,479 person-times, reduced approximately 2.644 tonnes of CO2e emission, which would be equivalent to planting five camphor trees with a diameter of 47 centimeters at breast height and a height of about 11 meters. Only by promoting plant-based food more proactively can carbon reduction become an important part of daily life.



In 2023, a total of **15.528 tons** of fruit was purchased
 Or some **299 kilograms** for each weekly Fruit Day on average
 In partnership with **22** small farmers, From **34 towns or districts in 6 counties** or cities

Cultivating multicultural literacy

Promoting the habit of reading to stimulate brain and pursuit of knowledge

The WT Microelectronics Book Club aims to promote the habit of reading. It adds new books in different fields every month to expand the knowledge of the employees. The Book Club allows the employees to improve their cultural qualities, adjust their body and mind, and expand their relevant knowledge during their spare time. A spacious, bright, and comfortable space has been established in the Company, which provide coffee and other drinks. Employees can take a break from their work, have a coffee, read a magazine, and clear their minds in this leisurely space.



Continued support for arts, cultural events, and social sharing

For the second year, WT provides tickets for the World Citizen Academy and Concert and the children's choir "Nice Voice" concert. WT also promotes concerts with charity groups to enhance the cultivation of artistic and literary qualities among employees, increase their time with family and friends, and allow those who support the arts and social sharing to keep pace with the times. For the 30th anniversary events, the special exhibition features a quiz with prizes, which includes tickets to the "RE: Paul Chiang - Meditating Algorithm: Immersive in the life and works of Paul Chiang" by the renowned artist Paul Chiang in 2023. The exhibition tickets were well received by our employees. We plan to provide more high-quality, extensive, and diverse exhibition tickets in 2024 to promote art and culture.



Team-building activities to develop bonds

Department team cohesion training courses are held every year in Taiwan and provide various types of team motivation activities for employees to sign up for. The diverse activities include fun activities, handcrafting and printing courses to inspire creativity, enhance concentration and emotional communication, and achieve the goal in the process. Communicate and coordinate, solve problems, stimulate creativity, enhance morale, and acquire new interests and knowledge. In 2023, Shenzhen, Beijing, Shanghai, Hangzhou, and Xiamen in China will also successively organize this activity, making the team's tacit understanding training more comprehensive and regional.



Happy holidays and lots of happiness with prizes and gifts

In addition to issuing annual bonuses on specific holidays every year to keep employees happy during the holiday, a garden party called "Rice Dumplings for the Dragon Boat Festival" is held during the Dragon Boat Festival to prepare various flavors of meat dumplings and traditional snacks for employees to feast on. Vintage mini-games evoked everyone's childhood memories. Walking into the event venue was like walking into a time capsule, and the scene and atmosphere felt like the early days of Taiwan. During the Mid-Autumn Festival, we held the "WT Microelectronics 30 Mid-Autumn Festival Celebration", which included the Wugang Woodcutting Fun event to inspire teamwork and participation by both male and female employees. There were also activities like "Stack the Pomelo", which required good hand-eye coordination, and the kombucha DIY experience course. After the course, employees continued to cultivate Scoby yeast and shared it with others, which was also an effective way to promote healthy eating habits.

During the Lunar New Year, we held the "WT Microelectronics 30 Celebrating the New Year of the Dragon" New Year activities. It included lantern art painting activities. Employees who completed the lantern painting received exquisite New Year gift boxes, and the lanterns carefully created by the employees were also hung at the New Year's garden party, which greatly enhanced the sense of participation and livened the New Year atmosphere of the garden party. At the New Year's Garden Party offered various of dessert and the interesting missions to collect points. The most talked-about activities were the "Lucky Red Envelope Lucky Lottery" and the DIY red envelope silk printing. The Lucky Red Envelope Lucky Lottery offered various prizes such as smart home appliances, electronics, lifestyle items, New Year's goods, and charitable items. The DIY red envelope silk printing included templates specially designed for the 30th anniversary of the Company, allowing employees to personally create their own Lunar New Year red envelopes. From the event, we could feel the joy and Lunar New Year atmosphere. Also, employees received a healthy traditional oil gift box from Beigang, Yunlin.

Starting from 2023, the China region will successively launch celebration activities for various festivals. For the Dragon Boat Festival, Chinese Valentine's Day, and the 38th Goddess' Day, exquisite and healthy afternoon teas will be arranged for employees to share the benefits of the festival through afternoon tea time after work. Not only that, but also with the festive paper fan DIY and "Everything is covered - lunch time", supervisors personally wash their hands and make soup, so that employees can enjoy the sincerity from supervisors, and a bowl of noodles is full of emotional inheritance and warm-hearted care, effectively shortening the distance between supervisors and employees, eliminating the barriers between each other, and truly realizing the original concept of WT's big family.

Employee one-day trips to restart and make a strong comeback

Employee one-day trips resumed in 2023, after being suspended during the COVID-19 pandemic. Employees are invited to come with their families, whose expenses are also subsidized. The outings are designed to offer an in-depth understanding of local cultures, exclusive attractions, seasonal food, etc. of various places in Taiwan, and a variety of interactive games and experiences are incorporated to the program for ice breaking and team building. Employees are offered a variety of itineraries in different styles, including parent-child experiences, extreme challenges, and scenic tours trips, to choose from according to their interests and whether they come alone or with families. For example, rafting trips that would fit energetic young groups, and parent-child itineraries that would be suitable for family outings. The latter would feature fun attractions that parents can enjoy with their young children and DIY activities that attract all ages. There are also itineraries featuring top destinations for influencer content. Efforts were made to ensure every package contains something interesting for every age group. In 2023, a total of 1,188 employees and their family members participated in the 18 travel routes.

Short hotel trips will be launched in 2024, including well-known hotels in the different counties and cities in Taiwan, with green hotels as the priority to actively promote green tourism and for employees to bring their own toiletries to reduce the use and waste of disposable toiletries, further limiting the generation of waste.



Volunteers roll up their sleeves and work side by side with farmers

As Taiwan's agricultural workforce ages, the number of people engaged in farming has been declining year by year. While many farmers have the ability to cultivate crops, there is a shortage of manpower during harvest. Additionally, Taiwan's unpredictable weather often results in damage to fruits and vegetables that are not harvested in time. The 2023 agricultural volunteer activities continued to encouraged employees to go outdoors in a healthy way, while also rolling up their sleeves and working on farms. The activity mainly provides field assistance to small farmers in remote rural areas in Taiwan. It not only allows farmers to feel at ease, but also allows employees to acquire agricultural knowledge and practice good deeds. A total of 138 people participated in the activities. In 2024, we will continue the Love for Farms project. In addition to continuing to order fruits from small farmers, we will further plan activities to venture into the fields in the south. This will allow employees and their families to work side by side with farmers.



chapter 4-6 Workplace Safety

No work-related accidents for 4 consecutive years as protecting employees and preventing hazards are the highest principles

WT adheres to the occupational safety and health (OSH) policy of "protecting employees and preventing hazards". It put in place an OSH system pursuant to the provisions of the Occupational Safety and Health Law, and appoints OSH managers, fire protection administrators, first-aid personnel, etc. In addition, an OSH Committee was established in accordance with the laws and regulations with members including OSH managers, heads of departments, supervisors, command personnel, OSH-related technical personnel, medical personnel engaged in labor health services, and labor representatives. The employee representatives account for 30% of the Committee members, and four meetings in total were held in 2023. Regular analyses are performed with Plan-Do-Check-Act (PDCA) iterative process to identify potential risks and possible hazards in the work environment. The work safety operation flow chart is reviewed for hazard causes, in order to identify and prevent possible hazards so as to achieve the goal of zero disasters.

Preventing disasters by strengthening employees response

Pursuant to fire protection laws and regulations, WT's major operating bases in Taiwan, Shenzhen, Beijing, and Shanghai has installed adequate protective facilities in the workplace, divided fire prevention management into zones, and appointed responsible employees on each floor to conduct a periodic key-point inspection every month to prevent accidents from happening. Relevant persons are sent to participate in the fire drill and training held by the management committee every year to be informed of the Park's emergency exit and evacuation plan. A third-party fire protection institute is commissioned to carry out maintenance and reporting, and a fire protection job assignment and drill is organized in March and July every year to strengthen all employees' emergency evacuation and response capabilities. Dedicated personnel are assigned to perform nights patrol and safety inspections and ensure that unnecessary power supplies and lighting in the offices are turned off at night.

WT's routine OSH management inspection measures in Taiwan

Inspection frequency	Inspection items	Inspection frequency	Inspection items
Daily	<ul style="list-style-type: none"> Implement access control system management, and require visitors to use temporary visitor identification badge and register upon entering and exiting restricted areas Clean and sanitize meeting rooms and public areas Conduct daily fire inspections Have night-time security patrols by dedicated personnel 	Semiannually	<ul style="list-style-type: none"> Conduct fire drills Have carpets and environment cleaned
Monthly	<ul style="list-style-type: none"> Provide on-site physician services Implement vehicle safety inspection Inspect emergency evacuation facilities Conduct inspections of fire safety equipment 	Annually	<ul style="list-style-type: none"> Test and maintain fire safety equipment Convene an OSH meeting to review, coordinate and advise employees on safety and health matters, and formulate an annual safety and health plan Have air conditioner maintenance Sanitize the entire office area
Quarterly	<ul style="list-style-type: none"> Convene the OSH Committee to review the implementation progress of relevant strategies and programs 	Biennial	<ul style="list-style-type: none"> Check buildings for public safety

Strict assessment to comply with safety and fire regulations

Before construction starts, WT always conducts a complete safety assessment, requires the signing of a safety and health commitment letter, and plans emergency exit routes instructions and indicators, fire protection facilities, surveillance equipment, fire and security alarm systems. User license will not be issued until all the specifications are met.



Before entering any operating base for construction, all contractors are required to sign the Contractor Safety and Health Commitment Letter in compliance with the Occupational Safety and Health Act requires Construction safety is required to comply with the Occupational Safety and Health Act to protect the safety and health of contractors' construction workers. Contractors must abide by WT's "Ethical Values and Code of Conduct" and require their staff assigned to WT to have received relevant ethical education and training.

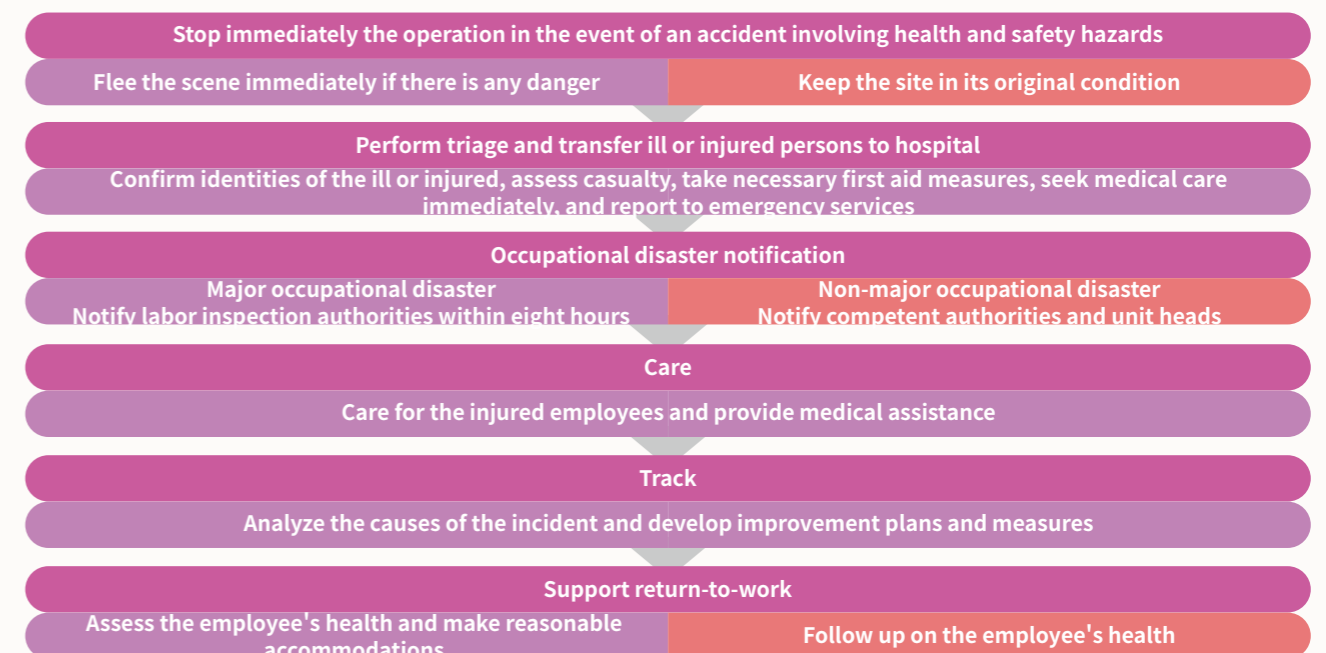
Refresher training to improve employee safety training

In order to ensure that all employees are familiar with OSH laws and regulations and the company's safety and health management mechanism, WT Taiwan regularly conducts safety-related training and drills. Refresher training is scheduled for OSH managers, fire protection administrators, and first-aid personnel in accordance with the laws and regulations. A total of 6 individuals have completed the first aid refresher training in 2023.

0 workplace injuries across the Group, demonstrating a safe workplace and employee safety awareness

In 2023, no disabling injuries were reported from any of WT's operating bases. Therefore, the occupational injury deaths, disabling injuries, total case incident rate (TRIR), and lost time injury rate (LTIR) were all zero. No work-related deaths or injuries were reported in 2023 among suppliers and contractors who worked in WT's offices or logistics centers either, with thus 0 TRIR and LTIR.

Accident notification flow chart





Joint Effort Towards Sustainability

Innovative action blueprint to shape a sustainable future

- 5-1 Green design
- 5-2 Sustainable Supply Chain
- 5-3 Environmental Management
- 5-4 Response to Climate Change
- 5-5 Greenhouse Gases
- 5-6 Energy Management
- 5-7 Water Resources Management
- 5-8 Green Logistics
- 5-9 Waste Reduction
- 5-10 Giving Back to the Society

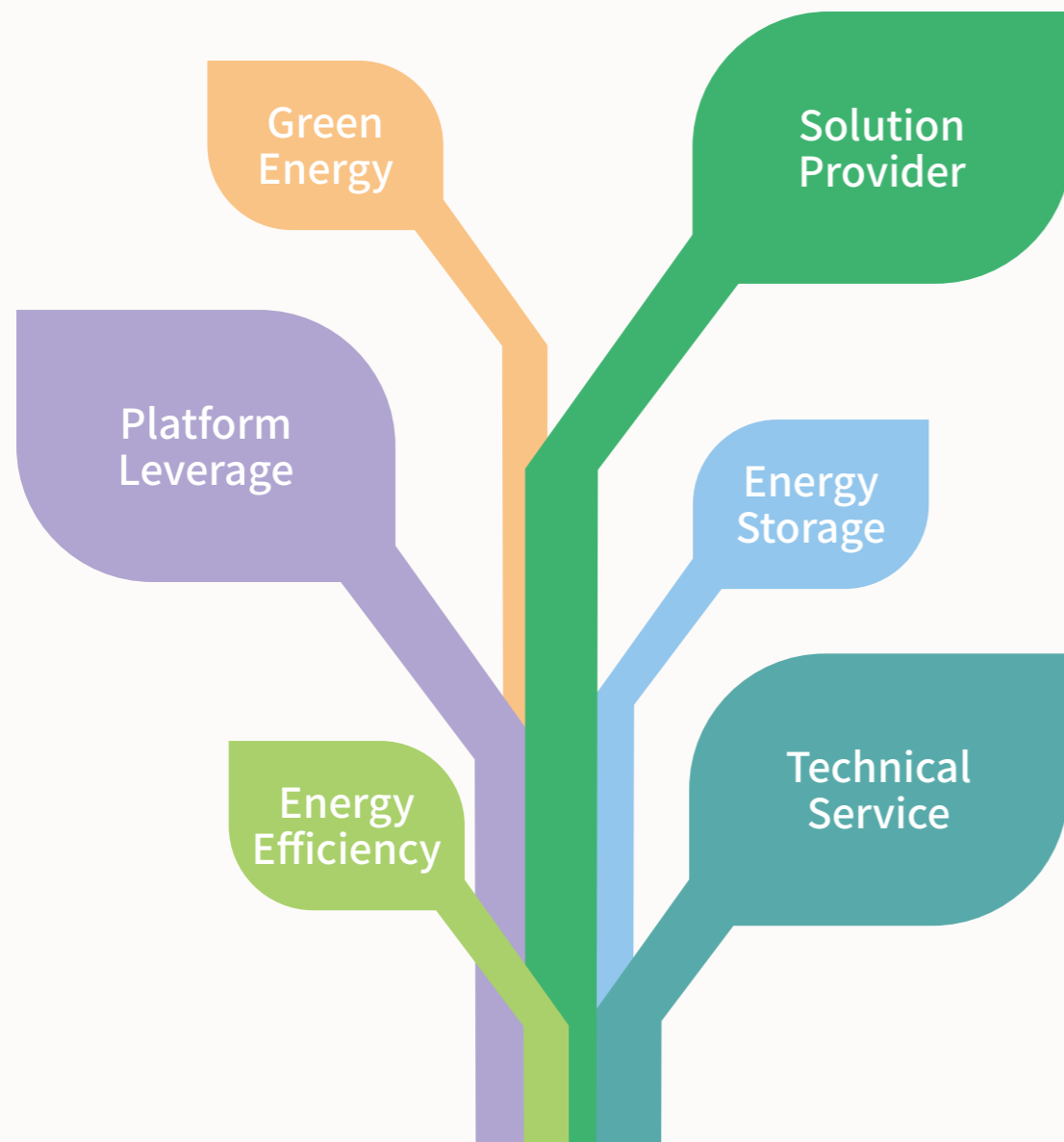


chapter 5-1 Green Design

Embracing Clean Technology, Journeying Towards a Sustainable New World

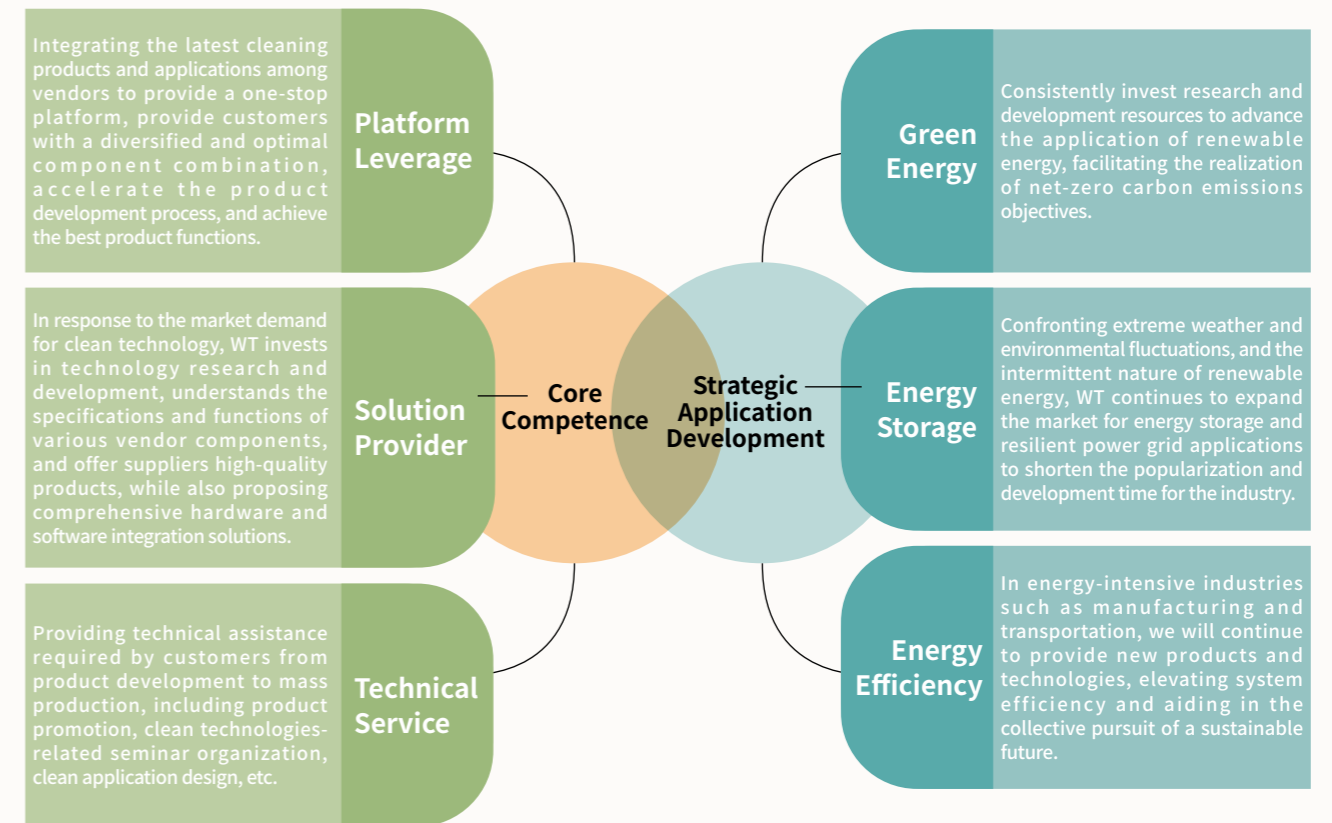
Semiconductors is a catalysts of modern life, industry, and economic activities, drive the development of new technologies and applications in various fields.

WT Technology, serve as a distributor, for world-renowned semiconductor suppliers. As promoter of clean technology, we act as intermediaries between suppliers and clients, offering product services in the realm of clean technology. and a bridge between vendors and customers. We pioneer applications for clean technology products, continually integrating innovative solutions, not only enhancing the energy efficiency of existing products but also furnishing new designs and comprehensive clean technology solutions.



Complete Platform Leverage to provide one-stop platform

WT will persist in delivering three core competency: platform leverage and integration for suppliers, comprehensive technical services and solution proposals. We are unifying the latest clean products and applications from various suppliers to offer a one-stop platform, as the best partner for customers in clean technology development strategies.

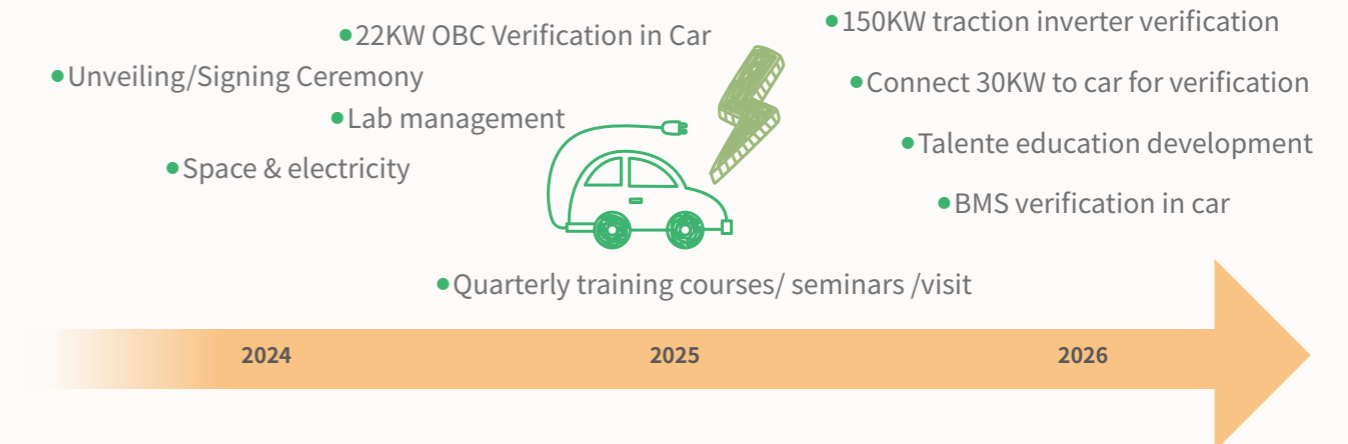


Helping industries achieve Net-Zero emissions

WT promotes industry-university cooperation

Over the years, WT has continued to invest resources and provide various types of technical services to establish a strategic partnership with vendors and customers, assist customers in promptly proposing solutions, and become a technology platform providing high-quality products and best solutions in many fields.

Promoting industry-university cooperation by sponsoring an electric vehicle electrical testing laboratory



Mitigate the Impact of Extreme Climate Change and Improve Energy Efficiency



Green energy refers to the energy sources that can be perpetually renewed from the natural world. Energy sources like solar power, wind energy, hydroelectric power, geothermal energy and biomass energy reduce the dependency on fossil fuels. However, in the example of solar energy, while solar energy is a clean and renewable energy source, its electricity generation exhibits higher instability due to the alternation of day and night or changes in weather. In addition, we employ high-performance, low-impedance silicon carbide (SiC) components. We also designed high-precision voltage and current conversion products in signal chain. Furthermore, at the core of the system's controller, we persistently utilize high-efficiency processors. Additionally, we continue to invest resources to the development of the Maximum Power Point Tracking (MPPT) control and software for the PV inverter. Implementing this technology in photovoltaic systems results in increased energy output, improved electrical conversion efficiency.

In energy storage systems, the presence of bidirectional and highly efficient inverters is paramount. These systems are essential for storing energy during off-peak hours, providing stable power supply during peak times in conjunction with the grid and reducing power transmission losses in discrete grid systems like green energy grids. Additionally, in the context of clean technology applications associated with battery technology, we have enhanced lithium battery selection techniques to minimize resource wastage and environmental pollution, thereby increasing resource efficiency. In this application, we have integrated components from multiple semiconductor suppliers and have tailored solutions to meet system and customer requirements, significantly enhancing cost-effectiveness, functionality and efficiency. In 2023, We leverage semiconductor components based on materials like Gallium Nitride (GaN), complemented by high-efficiency, high-frequency controllers, to achieve high-power density, high efficiency and rapid bidirectional switching in energy storage solutions.



More than 40% of global electricity is consumed by motorized equipment, and the electricity consumption of electric vehicles accounts for approximately 50% to 60% of the entire battery's energy use. Adopting high-efficiency motors, WT coupled with advanced motor control technology and the integration of new material semiconductors, can significantly enhance efficiency.

Moreover, motors are crucial in electric vehicles, where factors like efficiency, power density, noise and reduced vibration play a pivotal role in motor design. Apart from continuously introducing new process power components such as Insulated Gate Bipolar Transistors (IGBTs) and Silicon Carbide (SiC) to meet the requirements of lightweight and miniaturization, we also incorporate advanced control theories for electric vehicle motor control. In terms of power supply, we offer high-efficiency AC/DC or DC/DC conversion solutions.

For controllers, we employ high-performance microcontrollers (MCUs) with high-frequency/high-resolution Pulse Width Modulation (PWM) and high-precision analog-to-digital converters. We provide firmware and control algorithms to achieve efficient, low-current and vibration-reduced closed-loop control.

The power supply switch of a motor drive element provides high-efficiency AC-to-DC conversion or DC-to-DC transformation. The controller may achieve a high-efficiency, low-current and low-vibration control locking control loop by introducing a high-speed microcontroller (MCU) to provide high-frequency/high-resolution pulse width modulation (PWM), with a high-precision analog-to-digital converter powered with firmware and control algorithm technologies.

Data source: Statistics from the International Energy Agency (IEA) and the U.S. Department of Energy (DOE)

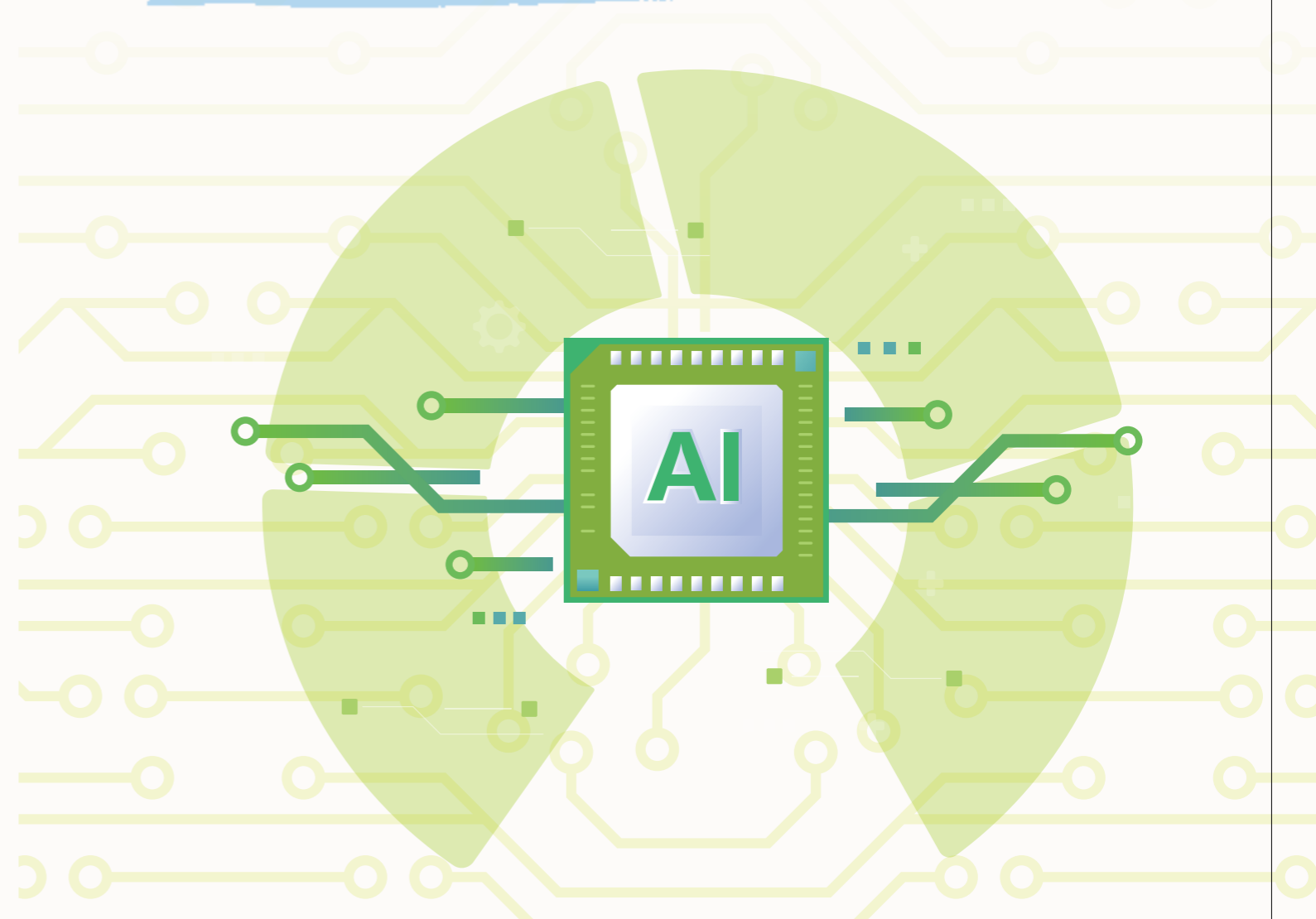
Combining energy-saving technologies to promote Artificial intelligence applications

Generative AI is another emerging application that changes people's economic, work, study, and life patterns in today's society. In response to the need to process large amounts of data and calculations, WT assists its customers in adopting AI-powered microcontrollers (MCUs) and microprocessors (MPU) as system core. These new cores are more intelligent, and have the benefits of lower power consumption, safer services and longer product life cycles.

The continuous introduction of AI large language models (LLM) leads to constant increase in model usage parameters. Accordingly, high-bandwidth memory (HBM) and high-efficiency power management products are crucial to product performance and energy consumption. WT has been working with its vendors and customers in these two fields to develop and offer advanced energy-efficient products to meet market needs.

Providing the best AI-powered power solutions

An AI computing core requires a stable and high current power supply, and consideration must be given to heat control within the limited circuit board area (height restriction). WT provides customers with advanced power controllers and high-efficiency power stage components, and cooperates with customers and passive components to launch products suitable for a variety of graphics processors (GPUs) and AI Chip power solutions.

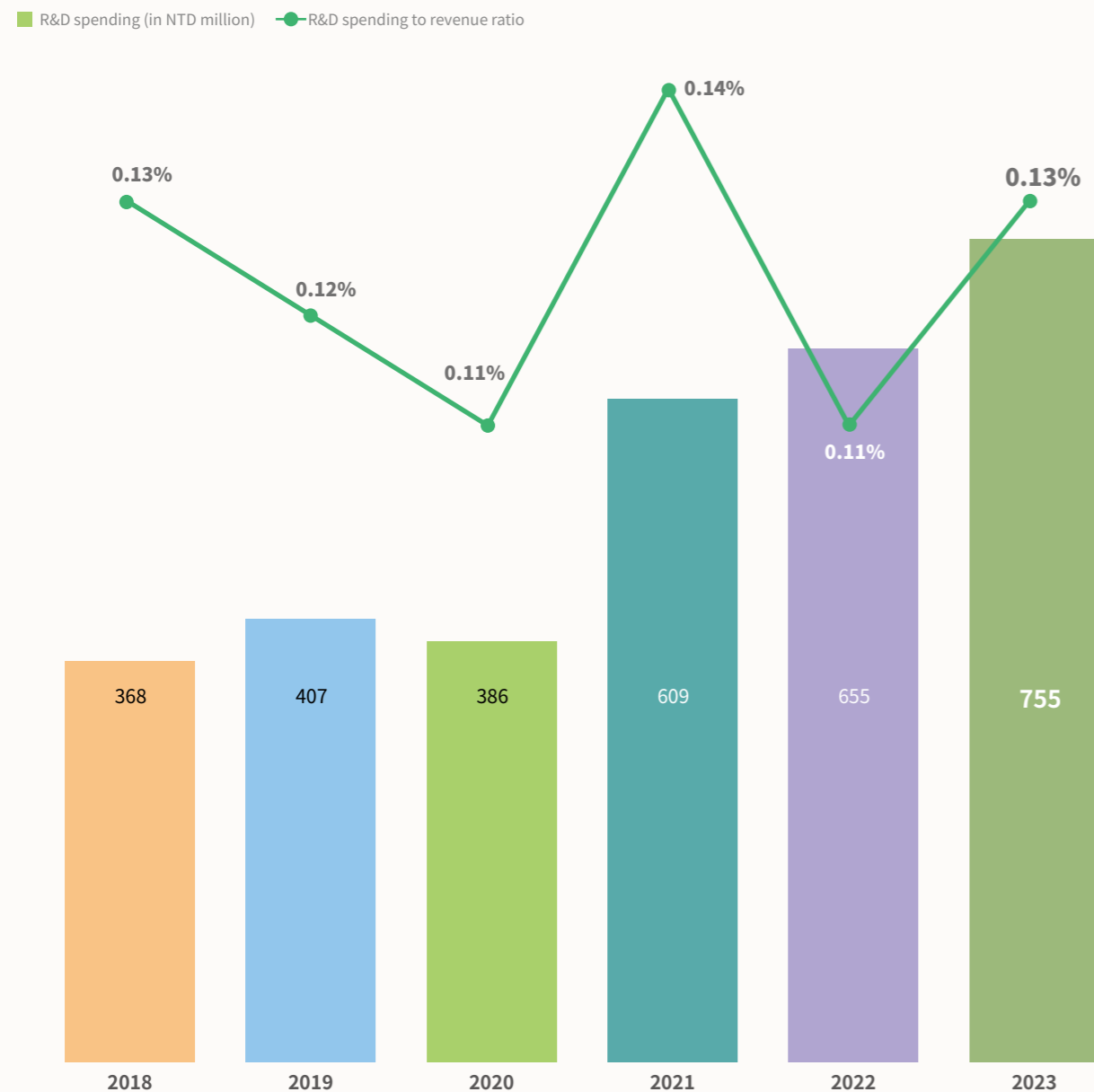




In 2023, R & D spending totaled **NT\$ 755 million** to develop clean technologies

In 2023, WT invested as much as **NT\$755 million** in R&D. WT is committed to continued R&D resources investment in clean technologies. Aiming to increase R&D spending to **NT\$1 billion** by 2030 and achieve the goal of **20%** of clean technology-related revenue by 2030, WT is focused on the development and progress of green energy, energy storage, efficiency and other fields.

An increase in R&D spending in 2023 for the fourth consecutive year



chapter 5-2 Sustainable Supply Chain

A long-term partnership with like-minded vendors by careful selection and strict control

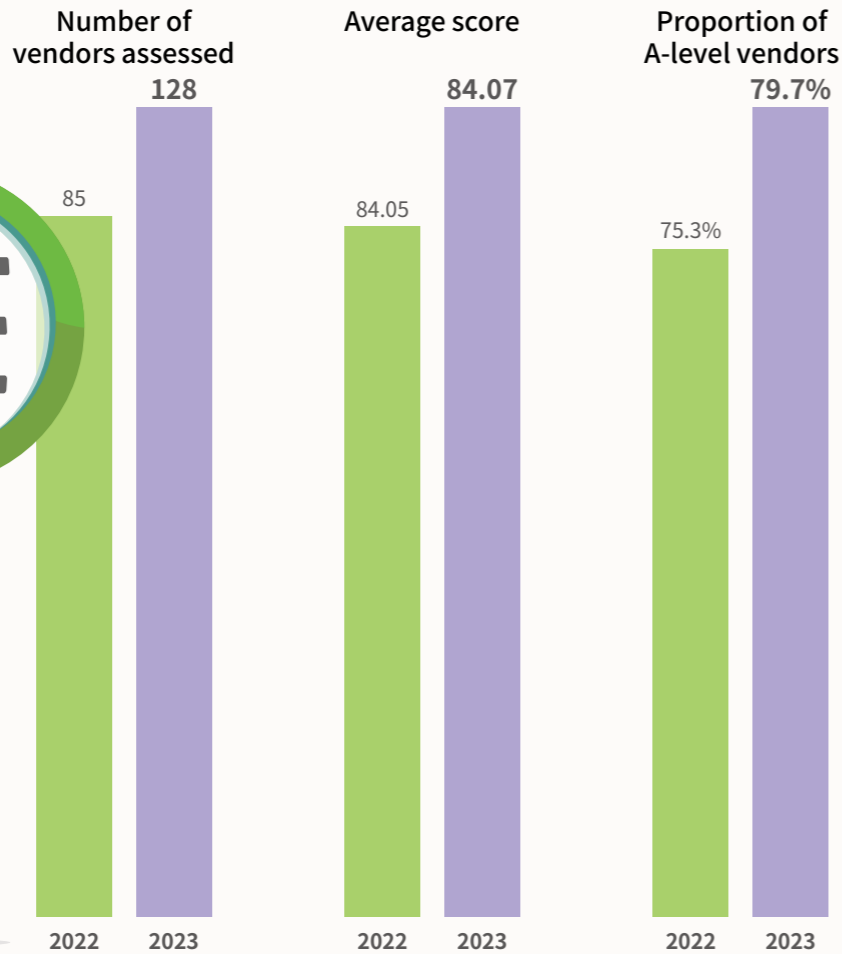
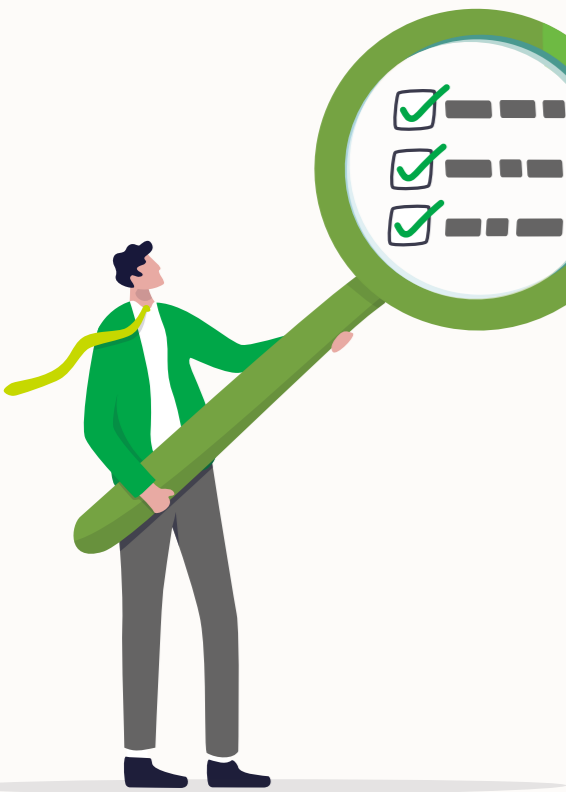
WT has formulated a Supplier Code of Conduct to regulate vendors in five major aspects. In order to continuously optimize vendor management, new vendors of 2023 were required to conduct a six-part self-evaluation of human rights, labor practices, consumers, ethical management, environment, and health and safety. A self-assessment questionnaire was used to analyze a vendor's current risk level, including its sustainability awareness, whether there are major deficiencies or illegal situations, etc. In addition to Taiwan, the operating sites in China also began to require general vendors to conduct the self-evaluation in 2023. WT requires new vendors to conduct a self-evaluation of social responsibility, labor practices and environmental protection, fill in the "Supplier Self-Assessment Form" truthfully, and sign back the "Supplier Corporate Social Responsibility Commitment Letter". The return rate was 100% in 2023. According to the supplier self-assessment, four companies were exposed to high environmental risks, mainly due to lacking specific energy-saving measures (such as using renewable energies, replacing with energy-saving devices and energy-saving awareness measures, etc.). As neither of these four companies was a key vendor, individual communication, energy conservation awareness outreach and other measures were taken to enhance their sustainability awareness. In addition, a vendors assembly and training is being organized for 2024 to promote WT's sustainability vision, cultivate joint sustainability implementation capabilities, and strive to maximize ESG development benefits through supply chain cooperation.

All vendors (other than vendors) with an annual transaction amount totaling more than NT\$ 1 million or more than 12 transactions are subject to an annual assessment. The average evaluation score was 84.07 points in 2023 is 84.07 points, with A-level suppliers (scoring 80 points or more) accounting for 79.7%, up 4.4% relative to 2022. WT will optimize vendors evaluation items and standards to address ESG in a more comprehensive manner in the key vendors assessments.

On the occasion of World Earth Day, WT held a beach cleanup event and invited vendors to join and make a difference for the marine environment. To keep the Company's sustainability commitment in line with its growth, WT will increase sustainability-related activities and training to create more opportunities to engage in sustainability dialogues with vendors.

Supplier Code of Conduct

<p>Labor human rights</p> <p>Vendors shall, in accordance with laws and regulations, promise to uphold human rights and dignity of laborers, and shall not employ child labor, discriminate, harass, impose corporal punishment, or allow overtime work.</p>	<p>Vendors should provide a safe and healthy working environment and formulate labor safety and health management systems. Vendors should also understand that employee feedback, education and training are crucial to identifying and solving health and safety problems in the workplace.</p>	<p>Environmental protection</p> <p>Vendors shall abide by local laws and regulations, mitigate the adverse impact on the environment as a principle, and reduce resource consumption and pollution discharge.</p>	<p>Management</p> <p>Vendors shall adhere to the highest ethical standards, including: ethical operation, anticorruption, information disclosure, intellectual property, fair trade, privacy, etc.</p>
	<p>Health and safety</p>	<p>Ethics</p>	<p>Vendors management shall establish a management system of which the scope is relevant to the content of this Code.</p>



Tracking vendors' environmental and social management guidelines

Abiding by key vendors' code of conduct

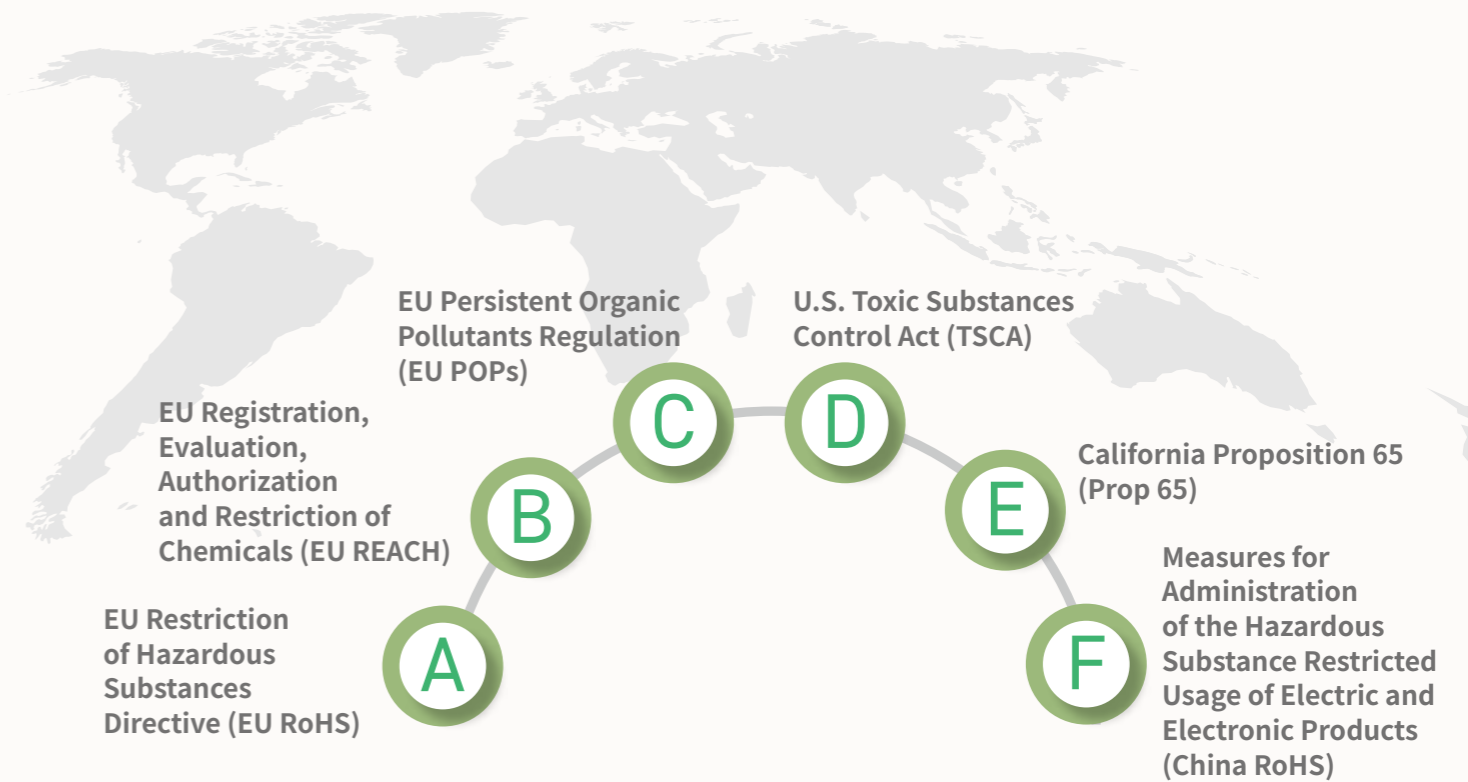
Vendors of a certain size always have comprehensive code of conduct in place to ensure that their operations comply with relevant laws and regulations and international standards. In addition, WT continues to track if a vendor complies with the Responsible Business Alliance Code of Conduct (RBA Code of Conduct). As of the end of 2023, 66.67% of the vendors making up 95% of WT's purchase amounts have passed RBA audits.

All the products that WT represents comply with national regulations and standards on substances of concern

Considering the impact of the use of products on users' health and safety, WT aims to 100% comply with the laws and regulations on substances of concern in the countries required by customers. It keeps a close watch and timely updates the control list accordingly. When a customer requests a list of materials used in a product, WT assists the customer in obtaining relevant lists from the vendors (such as a declaration for non use of prohibited substance, a product composition analysis report, a hazardous substance test report from a third-party testing agency, etc.). All the products sold in 2023 met customers' chemical management requirements, and the vendors making up 95% of WT's purchase amounts declared that they comply with relevant chemical management regulations.

In the future, as soon as the bill of materials is create for a finished product on the system, the relevant competent units will be notified to obtain relevant information of the materials from their respective vendors (such as product composition analysis report, hazardous substance testing report from a third-party testing agency, etc.). This could prevent repeatedly processing requests from different customers for the same product and enable timely provision of information.

List of substances of concern regulations



Tracking and requiring vendors to use materials sourced from 100% conformant smelters as a humanitarian effort

The international community has been concerned about conflict minerals from areas involving human rights abuses. In response, WT released its conflict minerals policies in line with the universal value of a humanitarian supply chain on its official website in 2023, requiring all vendors purchase materials in compliance with international regulations relating to responsible minerals. WT continuously tracks whether vendors' products contain substances involving conflict minerals, including gold (Au), tantalum (Ta), tin (Sn), tungsten (W), etc. WT keeps updated on information relating to qualified smelters by requiring vendors to provide information based on the Conflict Minerals Reporting Template (CMRT).



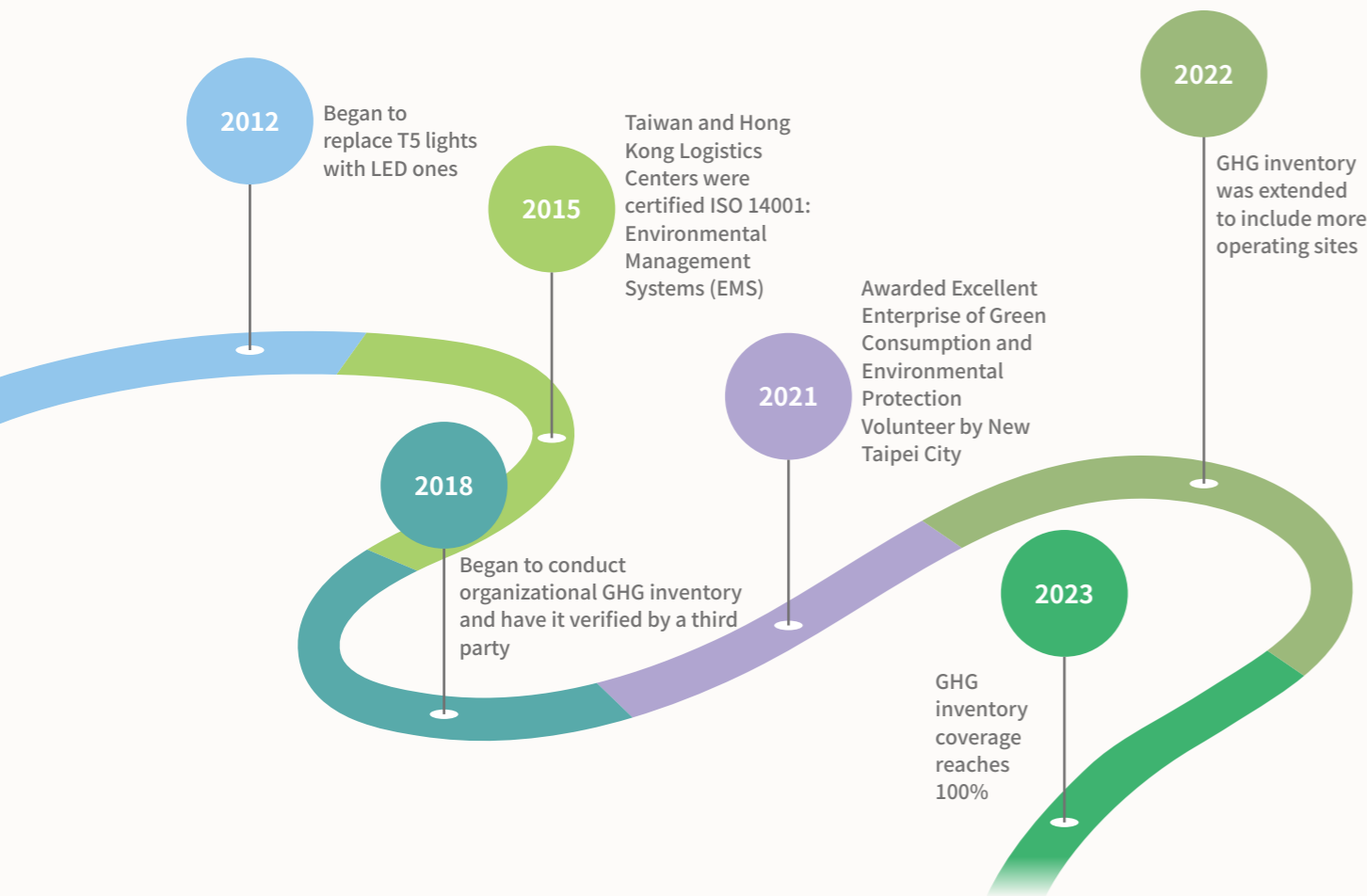
As of the end of 2023, all the vendors making up 95% of WT's purchase amounts have published their non-use conflict minerals policies on their official websites, annual report, or sustainability report. In 2023, the Taiwan headquarters was requested by customers to provide a **total of 1,934** conflict mineral investigation results, **100%** of which were in compliance with conflict-free minerals. The investigation results of more operating sites will be compiled as well in 2024.



chapter 5-3 Environmental Management

Being an earth steward and pursuing environmental sustainability

Environment-oriented improvement timeline, 2012-2023



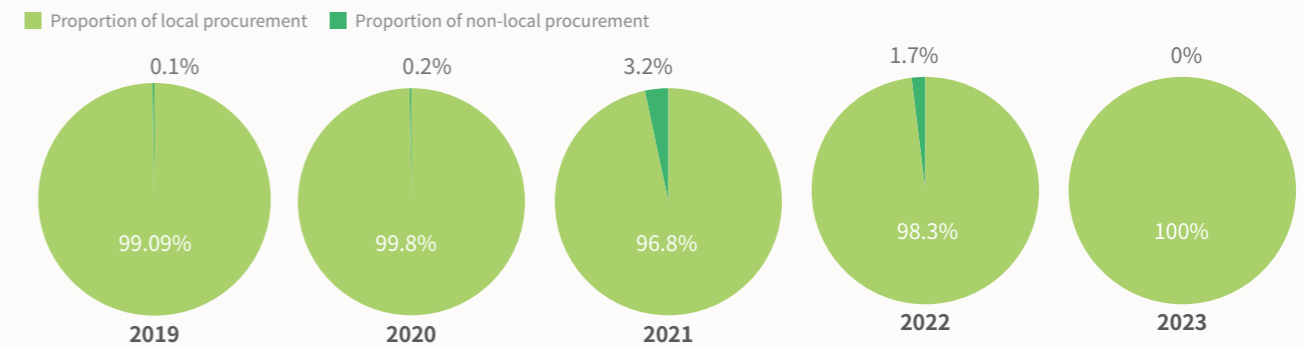
Voluntarily raising carbon reduction standards as the world moves towards energy conservation and carbon reduction

WT has been developing a voluntary GHG inventory since 2018. In 2023, it has completed the GHG inventory of all operating locations of all subsidiaries included in the consolidated financial statements with 100% inventory coverage, and will complete a third-party verification of locations where operate WT's companies and Taiwan subsidiaries included the consolidated statements, with 45% verification coverage, by 2027 at the latest.

Local procurement accounted for 100% of general supplies spending in 2023.

As WT purchases products from global IC giants (known as its vendors) to meet customers' requirement, its management of local procurement issues focuses on general supplies and excludes transactions with the vendors. According to statistics in 2023, procurement from Taiwanese suppliers accounted for 100% of the Taiwan headquarters' spending on general supplies including office supplies, information equipment, and logistics center procurement, 1.7% up relative to 2022.

Proportion of local procurement, 2019-2023



Note: In the 2023 statistics on the general procurement amount of the Taiwan headquarters, a local Taiwanese supplier refers to a company registered in Taiwan. The information of overseas sites is not yet systematically collected. There is a plan to compile such information, and more procurement information of other operating sites will be disclosed in the future.

Purchasing green-labeled products whenever possible and spending NT\$16.44 million on green procurement

WT gives priority to green-label products when purchasing general supplies, and has won the Performance Excellence Award for Promoting Green Procurement Plans for Private Enterprises and Groups from the New Taipei City Environmental Protection Department for four consecutive years. The total green procurement spending was NT\$16.44 million in the 2023 reports, achieving an annual growth rate of 5% for two consecutive years. A target has been set to reach an annual growth rate of 5% in the coming years. Being a committed green consumer, WT purchases eco-friendly products that are recyclable, causing minimal pollution, and using minimal natural resources whenever possible. For example, a total of NT\$10.66 million was spent on purchasing eco-labelled notebook computers from China and overseas.



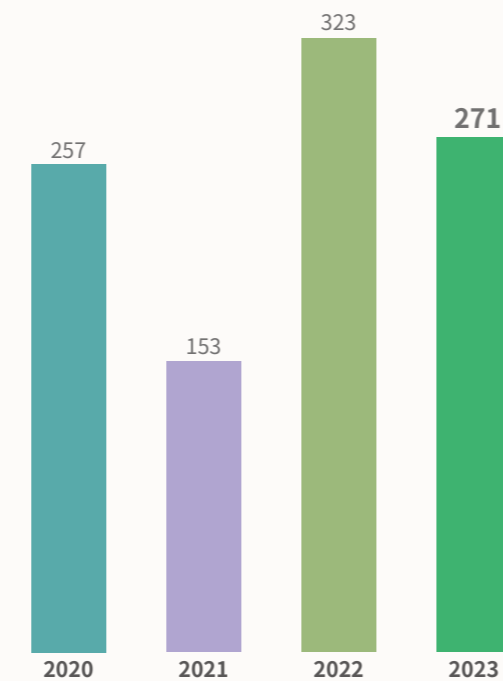
In 2023, WT was awarded the Excellent Enterprise of Green Consumption and Environmental Protection Volunteer by New Taipei City

Environmental management spending has been increased over the years

WT has been voluntarily developing GHG inventory for many years. In addition to third party verification, the inventory has been extended to include more operating sites over the years for a more comprehensive scope and a more reliable dataset. Additional environmental management training sessions are also conducted to enhance everyone's sustainability awareness. In 2023, the Taiwan headquarters spent NT\$2.71 million in related management systems, training and activities. See below for courses held in 2023.

Course title	Duration (in hours)	Attendance (in persons)
Challenges and opportunities for businesses in the net-zero era	3	102
TCFD sustainability risk impact - financial assessment	1	28
Corporate carbon reduction and net-zero strategic planning	8	1
GHG professional certification course	59	2
Introduction to TCFD and climate-related financial disclosure practices in Taiwan	0.9	12
What is a SASB Standard?	0.5	9
Can the world rely on carbon pricing to cut carbon emissions? Analyzing the past and present of carbon tax and carbon trading	0.8	15
What you must know about the EU Carbon Border Adjustment Mechanism (CBAM)	0.1	17
Do companies implement TCFD?	0.35	13

Environmental Spending (in NTD10,000)



Much attention has been paid to climate change and proactive effort made to protect the environment

WT continues to participate in activities such as community greening, ecological protection, recycling and reuse, and sharing of old objects. Since 2023, it adopts Shimen Baisha Bay, Kite Park, and Laomei Lushicao Beach on the north coast of New Taipei City, and calls on employees to join the Company's monthly beach cleanups, during which knowledge may be disseminated with increased interactions. Starting from beach cleanups, WT went further to remind employees not to litter, and encourage sorting at office and home, etc. In 2023, a total of 499 person-times participated in the beach clean-ups, removing 2,763 kilograms of debris from the beaches.

In the beginning, employees took their children to the clean-ups out of curiosity. After cleaning different beaches and accomplish various tasks month after month, the participants gradually fell in love with the ocean. They not only regularly attend the monthly clean-ups, but also rise to the debris weight challenges. In addition to the three beaches in Shimen District in New Taipei City, WT will adopt a fourth beach, Chungchiao Shachu Bay, and make some adjustment to the beach clean-up activities in 2024.



chapter 5-4

Response to Climate Change

Proactively managing climate change to turn crises into opportunities

Climate change is an issue that needs the world to face together, no matter who. As a distributor in the semiconductor sector, WT has operating sites, partners, collaborators, and vendors all over the world and they are all subject to impacts of climate change. WT's management understands the potential impact of climate change on its operations and long-term development. Since 2021, it has been promoting relevant management mechanisms and operations, formulating policies and goals, and investing resources in assessment and research on transition plans. In the future, it will continue to track the achievement of goals, and take a more aggressive course of action accordingly.

Climate change governance and architecture

Board of Directors

The Board, as WT's highest decision-making body for climate change risk management, is responsible for approving relevant risk management measures, tracking the implementation of climate-related risk management, giving guidance to and making decisions on response plans, and supervising the implementation results of the plans and the achievement of goals.

Sustainable Development Committee

The Committee, as a functional committee composed of directors and independent directors, regularly reports to the Board of Directors the results of climate change risk and opportunity assessments, and guides the implementation of climate risk and opportunity management.

Climate Change Risk Management Task Force

The Task Force, composed of Chief Sustainability Officer, Chief Financial Officer, head of investor relations, and other senior executives in the sustainable management team, coordinates and plans risk management procedures including risk and opportunity identification, response plan planning, regularly checks on implementation results, and complies the Climate Change Risk Management Report.

Functional / business units

Functional and business units regularly assess and analyze climate change risks and opportunities, plan and implement response plans, and regularly report on implementation results and performance.

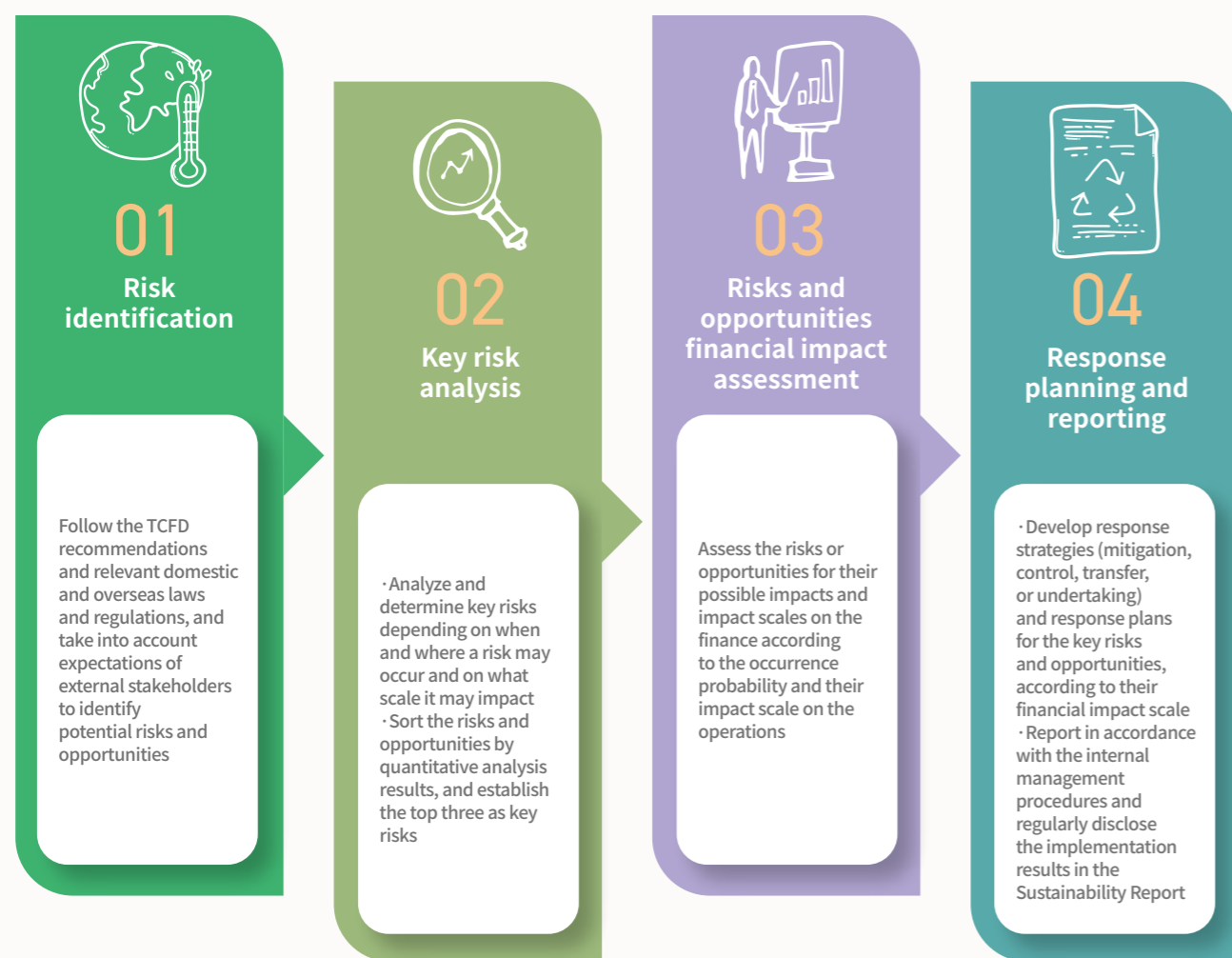
The Climate Change Risk Management Task Force convened two meetings since the fourth quarter of 2023, inviting functional and business units to identify risks and opportunities, assess financial impacts, and discuss response plans. The evaluation and planning results will be included in the operational promotion plans of relevant units and reported quarterly to the Risk Management Committee and the Board of Directors as a reference for governance.



Incorporating regular assessments and response strategy development into risk management mechanism

Climate-related risk assessment has been integrated into the existing risk management mechanism and regularly conducted by the Climate Change Risk Management Task Force. WT will continue to follow the climate change risk management process to identify risks and opportunities, evaluate response strategies, and conduct regular internal and external reports.

Climate Change Risk and Management Process



Scenario analysis of climate change risks

As WT does not operate in a sector with intensive or high carbon emissions, the impact of climate change is mainly on its value chain, including the transition pressure on the vendors and customers, and potential physical risks during the transport. In order to understand the impact of these transitional and physical risks on WT's operations, WT uses scenario analysis to identify risks and opportunities. The assessment results are used for response plan development by relevant units, and for daily operation adjustment. The Board is briefed on a quarterly basis the GHG inventory and verification schedule planning progress for the parent company and subsidiaries, and requested to determine the guidelines.

Therefore, WT conducts the annual climate change risk assessment based on the SSP5-8.5 scenario for physical risk, the national target scenario for transitional risk, as well as information such as changes in laws and regulations, physical external environment, and issues of concern for sustainability assessments.

A climate change risks review identified three key risks and two opportunities

In 2023, WT reviewed the risks and opportunities identified and ranked in 2021 and selected items that may have an impact in the short term (1 to 3 years) based on the implementation benefits. After understanding their current implementation status, WT re-evaluated the impact scale and financial impact, and identified three key risks that require continued attention and two major opportunities.

Three major climate change risk factors

Risk	Impact Scope	Financial Impacts	Response Strategies and Solutions
Increased severity and frequency of extreme weather events (typhoons, heavy rains, etc.)	Directly on the operations	<ul style="list-style-type: none"> Reduced asset value Reduced useful life of assets <p>Note: A financial impact of up to NT\$ 26 million could be possible, based on the assumptions and calculation factors set internally by WT.</p>	<p>Short-term: Follow meteorological information in real time, plan corresponding prevention and response measures against different natural disasters, and maintain full communication with the park's management center;</p> <p>Mid-term: Purchase property insurance focus on transferring and diversifying risks, and continuously evaluate the locations of important facilities that need to be installed in areas that are less affected by climate;</p> <p>Long-term: Assess climate change factors (such as flood resistance, earthquake resistance) when selecting new or relocating operating sites.</p>
Extremely high temperature	Directly on the operations	<ul style="list-style-type: none"> Increased operating expenses <p>Note: A financial impact of more than NT\$ 1.08 million per year could be possible, based on the assumptions and calculation factors set internally by WT.</p>	<p>Short-term: Give priority to products with energy-saving labels and install energy-saving facilities whenever possible, including office air conditioning, electrical appliances, office machines, and regularly review the energy-saving performance of each unit, continue to promote energy-saving awareness through various activities, translate knowledge into employees' practice in order to reduce energy dependence;</p> <p>Mid-term: Continue to check whether the replacement plan is in line with the latest trends to ensure that the energy efficiency of the replacement meets expectations;</p> <p>Long-term: Establish reliable energy supply strategies, including seeking alternatives and developing renewables.</p>
Supply chain transportation affected by extreme weather events	Directly on the operations, vendors, customers	<ul style="list-style-type: none"> Increased capital cost <p>Note: A financial impact of more than NT\$220,000 per day could be possible, based on the assumptions and calculation factors set internally by WT.</p>	Strengthen communication with customers, including information exchange on climate change-related impacts, to mitigate the impact of supply chain transportation.

Note: Short-term 1-3 years, mid-term 3-5 years, long-term 5 years and more

Two major climate change opportunities

Opportunity	Financial Impacts	Response Strategies and Solutions
Reduced capital cost	<ul style="list-style-type: none"> Reduced operating costs 	Continue to pay attention to the sustainability indicators related to the organization and the performance of the organization related sustainability indicators; actively communicate with financial institutions on green financing conditions.
Developed/expanded low-carbon products or services	<ul style="list-style-type: none"> Increased product demand and revenue 	<p>Short-term: Plan product applications, analyze classifications, and define low-carbon products;</p> <p>Mid-term: Keep track of vendors' technical application capabilities, and improve the ability to support vendors' low-carbon products;</p> <p>Long-term: Promote low-carbon products to customers to increase the proportion of low-carbon product sales.</p>

Respond to international trends and national goals and formulate three major indicators and goals

In response to international trends and Taiwan's 2050 net-zero goal, WT set climate change indicators and goals in three aspects: governance and strategy, operations, and GHG reduction.

Aspect	Indicator	Target		
		Short-term	Mid-term	Long-term
Governance and strategy	Linking Executive Compensation to ESG Performance	The remuneration of directors and managers is determined and reviewed in accordance with the Procedures for Remuneration of Directors and Functional Committee Members and the Procedures for Remuneration for Managers as necessary to strike a balance between sustainable management and risk control.		
	Internal carbon pricing	Implementation plans are made to evaluate and roll out internal carbon prices.		
	Implementation of climate change risk management	Risks and opportunities are assessed, analyzed and reported every year.		
Operations	Asset insurance rate	20%	40%	100%
	Proportion of energy-saving lights and green-labeled energy-saving electrical appliances	50%	Lights in Taipei HQ are 100% LED Electrical appliances are 80% green energy-saving	Electrical appliances are 100% green energy-saving
	Customer demand forecast	<ul style="list-style-type: none"> Order volume for the next three months are updated monthly. Delivery schedules are updated monthly. Contracts are amended to incorporate climate exclusion clause 		
	Reduced capital cost	<ul style="list-style-type: none"> ESG credit line proportion is increased year by year, achieving 10% in stage one. Mid-term financing is linked to ESG indicators. 	Financial institutions are engaged to formulate ESG indicators suitable for the distribution sector, and further expand the ESG credit line. Relevant ESG indicators are included in WT's sustainable target management.	
GHG emissions	GHG inventory	Inventory of all operating sites are developed (by 2025)	Inventory of all operating sites are verified (by 2027).	
	Total emissions	Down by 3%-5% every year	Scope 1 and 2 emissions down by 50% relative to 2022 by 2035	Net zero carbon emission by 2050



chapter 5-5 Greenhouse Gases

Training professionals and assisting suppliers towards net-zero carbon reduction

In 2023, two employees with practical experience in GHG inventory were appointed to participate in the GHG verification professional certification course, which covers standards such as ISO 14064-1, ISO 14067 and PAS 2060. In addition, a number of administrative supervisors attended a series of corporate carbon reduction and net-zero strategic planning courses and all passed the exam and obtained certificates. They became the Group's internal lecturers to continuously promote GHG inventory and carbon reduction plans. It is scheduled to invite relevant personnel from suppliers for a meeting in 2024 to promote concepts and knowledge related to net-zero carbon reduction for joint efforts towards net-zero.

An inventory of WT and its subsidiaries included in the consolidated reports is 100% developed, earlier than legally required.

Since 2018, WT has been working on GHG inventory with reference to the Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals (ISO 14064-1) and the GHG inventory protocol. The inventory is verified by a third party to assure its accuracy and reliability every year. A complete inventory of all its individual companies was developed in 2022. With 2022 as the base year, WT is committed to reducing Scopes 1 and 2 GHG emissions by 2% every year, and keeping its management policies updated according to the reduction situation.



Completing **100%** GHG inventory ahead of schedule

In 2023, a complete GHG inventory of the entire Group's Scopes 1 and 2 GHG emissions at all operating sites was 100% developed.

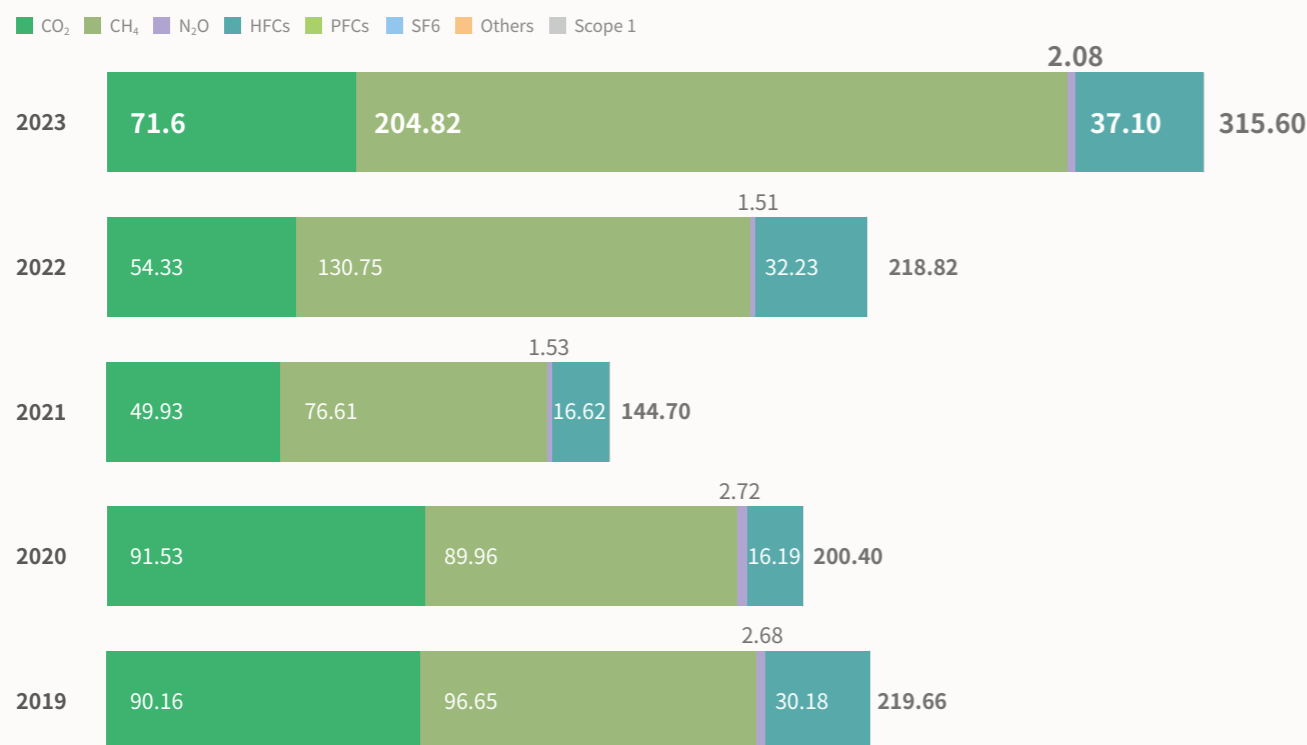
Base on the result of major indirect emission sources identification, indirect GHG emissions from purchased electricity (Category 2: Capital Goods), upstream transportation and distribution (Category 4) and business Travel (Category 3) were included within the boundaries. In addition, the emissions of all the locations where operate WT's companies and Taiwan subsidiaries included the consolidated statements were verified by a third-party in accordance with ISO 14064-1

GHG emission reductions target was met again in 2023

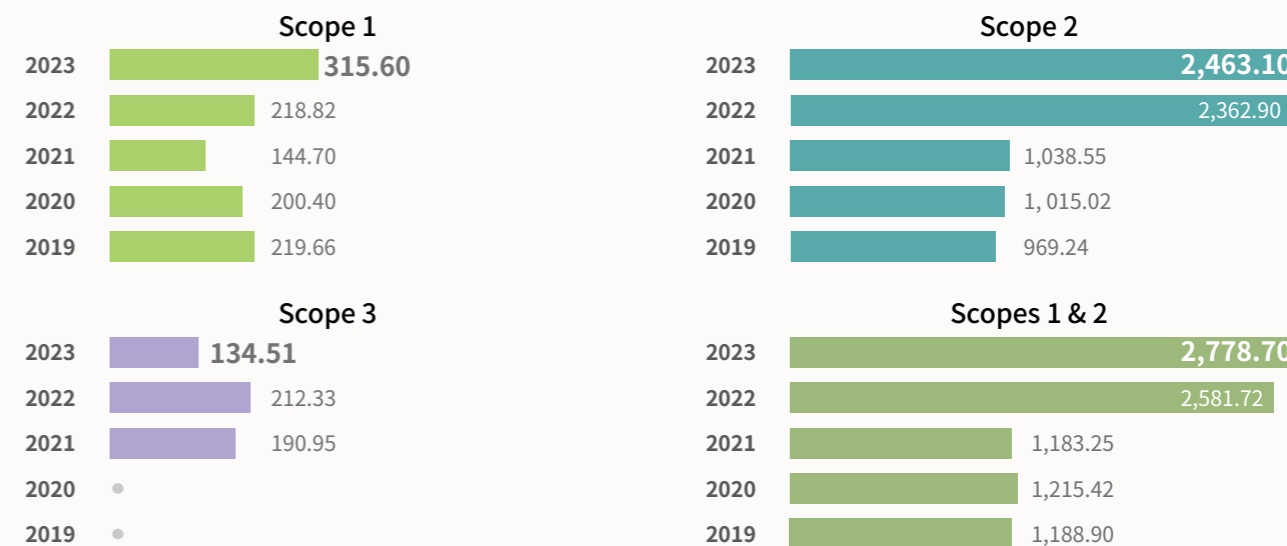
In 2023, WT emitted 3152.10 tonnes CO₂e (using location-based accounting), or 3,147.15 tonnes CO₂e (using market-based accounting). Third-party verified Scopes 1 and 2 GHG emissions was 1,541.94 tons CO₂e, down by 3.49% relative to 2022 (1597.75 tonnes CO₂e), meeting the reduction target of 0.0041 tonnes CO₂e/NTD million.

Total emission amount	Total	Taiwan	Hong Kong	China	South Asia	South Korea	Japan	USA
Category I	315.60	85.30	15.37	152.92	38.41	19.20	4.30	0.10
Category II	2,463.10	1,215.30	204.80	615.00	259.10	108.10	60.60	0.20
Category III	134.51	134.51	-	-	-	-	-	-
Category IV	238.89	238.89	-	-	-	-	-	-
Category V	-	-	-	-	-	-	-	-
Category VI	-	-	-	-	-	-	-	-
Overall	3,152.10	1,674.00	220.17	767.92	297.51	127.30	64.90	0.30

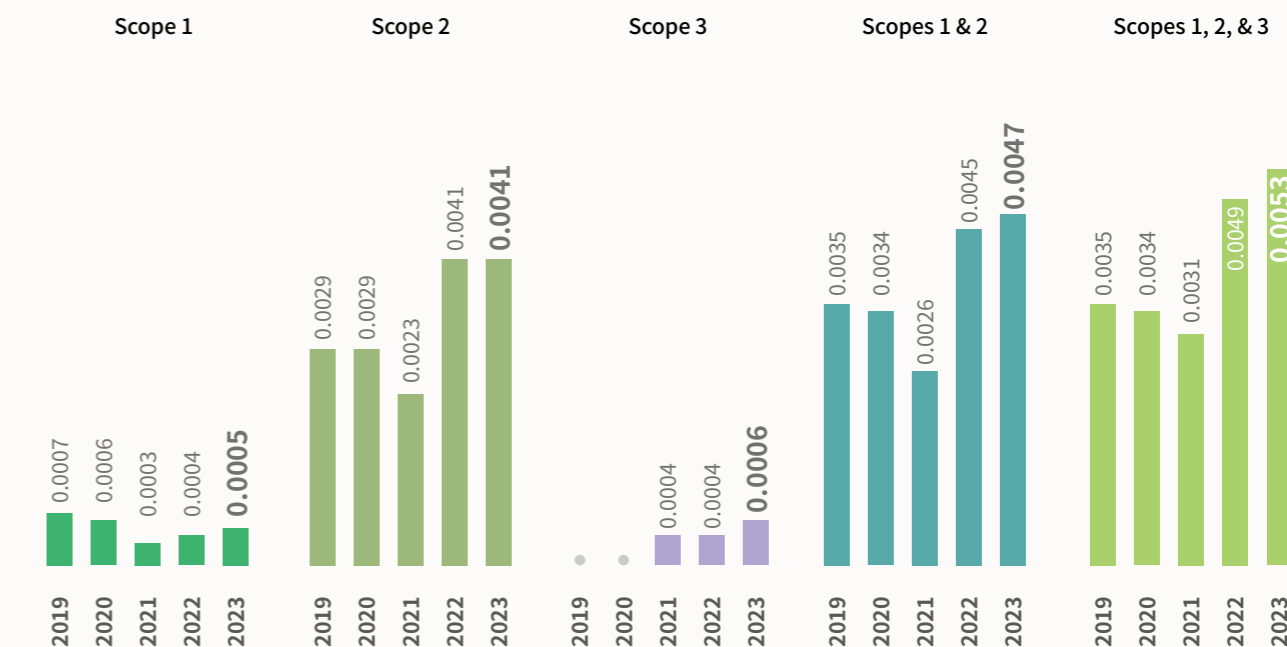
Direct GHG Emissions by Gas, 2019-2023 (in tonnes)



GHG Emissions by Scope, 2019-2023 (in tonnes CO₂e)



GHG Emissions Intensity 2019-2023 (in tonnes CO₂e/sales)

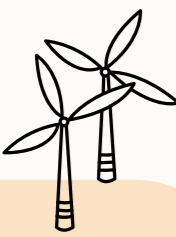


Note 1: See 5-5 GHG Inventory and Verification Situations for organizational boundaries;
 Note 2: The voluntary GHG inventory coverage rate was 100% in 2023;
 Note 3: In 2023, the GHG inventory verification coverage rate was 50% of all locations where operate WT's companies and Taiwan subsidiaries included the consolidated statements. The third-party verified GHG emissions was 1,920.2964 tons CO₂e, using location-based accounting, or 1,915.3464 tons CO₂e, using location-based accounting;
 Note 4: The electricity emission factors used for the calculation were those announced by the electricity business regulators for 2022, which are 0.495 tonnes CO₂e/kWh for Taiwan, 0.3900 tonnes CO₂e/kWh for Hong Kong (GHG intensity of the electricity sold by CLP Hong Kong), and 0.4168 tonnes CO₂e/kWh for Singapore (latest information from the Energy Market Authority, EMA);
 Note 5: The fuel and refrigerant emission factors used for the calculation were informed by the Emission Factor Management Table version 6.0.4, a summary data from the Taiwan Ministry of Environment's study on GHG Emissions;
 Note 6: The global warming potentials (GWP) were taken from the data of the IPCC Sixth Assessment Report in 2021;
 Note 7: The floor area within the inventory boundaries was 22,788 m² in 2018, 23,528 m² in 2019, 23,528 m² in 2020, and 26,740 m² in 2021. In 2022, the floor area within the scope verified by a third party was 40,178 m², and the total floor area within the scope verified by a third party and the voluntary inventory boundaries was 71,460 m². In 2023, the floor area within the scope verified by a third party and the voluntary inventory boundaries was 90,022 m², or 100% of the Group's total floor area.

Energy-saving achievements in the five major aspects in 2023


01 Green energy solution

1. A solar power generation system was installed at the Shanghai offices, which is scheduled to be connected to the grid but mainly for self-use in the first quarter of 2024;
2. The Taiwan headquarters purchased 10,000 kWh of renewable energy certificates and will continue to purchase green power/renewable energy certificates.




02 Energy consumption reduction

1. Timing controllers were installed on devices and in automatic energy-saving mode;
2. On the condition that eye health is not affected, the lights are set to be turned on at intervals or the number of lights reduced. The power supplies are under zonal control;
3. The air-conditioning is set at 26 to 28°C. Fans are used as appropriate. The power supplies are under zonal control;
4. Non-essential lights are automatically turned off during lunch break.




03 Performance enhancement

1. Devices are regularly maintained and replaced with new ones;
2. The Taiwan headquarters replaces 452 T5 lights with LED ones, saving approximately 43,000 kWh every year.



04 Energy saving devices

1. High-energy-efficiency appliances and green-label products are purchased whenever possible;
2. Window coverings are installed;
3. White or light-colored walls and ceilings are chosen whenever possible for increased reflection;
4. Infrared human sensor switches for lighting are installed in less frequented public places.



05 Employee involvement

1. Employees are urged to sort wastes and avoid standby power waste;
2. Employees are to use public transportation or share rides for commuting, business trips and company outings.



chapter 5-6 Energy Management

Continued voluntary purchase of renewables and launch of solar installation plan

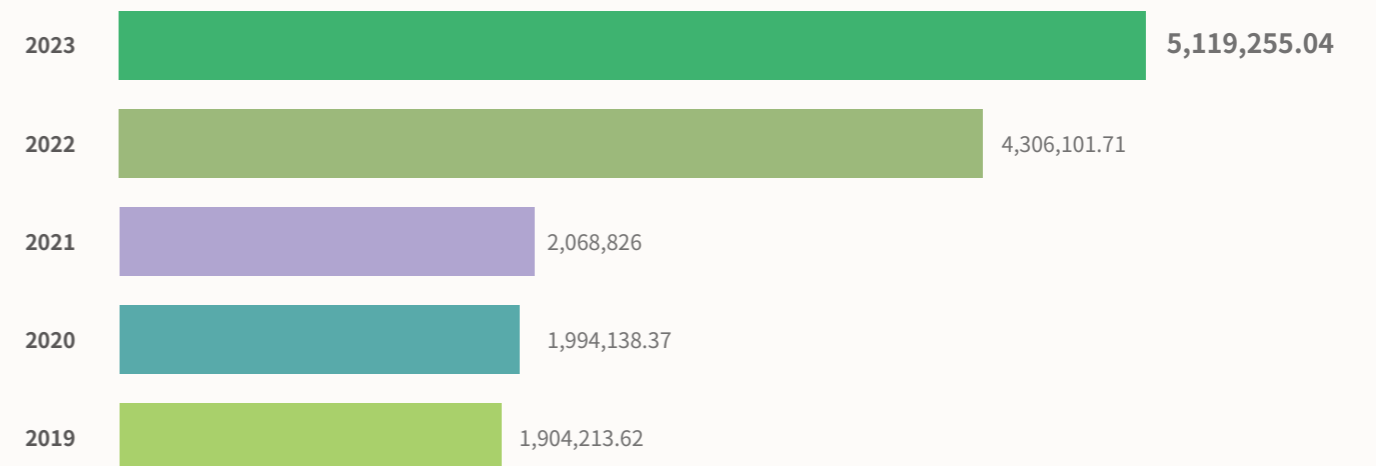
WT's total energy consumption was 19,451 GJ in 2023. The biggest source of energy was non-renewable electricity purchased from power companies, accounting for 94.74% of the total consumption. The total electricity consumption was 18,429.11 GJ in 2023, up 18.88% relative to 2022, as a result of the inventory scope expansion to the entire Group. The others were gasoline and diesel consumed by company fleet, totaling 1,022 GJ in 2023. The total energy consumption increased by 16.34% compared with 2022, as the scope was expanded to the entire Group. However, the intensity measured by floor area decreased by 5.12% relative to 2022.

The Taiwan Ministry of Economic Affairs' plans to achieve 20% renewables in electricity generation matrix by 2025 and the Paris Agreement pursues efforts to keep the temperature rise under control. In response, despite not being a major electricity consumer or carbon emitter subject to prioritized control, WT purchased 10,000 kWh of renewable energy certificates in 2023 to understand Taiwan's renewable energy procurement process. The renewables make up 0.41% of the consumption in Taiwan, and a 100 KW solar system was installed in the Shanghai offices (completed in Q1 2024) to generate electricity mainly for self-use. WT will continue to conduct feasibility assessments on green power generation, green electricity purchase, and renewable energy certificates, in order to gradually increase the proportion of renewable energy usage.

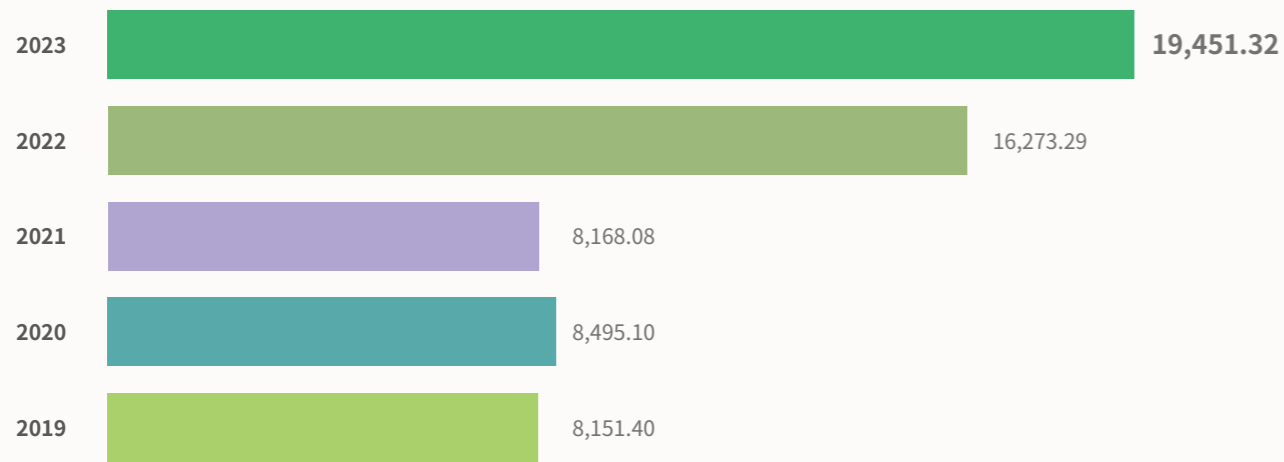
Motor gasoline and diesel consumption (in liter)
Energy consumption (raw data), 2019-2023

Energy consumption raw data	Energy source	2019	2020	2021	2022	2023
Non-renewable fuel	Motor gasoline	37,766.00	38,444.59	22,063.51	18,788.63	27,060.01
	Diesel	1,797.95	1,735.89	-	4,494.37	3,944.00

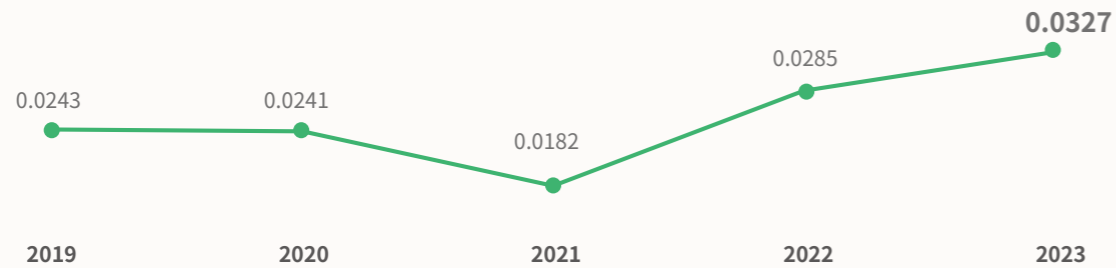
Annual Electricity Consumption, 2019-2023 (in kWh)



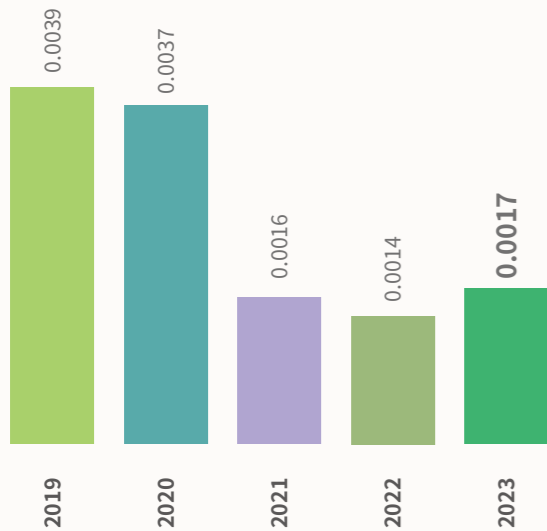
Overall Energy Consumption, 2019-2023 (in GJ)



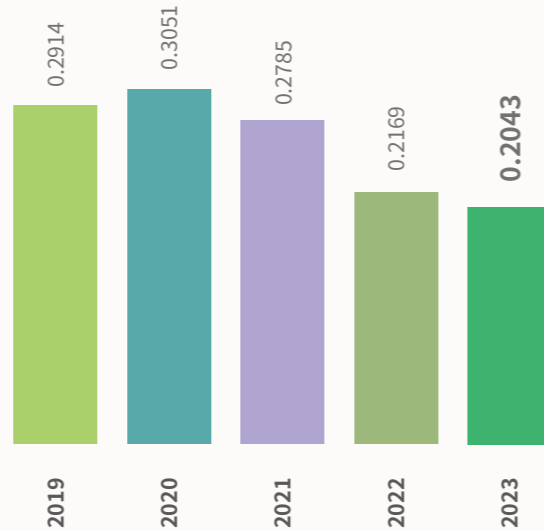
Energy Consumption Intensity, 2019-2023 (in GJ/million NTD-revenue)



Fuel Consumption Intensity, 2019-2023 (in GJ/million NTD-revenue)



Electricity Consumption Intensity, 2019-2023 (in GJ/m²)



Note 1: See 5-5 GHG Inventory and Verification Situations for organizational boundaries;
 Note 2: The electricity data were taken from the electricity bills of each bases, and the gasoline and diesel data were taken from the record on the CPC Electronic Billing and Collection System (EBCS) and the fuel invoices;
 Note 3: The thermal conversion factor for electricity: 1 kWh purchased electricity = 0.0036 GJ;
 Note 4: The thermal conversion factors for fuel are the heating values from the Heat Content of Energy Products Table in the Annual Energy Report of the Bureau of Energy, MOEA, which are 1 liter of motor gasoline = 7,800 kcal, and 1 liter of diesel = 8,400 kcal;
 Note 5: 1 kcal = 4,186 joules;
 Note 6: The intensity was measured by floor area, see Note 7 to GHG Emissions Intensity.



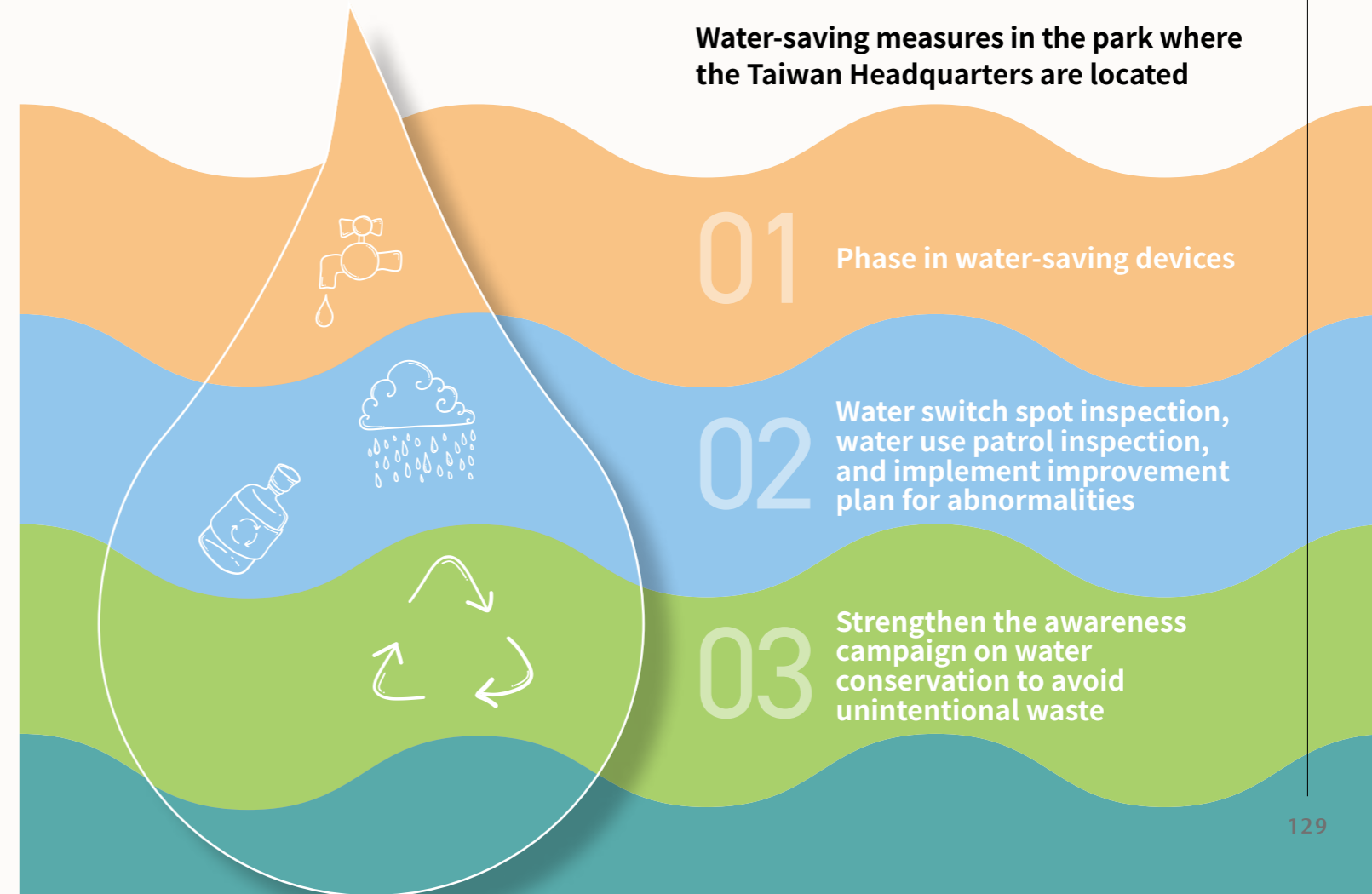
chapter 5-7 Water Resources Management

Continuously raising awareness and implementing water conservation measures

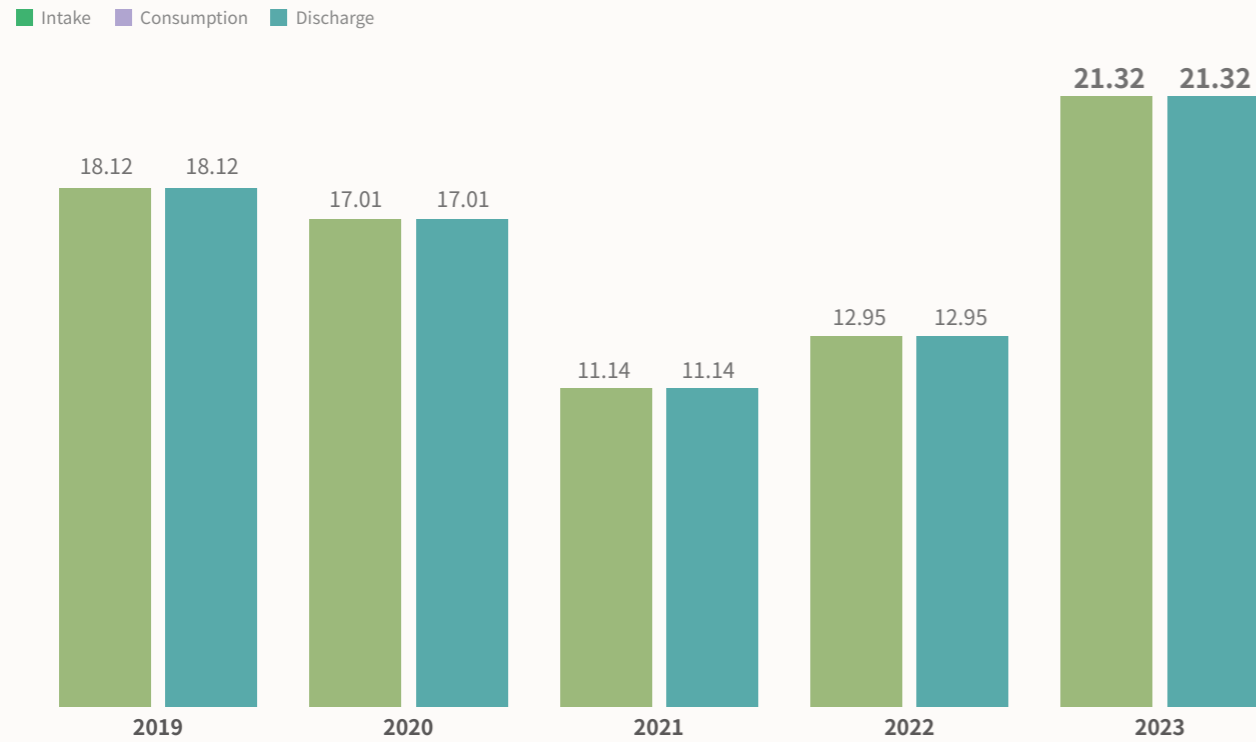
The water intake at WT's operating sites are mainly used for circulated water of air conditioners and daily-life water consumed by employees in office and storage areas. The water is entirely sourced from the local water companies (fresh water) where each operating base is located, with no significant impact on water resources and the ecological environment of water source areas.

In order to ensure drinking water safety for employees, the water dispenser filters are replaced every month to effectively remove harmful substances in the water. Taiwan SGS is commissioned to regularly test the water every year to ensure safe and healthy water quality. The water consumption is mainly contributed by the evaporation and drift losses from air-conditioners and the water drunken by employees, and there is no effective tool available to measure them. The water discharge is solely made up of water used by employees in the daily life and is discharged into local public sewage systems through the sewage pipes of the building. An assessment conducted by WT following the Water Risk Atlas of the World Resources Institute (WRI) found that the operating sites in Taiwan, Hong Kong, and Singapore are not in areas with water stress (high or extremely high). The total water intake was 21.32 million liters in 2023, an increase of 8.37 million liters from 2022, due to the expansion of statistical scope.

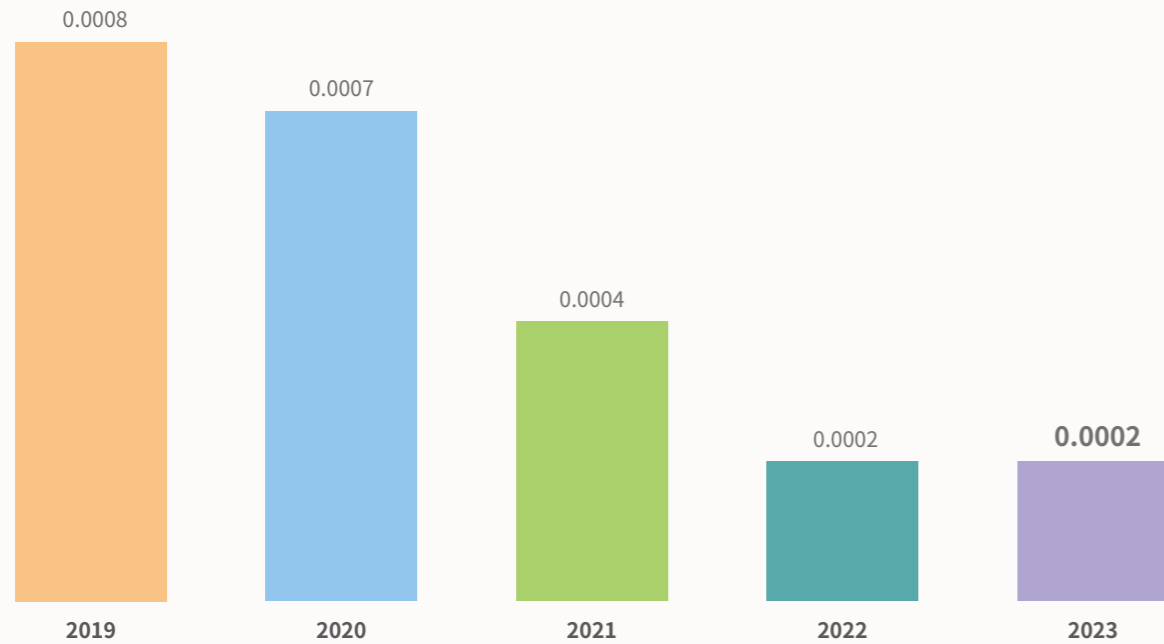
Water-saving measures in the park where the Taiwan Headquarters are located



Overview of Water Resource Management, 2019-2023 (in ML)



Water Resource Intake/Discharge Intensity, 2019-2023



Note 1: The statistics in 2023 covers all operating sites in Taiwan, Hong Kong, China and South Korea. The water bills of some offices are included in the management fee and are not paid separately. It is therefore impossible to measure the actual water consumption in a reasonable way. As it accounts for a very low proportion of the total water intake, it was not included in the report. Among them, the water intake at the Chunggho Headquarters in Taiwan was third-party verified to be 11.49 million liters, an increase of 8% from 2022 due to a cooling water tower refurbishment project in 2023 that required discharging a large amount of water;

Note 2: For better-informed water resources management, since 2021, the water intake amount has been taken directly from the statement on the water bills, while before 2020, an estimate was made based on water charges and unit prices;

Note 3: The water consumption includes the evaporation and drift losses from air-conditioners and the water drunken by employees. The amount is relatively insignificant, and there is no effective tool available to measure. The water discharge is solely made up of water used in the daily life and is discharged directly from the office building to public sewage systems. There is no tools to measure the actual discharge amount, either. Therefore, the discharge amount is an estimate based on the intake amount in this report.



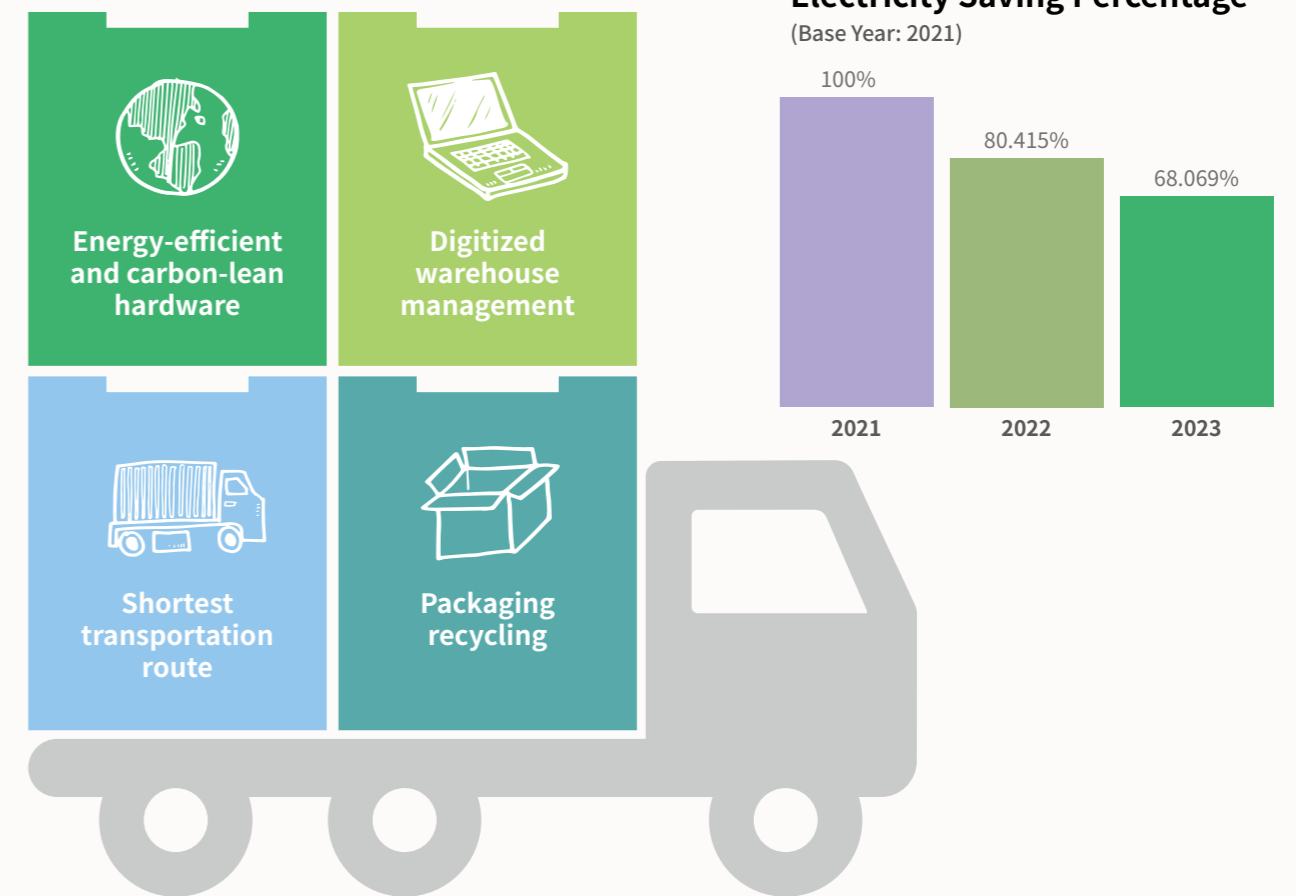
chapter 5-8 Green Logistics

Improving logistics operations and implementing green transportation

As logistics operations is its most important operational activity besides integrated product sales and services, WT implements the low-carbon internal logistics operation strategy through four major logistics operation improvements. In addition, with regard to the transportation carbon reduction emissions strategy, it has also begun to evaluate the feasibility of green transportation.

Updating warehouse equipment to improve energy efficiency

As 3C products must be stored in a constant temperature and humidity environment to maintain their quality and performance, a 3C product warehouse must be equipped with appliances such as air conditioners, dehumidifiers, etc. WT continues to introduce and connect intelligent temperature and humidity monitors to AC controllers to reduce energy consumption.



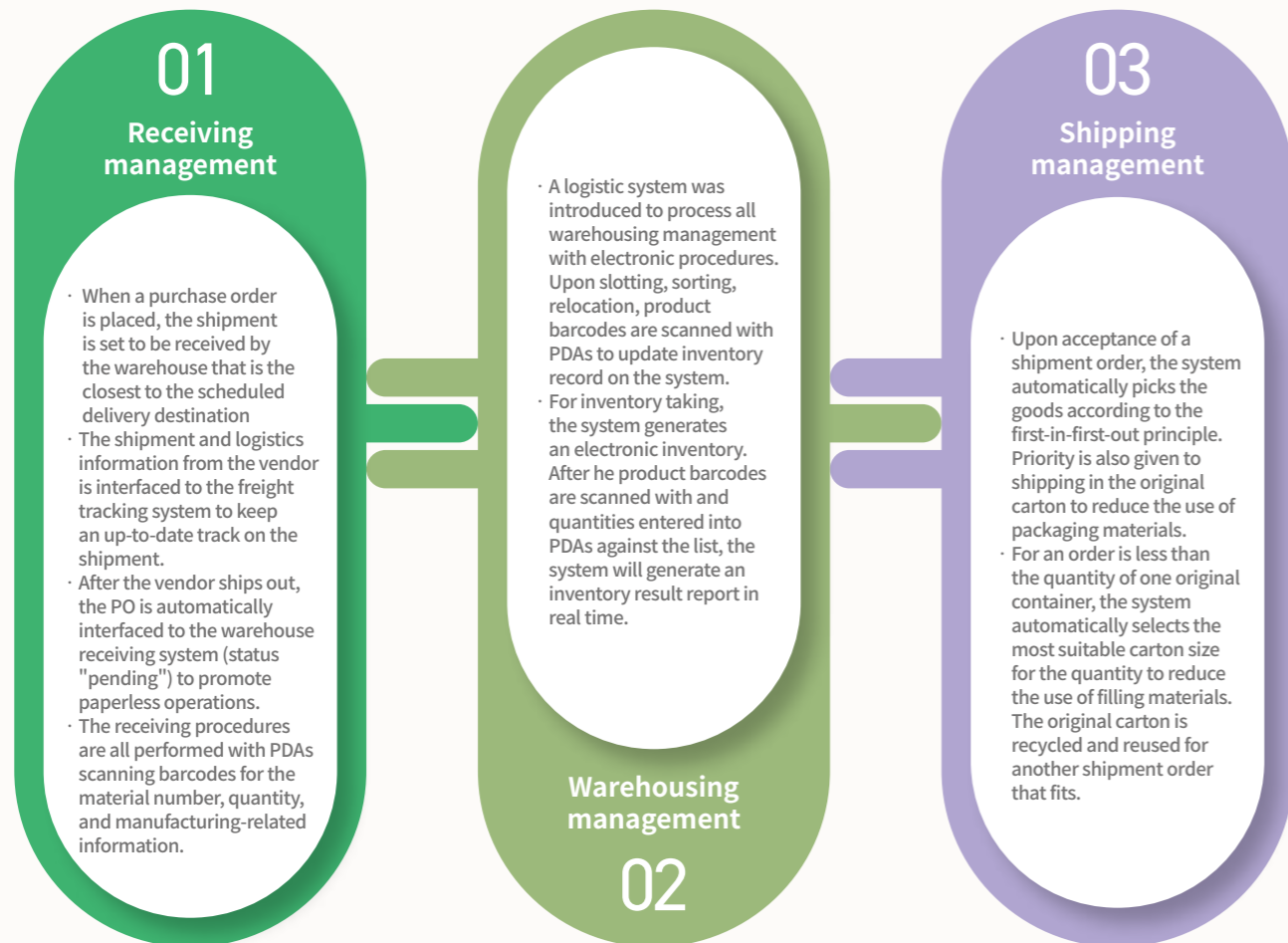


Introducing automatic warehousing to achieve unmanned operation and reduce electricity bills

In May 2021, the Hong Kong Logistics Center was relocated and opted for a chiller plant instead of air conditioners in the new facilities. As of 2023, its electricity consumption was reduced by 31.93% relative to 2021. In May 2023, the Singapore Logistics Center adopted the concept of dark warehouse and automated the operations. Lighting is no longer required, as human input is normally not required in the storage area. Its total electricity consumption from May to December 2023 was already 13.50% lower than that of the same period in 2022, and its electricity bill for the whole year of 2023 was 11% lower.

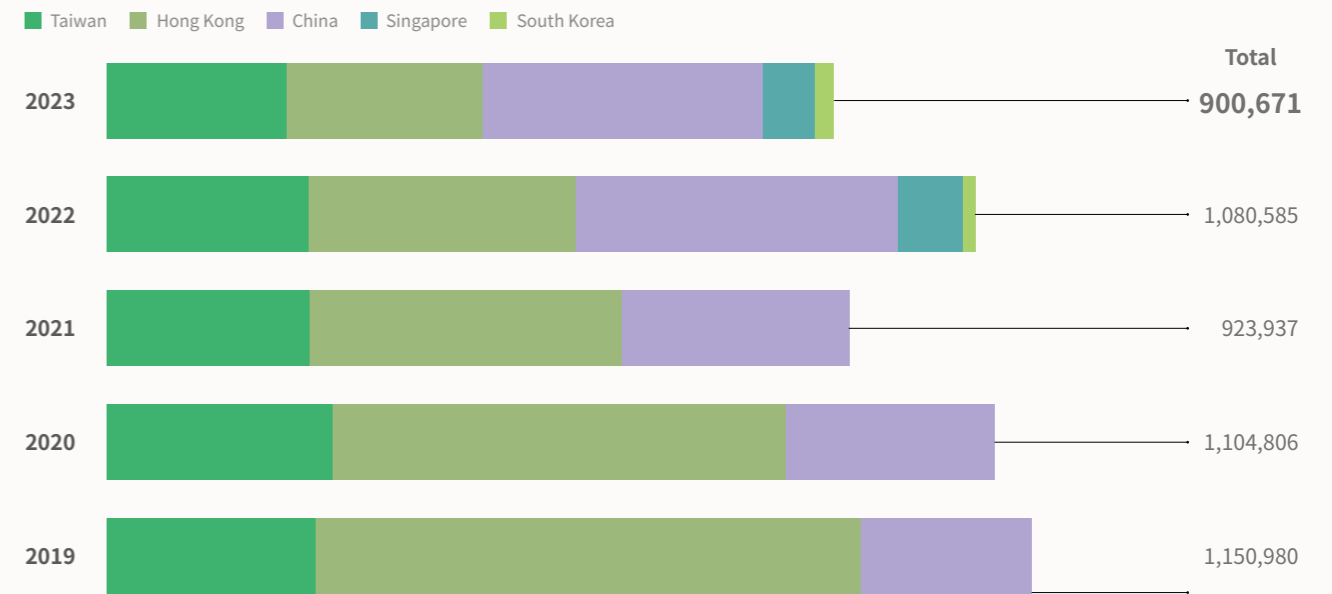
Introducing advanced electronic systems for comprehensive paperless inventory management

WT has five logistics centers, located in Taiwan, Hong Kong, Shenzhen, Singapore, and South Korea. When a purchase order is placed, the shortest footprint across the supply chain as well as the respective demand and inventory of these locations are taken into account by the system to determine and designate a logistic center for the vendors to ship to. An advanced logistics system has been deployed to all the logistics centers to achieve paperless electronic operations, while handheld devices are used to scan product and storage placement barcodes for all warehouse handling including receiving, shipment, and relocation. Accounting and location is updated in real-time by the system, replacing the significant amount of paperwork that it used to involve.



Reduced paper consumption for receiving and shipping procedures at logistic centers, 2019-2023 (in number of sheets)

An average of about 1.08 million sheets of A4-size paper are saved every year

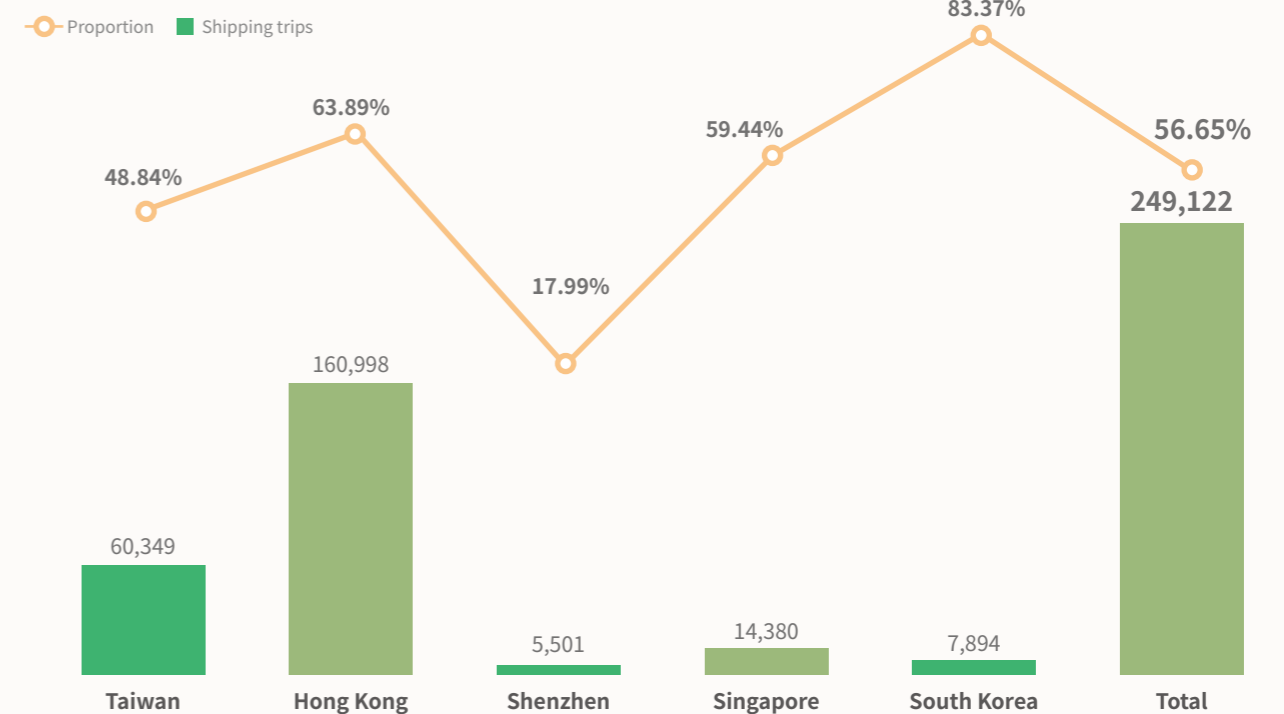


Note: No statistics for Singapore and South Korea until 2022

Largely cutting paper use by shipment consolidation and electronic procedures

In addition to requiring vendors to ship goods to designated logistics centers, WT also works with customers to consolidate purchase orders for shipment whenever possible to minimize transportation trips and carbon mileage. In 2023, order consolidation reduced the number of shipments by nearly 250,000, or 56.65%. Among them, the Shenzhen logistics center serves a relatively small number of customers and thus has difficulties in consolidating shipment orders.

Reduced shipment trips and proportion due to consolidation in 2023



Buying less new cartons and filling materials by reusing packaging cartons

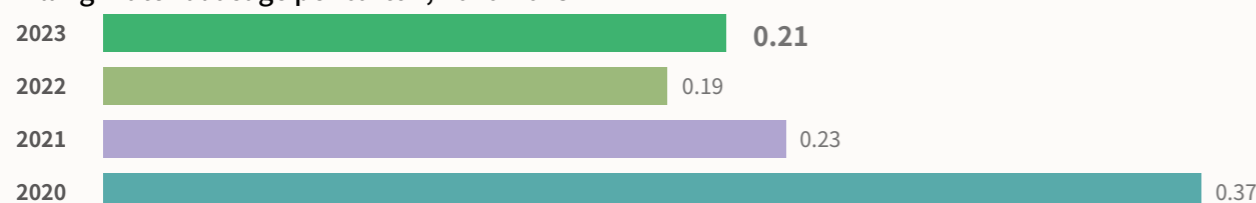
Through the integrated management of sales orders and purchase orders, some received products can be shipped out in full boxes. They will be put into storage in their original packaging without unpacking. No waste will be generated. If repackaging is necessary, the removed cartons and all the fillers within will be collected upon receiving process. The cartons will be classified as "eco-friendly cartons" for reuse. For shipment packaging, recycled cartons will be used whenever possible to reduce the use of new cartons. The fillers used to protect the products in the cartons are made of bio-degradable materials.

In 2020, Taiwan and Hong Kong began to keep track of the amount of fillers used (in meters). An average of 0.21 meters of fillers were used per carton in 2023, down by 43.24% from 2020. The unit usage in 2023 increased slightly from 2022, because a new standard packaging and filling procedure was introduced to meet customers' request for better product protection. Singapore and South Korea Logistics Centers do not purchase fillers, as the goods received at the two locations are shipped out in full boxes to single customers, and do not require repackaging.

Filling material usage per carton (in meters/carton)

Using less and less fillers over the years

Filling material usage per carton, 2020-2023

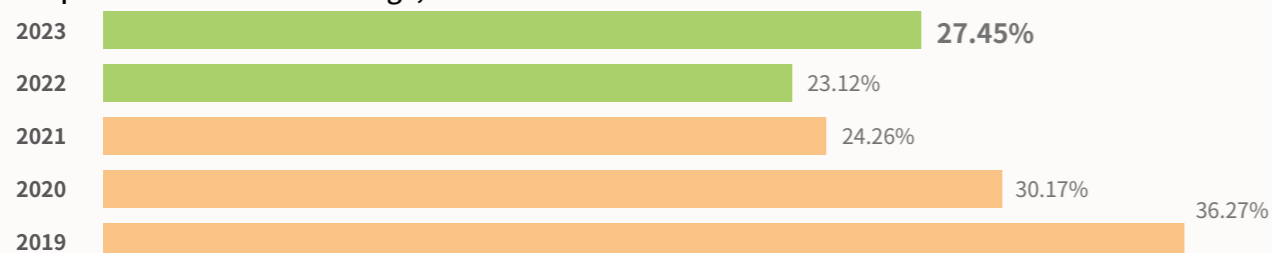


WT continues to cut down on packaging materials with efforts including using paper pallets whenever possible for loading products in warehouses and shipments, reducing the usage of fillers, and always using renewable packaging materials for logistics operations. Newly purchased cartons also adopt the principle of minimal printing, with only stacking and transportation precautions marked and no additional graphic or text printed. In 2023, the use of recycled cartons for packaging and shipment in original boxes reduced the use of new cartons by 72.55%, or reduced CO₂ emission by 1,398 tonnes based on a new carton's carbon footprint.

Proportion of new carton usage, 2019-2023

In 2023, the proportion of new cartons usage in shipments decreased by 8.82% from 2019, but increased slightly by 4.33% from the previous year.

Proportion of new carton usage, 2019-2023



There are two causes of the slight increase in the use of new cartons in 2023: 1) For inventory level control reasons, the logistics centers scrapped some sample products that were no longer needed. Most of them were in small electrostatic bags and needed to be put into boxes; 2) Customers placed consolidated orders more often in 2023, resulting in the need to unpack and repackage goods purchased from vendors, and the increase in carton consumption from previous years.



chapter 5-9 Waste Reduction

Promoting three major waste reduction policies: waste sorting, recycling, and reusing packaging materials

WT is committed to source reduction and recycling, and selects qualified suppliers to properly dispose the waste. The waste generated during WT's operation is mainly made up of operational waste, daily-life waste discarded by employees, and redundant sample ICs in the offices, and cartons, paper boards, fillers and waste left from carton sealing at the logistics centers.

WT has been proactively making sustainability efforts. It plans to optimize and transform internal meeting setups to meet the prerequisite of being eco-friendly and beneficial for sustainability. Meetings will be plastic-free and disposable-free. In principle, no disposable tableware or plastic bags will be used. Meeting venues will be decorated with artificial flowers as they are more reusable, and bottled water will be replaced with glasses towards the ultimate goal of plastic-free meetings. In addition, the offices will buy less and less single-use consumables for daily operations and use durable recyclable products whenever possible. Waste reduction and carbon reduction awareness campaign for employees will be intensified, and waste sorting and recycling measures implemented to achieve the goal of waste reduction.

As of the end of 2023, no hazardous waste is generated. Among the non-hazardous waste, the recyclables are collected and reused, while the non-recyclables are incinerated with energy recovery. No waste is land-filled. The total amount of waste was 132.56 tons, down 17.90 tons or 11.90% relative to 2022. Daily-life waste has decreased over the years, mainly as a result of effective waste reduction and sorting practices.

Waste reduction strategies

01

Source reduction

Continue to promote source reduction, and evaluate the implementation of waste minimization and action plans.

02

Circular economy

Work with facilities management committees to strengthen waste recycling management and reuse more

03

Waste management rules

Implement rules to regulate waste management, improve environmental sanitation and prevent secondary pollution.

Waste generated by WT Taiwan, Hong Kong and Singapore Logistics Centers, 2022-2023

Category	Sort	Disposal method	2022	2023
Non-hazardous	Recyclables	Recycling (in ton)	6.85	7.09
	Non-recyclables	Incineration (with energy recovery)	143.61	125.47
Total			150.46	132.56

Note 1: Statistics of logistics centers in Taiwan, Hong Kong and Singapore;
 Note 2: For a more effective waste management, the (non-hazardous) recyclables refer to wastes such as wet pulping, iron and aluminum cans, plastics (cans), scrapped IC, scrapped hard drives, office equipment, and cartons, while the non-recyclables refer to daily-life waste. The statistics were based on the weights taken by qualified service providers, and the waste was ensured to be properly disposed of by waste treatment companies.

Chapter
5-10

Giving
Back
to the
Society



A key partner in Transform Education in rural Taiwan -
WT Technology & WT Education Foundation

The seed sown at Zheng-Min Elementary School in Yunlin seven years ago
has grown into a tree that opens up a blue sky for Taiwan's education.

No smoke without fire - a major
facilitator for change in education

It was hard to imagine that a pandemic could have turned education settings from a lively classroom of 20 students to an awkward virtual session. The education model is changing and has changed. Thoughts have been given to how to adapt to constant changes, and how to strike a balance between growth and environmental protect to achieve sustainable development. The pandemic brought rapid changes to the world, to businesses, and to education. To respond, developing professional capability and practices for teachers is a primary goal of

the new-generation educational transition. WT Education Foundation has been a facilitator for the transformation of Zheng-Min Elementary School.

Dream Box - A teachers' base for
dreams

The Dream Box was formed to support teachers. It is a place that belongs to educators, a base for them to dream and fulfill dreams with their creativity and enthusiasm. With the strong support of the WT Education Foundation and the active efforts of the Zheng-Min Elementary

School team, the chocolate pop-up shop in Linkou was transformed into a teachers' base for dreams in Huwei, Yunlin. The key funds for the relocation was provided by WT Education Foundation, making the Dream Box a true dream come true. The Dream Box, an adapted reuse of a community public interest project in education settings, has become a symbol of realizing infinite possibilities, a case of business and community sustainable development, and an example of enterprise CSR.

Working with enterprises and
foundations to exert social influence

In 2017, WT Education Foundation began a partnership with Cheng Zhi Education Foundation, the developer of the KIST education program. KIST is inspired by KIPP, a U.S. network of public charter schools, and has been localized. With a motto of "Work Hard. Be Nice.", it aims to help school children in rural Taiwan to acquire knowledge, skills, and mindset they need to succeed. The WT Education Foundation fully supports the transformation of Zheng-

The Dream Box used to be a temporary building housing a chocolate store on a reserved construction site in Linkou. It was a joint project of TERRA Bean to Bar, SOAR Design Studio/Yu-Jui Chang, Li Yang Development, and Yuan Xin Construction. The chocolate store was surrounded by plants to create an impression of Taiwan and the local community. The innovative project demonstrated that opening parking is no longer the only choice for a reserved site. There are more responsible choices that involve giving back to the community, valuing the environment, and cherishing human interactions. The project was awarded Japan' GOOD DESIGN AWARD in 2022.



The Dream Box, an adapted reuse of a community public interest project in education settings, has become a symbol of realizing infinite possibilities and a case of business and community sustainable development.

Min Elementary School in Huwei Town, Yunlin County. It has been providing resources Zheng-Min needs to develop since the founding, and has injected a total of NT\$10.08 million in six years to support Zheng-Min and experimental education. The next 6-years plan is being planned. The funding allowed Zheng-Min to improve facilities, increase teaching resources, and refurbish weathered campus. With the support of many parties and the efforts of Zheng-Min's teachers, the enrollment increased from 27 to 165 students, and the number of classes has also been growing over the years.

Therefore, investing in education is no longer a game of luck, but a systematic, promising and highly leveraged investment. Business and education join forces to demonstrate an impact that is more important than profit. The world of business is a battlefield. Despite the pressure from competition, WT Technology and WT Education Foundation have demonstrated strong commitment to social corporate responsibilities working relentlessly with Jeeng-min to open a new chapter for education in Taiwan and achieve educational equity and common good.



One-on-one online reading program Offering rural children with a chance to change their lives through reading



The effort of WT Education Foundation to set up online reading program schools for children in deprived rural communities in Taiwan is joined by many, including volunteers from WT, DBS Bank, Bao Chen Group, Dyaco, Puyong Archiland, Tingfang Charity Care Association, and Hsinyuan Foundation, and those from World Vision, TFCF, and other social welfare groups as well as local churches that house the program's sites for the children. The Internet technologies and the program eliminate geographical barriers for the volunteering company employees, their relatives and friends, university students and others to offer long-term regular online reading that is intended to open up rural children's horizons and provide them emotional support. From the beginning of the school term in February 2023 to January 2024, the program served as many as 7,742 person-times during two semesters. In addition, a total

of 556 reading partners attended the reading partner meetup activities, volunteer training, and Christmas DIY activities for volunteers. Lisa shared her experience as a WT volunteer for one and a half years, and said "I have been connected with her since she was in the second grade of elementary school. When we first began with online storybook reading, we read rather slowly and had difficulty in pronouncing correctly. However, I am pleased to see the change from our cautious interactions at the beginning to the lively talk with her now. I am very surprised that spending 30 minutes a week reading a storybook in the long run had such a great impact on a child! I am also happy during the reading. It is a very meaningful activity. I hope I can continue to accompany her and serve as a small cornerstone for her growth. " "The first time we met online, I felt that this little girl was

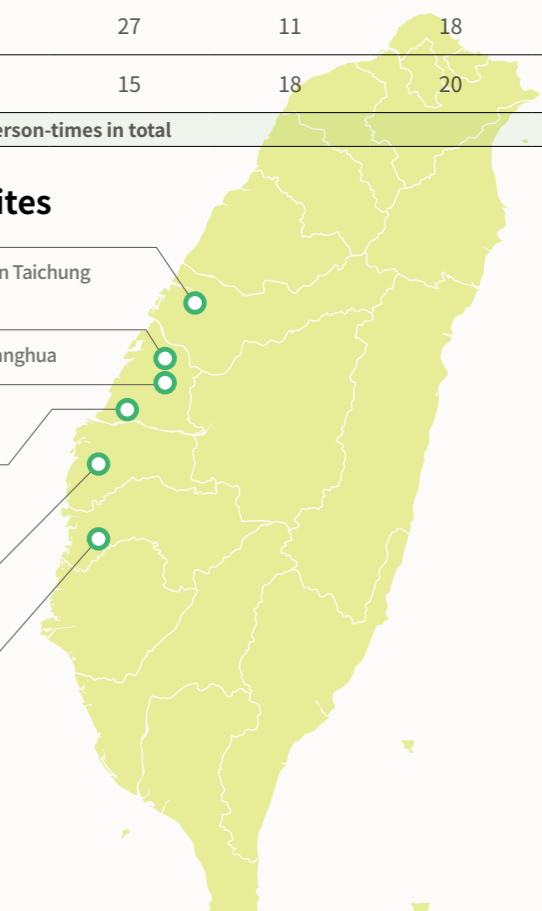
like my daughter! Now we read together and talk online every week, and even meet and interact once a year. I feel that this is predestined. We do more than reading storybooks together. She would share her school life or problems in getting along with her classmates, and I would come up with further topics that we could discuss based on the story we read. The engagement gives us a chance to take her onto a positive and kind-hearted path," said Penny, who is also a WT volunteer, energetically and enthusiastically. Mermaid, another volunteer, always makes some teaching aids for the online interaction. She mentioned the support she received from her colleagues at WT, who, with great enthusiasm, offer to contribute teaching aids, stationery, and even other items that the school boy may need. "When I first found out that I was matched to this little quiet, well-behaved, shy boy in the first grade of primary school, I had honestly no idea how to interact with him. I was lucky enough that my colleagues offered a lot of advice as mothers, which helped me to get such a young child's trust more quickly. Looking at the little boy's transformation and progress now gives me a great sense of accomplishment!"

Total number of participants

	WT Mailiao	DBS Fenyuan	Dyaco Erlin	Pou Chen Shiou-Shuei	Puyong Yitzu	Hsinyuan Penghu	Tingfang Xinshe
One-on-one online reading program	40	40	30	30	26	40	26
Reading partner meetup activities	1,360	1,440	1,080	1,050	884	1,200	728
volunteer training	56	52	35	42	62	48	46
Christmas DIY activities	27	4	3	27	11	18	4
	20	20	15	15	18	20	13
8,298 person-times in total							

One-on-one online reading program sites

- Tingfang Xinshe School**
in partnership with Tingfang Association, Xinshe Presbyterian Church in Taichung City, and Datong University
- DBS Fenyuan School**
in partnership with DBS Bank, and Fenyuan Bread of Life Church in Changhua County
- Pou Chen Shiou-Shuei School**
in partnership with Pou Chen Group, and Shiou-Shuei Bread of Life Church in Changhua County
- Dyaco Erlin School**
in partnership with Dyaco International, and Changhua Branch of Taiwan Fund for Children and Families
- Hsinyuan Penghu school**
in partnership with Hsinyuan Foundation, Shishi Elementary School in Penghu County, and Tamkang University Accounting Department
- WT Mailiao School**
in partnership with World Vision, and Chiaotou Presbyterian Church in Mailiao, Yulin County
- Puyong Yitzu School**
in partnership Puyong Archiland, Yizhu Presbyterian Church in Jiayi County, and Grimm Press





Shining Hope - A photography-inspired learning program by WT Education Foundation
Children's eyes and hearts will shine when their works are seen



WT Education Foundation launched Shining Hope, a photography-inspired learning program, in 2021. It is a one-year cross-disciplinary photography thematic teaching initiative aiming to care and accompany children and bring about benefits of aesthetic education, self-confidence building, and hometown exploration through photo taking. From July 28 to August 19, 2023, the Shining Hope Project held a nine-school joint photography exhibition "Children's First Sight" for the school year 2022-2023 at Chung Hsing Cultural and Creative Park in Yilan. The exhibition was more like a small celebration of what this shining mission had accomplished, knowing that the school children's shining works had created fond memories that will be cherished for years to come.

An extension of the five senses from photos

The Exhibition was held in a restored old paper mill,

featuring historical traces and coolness of the light steel concrete structure, to which the photographs brought some warmth. On the right side of the ground floor are white T-shirts printed with photos from Gongliao Elementary School, and on the left side is an introduction board of WT Education Foundation and Shining Hope, as well as a spotted rainbow refracted by glass that can only be seen at 3:30 every afternoon. Right in front are works from Sanmin Elementary School in Hualien displayed in pairs for comparison, and a photographic work of mathematical poem from Sanmin Elementary School in Yilan, which impressed every visitor.

The Exhibition was spread across three floors with photographic works displayed in various formats including large-scale works, photo books, sensory maps, and waterfall picture cards. The frames sponsored by Tin Tint gave the photos a polished look, and the "sea breeze" produced by a fan for photos taken on the coast, together with a light music playlist, created a laid-back ambiance

making it like watching the sea at the beach. And there was a smell of coffee, and a set of slides showing the photography classes in each school. There were also photography workshops on Saturdays. Indeed, great feedback was received from many visitors during the three-week joint photography exhibition.

A foreign traveler burst into tears seeing love through the works

It was the most impressive to see that one evening during the exhibition, when the museum was about to close at six o'clock, a foreign young man on a walking holiday in Taiwan picked up the photo album and took time flipping through it. He then looked at Jay Hsu, the Shining Hope Program Manager, with red eyes and said: "I see a lot of love through your collective works. From those photos and the children's description, I can feel how free you volunteers are and how you love these rural children unconditionally. Such freedom would allow these children to close any gaps in the world with love, making Taiwan and the world a better place through a cycle of kindness."

It was the most encouraging and moving comment received this summer. Indeed, the love, creativity, and patience of Shining Hope volunteers are a cornerstone of the program, which has been rolled out gradually with the children's works proving to be inspiring and heart-touching.

We will miss you. You will miss us.

The photo exhibition was not only a celebration or touching experience, but also a proper farewell to the children. To this day, some of those who have graduated keep coming to the exhibitions to visit the volunteers who used to work with them. The friendship is long lasting and dearly cherished.



The exhibition was held in a restored old paper mill, featuring historical traces and a spotted rainbow refracted by glass that can only be seen at 3:30 every afternoon.



The 2024 Shining Hope photo calendar gathers the children's photographic works and their perceptions of their surroundings, and incorporates handwritten notes and illustrations to convey the hope and feelings.

Continuing to influence lives with lives

The 2024 Shining Hope photo calendar is a collection of photos taken by children who participated in the program over the past three years, with each photo showing its photographer's feelings, observations and appreciation towards the surrounding environment, and confidence in photographic expression. The calendar selects some impressive works and matches them with handwritten texts and hand-drawn illustrations. It is more than a calendar or an album. It is a testimony that everyone can make a change to and inspire hope in rural communities and their children.

Number of schools | Thirteen in total, of which two in Taoyuan, three in New Taipei, four in Yilan, and four in Hualien
 Gaoyuan Elementary School, Taoyuan; House of Dreams, Taoyuan; Quchi Elementary School, New Taipei; Pingsi Elementary School, New Taipei; Dapeng Elementary School, New Taipei; Sihji Elementary School, Yilan; Genfang Elementary School, Yilan; Kelin Elementary School, Yilan; House of Dreams, Yilan; Fengren Elementary School, Hualien; Huaren Elementary School, Hualien; Ihunang Egg Production Cooperative, Hualien; Etude bookstore, Hualien.

Number of children | 164

Number of volunteers | An accumulated total of 55 volunteer photographers, and five lead instructors.

Volunteer background | They come from Taoyuan, Taipei, New Taipei, Yilan, Hualien, Taichung, Kaohsiung, Taitung and other areas, and they are professional photographer, designer, serviceman, banker, retired teacher and individual from other education-related industries.

Hours of instruction | 1,971 hours in total (nine 90-minute classes per semester per school)

Total amount of donations in 2023 to NT\$10.77 million

NT\$ 2,060,000

Character Education Development Center Relocation KIST Public-Private Zheng-Min Elementary School Elementary School Private Sponsorship Program (2017 to present)

Due to insufficient classroom and office space, Zheng-Min Elementary School has not been able to meet the needs of teaching and collective lesson preparations. A forest tea house (glass house) is thus planned to be rebuilt on the campus to provide teachers a space to prepare lessons together and share freely and selflessly among them. Hopefully, the co-preparation for lessons would be open to other schools and create the greatest value for teaching.

Input and results

A total of NT\$11.3 million has been donated

NT\$ 2,000,000

Junyi International Education Experimental School Experimental Course Plan (2015 to present)

To expand students' international vision and respective, and cultivate children's ability to improve listening, speaking, reading, and writing in a natural environment, and apply them in daily life, Junyi is committed to creating an environment in which English is used lively both in campus courses and dormitory life.

Input and results

Benefiting 390 students 70 teachers and staff

NT\$ 1,000,000

Lovely Taiwan Foundation's Operation Shennong (2021-2025)

Operation Shennong takes "organic diet", "land education" and "hometown identity" as the three cores, aiming for children to eat locally produced organic fruits and vegetables, and remember the taste of hometown. The Project started with "one acre at one school", turning farms into classrooms and allowing children to get close to the land and learn to respect life, and coexist with nature. A benign cycle and environmental sustainability start from the education and one acre of land.

Input and results

The organic produce is provided to all teachers and students (including staff) at school. The organic fruits are given out everyone once a month, totaling 723 person-times.

NT\$ 900,000

Fang Wan-Ling Paris 2024 Sponsorship (2023-2024)

Taiwanese weightlifter FANG Yuan-Ling has been competing in major events towards Paris 2024 qualification. The Paris 2024 Board is committed to organizing the world's first Olympic Games with a positive contribution to the climate with three key strategies: reduce GHG emissions, support climate-positive projects, and mobilize all of its stakeholders to maximize positive impact. The concept of circular economy is applied as a principle, and all venues are powered by renewable energy and accessible by public transport. As part of its ESG commitment and sustainability effort, WT Technology provides funding for Fang Wan-Ling in her training and participation in Paris 2024.

Input and results

2023 National Games, Qatar Grand Prix
Goal: 2024 Paris Olympics



NT\$ 700,000

Taiwan Connection Rural Children's Music Appreciation Program

Taiwan Connection was co-founded by Stanley Yen, chairman of the Alliance Cultural Foundation, and Nai-Yuan Hu, a violinist residing in the United States, with a vision to bring music to every corner of the world. With Hu serving as its music director, TC organizes concert tours in Taiwan with many outstanding musicians at home and abroad. Every year, international masters are invited to perform with TC musicians in Taipei, Hsinchu, Taichung, Chiayi, Kaohsiung, Pingtung and other places, and engage in demonstration lectures, master classes, and other music promotion activities.

Input and results

Number of beneficiaries 350 individuals

NT\$ 500,000

2222-future: Sustainability Exhibition sponsorship (2023)

The 2222-future: Sustainability Exhibition was held at the Huashan 1914 Creative Park in Taipei from January 6 to April 5, 2023. This project is a donation from the Leonardo DiCaprio Foundation and the United Nations Development Program, and the exhibition was co-organized by Taiwan TNL Mediagene and Green House to communicate the importance of sustainability issues to people in the era of global warming.

Input and results

A total of 1,000 visitors with free tickets given to 14 elementary schools in New Taipei City, including Jiabao, Sixian, Yu-Tsai, Minyi, Houpu, Haishan, Xizhi, Xiude, Hemei, Daping, Rui-bin, Pingsi, Bitou, and Lishan.



NT\$ 300,000

Social Science Development Fund of the College of Social Sciences, NCCU (2023)

The College of Social Sciences (CSS) of National Chengchi University aims to build a temple of knowledge for humanities and social sciences, become an education and research hub of Asia Pacific studies, and train students to become empathetic future leaders.

To achieve the goal of cultivating talents, CSS offers a cross-disciplinary Philosophy, Politics, Economics, Sociology and Arts (PPESA) module to train students to become leaders with humanistic cultivation, empathetic, and professional knowledge; promotes the English-taught program (ETP) and signed exchange agreements with famous universities to improve students' international mobility and communication skills; and set up a Dream Building Team and Research Team fund to support students who take the initiative to form teams to engage in social practice and academic research.

Input and results

Six-year Young Talent Program (2024-2029)



NT\$ 100,000

Taichung ESG World Citizens & Digital Governance Foundation

"ESG Sustainability x World Citizens." Collective awareness and efforts of enterprises, individuals and society on environmental, social and governance issues could promote inclusion and sustainable development in the world, pose a profound impact on the future development of mankind and the earth, and shape a better future. Music is a universal language effective in communicating messages and emotions. Music could touch people's hearts and inspire agreement with sustainable earth and world citizens.

Input and results

Annual World Citizens ONE WORLD Concert on November 11, 2023

NT\$ 100,000

Taoyuan Love Promotion Association (2023)

"One Bag of Blood, One Life Saved" Taoyuan Love Promotion Association organized a blood donation event to secure blood stocks and benefit the public health in Taiwan.

Input and results

1,212 person-times

NT\$ 99,000

Digital Learning Education Promotion Program (2023)

The Scientific American invited WT to join its initiative to make the digital archive of the magazine's 20-year popular science knowledge content accessible to schools at all levels, so that the educational resources may benefit more students and researchers while contributing to carbon reduction.

Input and results

Giving out one-year institutional access to the SciAm archive to ten rural schools

Include WT Technology and WT Education Foundation gave back to the society, In addition to the ten projects presented here, they were also fund other smaller public interest activities.

Appendix

- 6-1 GRI Content Index
- 6-2 SASB Index
- 6-3 Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports
- 6-4 TCFD Index
- 6-5 GHG Inventory and Verification Situation
- 6-6 Stakeholder Capitalism Metrics Index
- 6-7 SDGs Disclosure Index
- 6-8 Certification of ISO Standards and Related Standards
- 6-9 Disclosure Coverage
- 6-10 Quantitative Data Supplement Disclosure
- 6-11 External Guarantee

chapter 6.1 GRI Content Index

Statement of Use

Statement of Use	WT Microelectronics Co., Ltd. has reported in accordance with the GRI Standards for the period 2023/01/01 to 2023/12/31
GRI 1	Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI 2 : General Disclosure 2021

Disclosure Number	Disclosure Title	Report Contents	Page	Explanation
The organization and its reporting practices				
2-1	Organizational Details	1-1 Operation Status	p.20	
2-2	Entities included in the organization's sustainability reporting	About the Report	p.4	
2-3	Reporting period, frequency and contact point	About the Report	p.4	
2-4	Restatements of information		p.5	There are no restatements of information in the report
2-5	External assurance	6-11 External Guarantee	p.161	
Activities and workers				
2-6	Activities, value chain and other business relationships	1-1 Operation Status	p.20	
2-7	Employees	4-1 Talent Recruitment	p.78	
2-8	Workers who are not employees	4-1 Talent Recruitment	p.78	
Governance				
2-9	Governance structure and composition	3-1 Sound Corporate Governance	p.48	
2-10	Nomination and selection of the highest governance body	3-1 Sound Corporate Governance	p.48	
2-11	Chair of the highest governance body	3-1 Sound Corporate Governance	p.48	
2-12	Role of the highest governance body in overseeing the management of impacts	3-1 Sound Corporate Governance	p.49	
2-13	Delegation of responsibility for managing impacts	3-5 Enhanced risk management	p.63	See management guidelines of each issue for details
2-14	Role of the highest governance body in sustainability reporting	About the Report	p.5	
2-15	Conflicts of interest	3-1 Sound Corporate Governance	p.48	
2-16	Communication of critical concerns	2-1 Action Guidelines for Sustainability Management	p.32	
2-17	Collective knowledge of the highest governance body	3-1 Sound Corporate Governance	p.50	
2-18	Evaluation of the performance of the highest governance body	3-1 Sound Corporate Governance	p.52	
2-19	Remuneration policies	3-1 Sound Corporate Governance	p.51	
2-20	Process to determine remuneration	3-1 Sound Corporate Governance	p.51	

2-21	Annual total compensation ratio	3-1	Sound Corporate Governance	p.51	
Strategy, policies and practices					
2-22	Statement on sustainable development strategy		Letter from the CEO	p.6	
2-23	Policy commitments (responsible business practices, respect for human rights)	4-3 2-4	Inclusive Workplace Management guidelines for material issues	p.86 p.39	
2-24	Embedding policy commitments	3-1 2-3	Sound Corporate Governance Analysis of material disclose issues	p.48 p.36	See management guidelines of each issue for details.
2-25	Processes to remediate negative impacts	3-7	Ethical Corporate Management	p.74	
2-26	Mechanisms for seeking advice and raising concerns	3-7	Ethical Corporate Management	p.74	
2-27	Compliance with laws and regulations	3-7	Ethical Corporate Management	p.74	
2-28	Membership associations	1-2	Wonderful every WT 30 th anniversary	p.19	
Stakeholder engagement					
2-29	Approach to stakeholder engagement	2-2	Stakeholder Engagement	p.34	
2-30	Collective bargaining agreements				No collective bargaining agreements have been signed as there are no employee associations.

GRI 3 : Material Topic Disclosure 2021

Disclosure Number	Disclosure Title	Report Contents	Page	Explanation
3-1	Process to determine material topics	2-3 Analysis of material disclose issues	p.36	
3-2	List of material topics	2-3 Analysis of material disclose issues	p.36	
Material Topic 1: Information Security				
3-3	Management of material topics	2-4 Management guidelines for material issues	p.40	
Self-defined topic				
IS-1	Incidents of external intrusion stealing data or interrupted information services	3-6 Deepened information security	p.66	
IS-2	The number and percentage of people receiving information security education and training	3-6 Deepened information security	p.67	
Material Topic 2: Ethical Corporate Management				
3-3	Management of material topics	2-4 Management guidelines for material issues	p.41	
GRI 205: Anti-corruption 2016				
205-3	Confirmed incidents of corruption and actions taken	3-7 Ethical Corporate Management	p.74	
Material Topic 3: Sustainable Supply Chain				
3-3	Management of material topics	2-4 Management guidelines for material issues	p.42	
GRI 204 : Procurement Practices 2016				
204-1	Proportion of spending on local suppliers	5-3 Environmental Management	p.117	
GRI 308 : Supplier Environmental Assessment 2016				
308-1	New suppliers that were screened using environmental criteria	5-2 Sustainable Supply Chain	p.113	
GRI 414: Provider Social Assessment 2016				
414-1	New suppliers that were screened using social criteria	5-2 Sustainable Supply Chain	p.113	

Disclosure Number	Disclosure Title	Report Contents	Page	Explanation
Material Topic 4: Talent Attraction and Retention				
3-3	Management of material topics	2-4 Management guidelines for material issues	p.44	
GRI 202 : Market Presence 2016				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	4-3 Inclusive Workplace	p.88	
202-2	Proportion of senior management hired from the local community	4-1 Talent Recruitment	p.81	
GRI 401 : Employment 2016				
401-1	New employee hires and employee turnover	4-1 Talent Recruitment	p.80	
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	4-3 Inclusive Workplace	p.89	
401-3	Parental leave	4-4 Health Management	p.95	
GRI 402 : Labor/Management Relations 2016				
402-1	Minimum notice periods regarding operational changes	4-3 Inclusive Workplace	p.86	
GRI 405 : Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	3-1 Sound Corporate Governance 4-3 Inclusive Workplace	p.49 p.81	
405-2	Ratio of basic salary and remuneration of women to men	4-3 Inclusive Workplace	p.87	
Material Topic 5: Economic impact				
3-3	Management of material topics	2-4 Management guidelines for material issues	p.39	
GRI 201 : Economic Performance 2016				
201-1	Direct economic value generated and distributed	6-10 Quantitative Data Supplement Disclosure	p.159	
201-3	Defined benefit plan obligations and other retirement plans	4-3 Inclusive Workplace	p.89	
Material Topic 6: Innovation Management				
3-3	Management of material topics	2-4 Management guidelines for material issues	p.42	
Self-defined topic				
IM-1	Proportion of revenue in line with forwardlooking economic activities	5-1 Green design	p.112	
Material Topic 7: Talent attraction and retention				
3-3	Management of material topics	2-4 Management guidelines for material issues	p.44	
GRI 404 : Training and Education 2016				
404-1	Average hours of training per year per employee	4-2 Talent development	p.83	
Material Topic 8: Product responsibility				
416-1	Assessment of the health and safety impacts of product and service categories	5-2 Sustainable Supply Chain	p.115	
Material Topic 9: Climate Strategy and Energy Management				
3-3	Management of material topics	2-4 Management guidelines for material issues	p.43	
GRI 302 : Energy 2016				
302-1	Energy consumption within the organization	5-6 Energy Management	p.128	
302-3	Energy intensity	5-6 Energy Management	p.128	
GRI 305 : Emissions 2016				
305-1	Direct (Scope 1) GHG emissions	5-5 Greenhouse gases	p.124	
305-2	Energy indirect (Scope 2) GHG emissions	5-5 Greenhouse gases	p.124	
305-3	Other indirect (Scope 3) GHG emissions	5-5 Greenhouse gases	p.124	
305-4	GHG emissions intensity	5-5 Greenhouse gases	p.125	



chapter 6.2 SASB Index

"Consumer Goods - Multiline and Specialty Retailers & Distributors " Disclosure Code

Accounting Metric	Code	Report Contents or Explanation
(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	CG-MR-130a.1	See 5-6 Energy Management for details.
Description of approach to identifying and addressing data security risks	CG-MR-230a.1	See 3-6 Deepened information security for details
(1) Number of data breaches (2) Percentage involving personally identifiable information (PII) (3) Number of customers affected	CG-MR-230a.2	See 3-6 Deepened information security for details. WT does not handle personally identifiable information as it is a B2B business. The disclosure of the number of affected customers is not applicable, either
(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	CG-MR-310a.1	WT has five distribution centers, and the basic starting salary for employees is higher than the local minimum wage. See 4-3 Inclusive Workplace for details
(1) Voluntary and (2) involuntary turnover rate for in-store employees	CG-MR-310a.2	See 6-10 Quantitative Data Supplement Disclosure for details
Total amount of monetary losses as a result of legal proceedings associated with labor law violations	CG-MR-310a.3	Due to the failure to complete the overtime application for extended working hours in a timely manner, there was a violation of Article 24 of the Labor Standards Act, resulting in a fine of NT\$50,000. See 3-7 Ethical Corporate Management for details
Percentage of gender and racial/ethnic group representation for (1) management, and (2) all other employees	CG-MR-330a.1	See 4-1 Recruitment for details
Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	CG-MR-330a.2	There were no employment discrimination complaints in 2023
Revenue from products third-party certified to environmental and/or social sustainability standards	CG-MR-410a.1	The code is not applicable, as WT cannot verify the customers' end uses of the products and whether they have passed the relevant verification
Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-MR-410a.2	See 5-2 Sustainable Supply Chain for details
Discussion of strategies to reduce the environmental impact of packaging	CG-MR-410a.3	See 5-8 Green Logistics for details
Number of (1) retail locations and (2) distribution centers	CG-MR-000.A	WT has no retail locations, and has a total of five distribution centers in Taiwan, Hong Kong, China (Shenzhen), Singapore and South Korea
Total area of (1) retail locations and (2) distribution centers	CG-MR-000.B	(1) Retail locations: 0 m ² (2) Distribution centers: 28,584 m ²



chapter 6.3 Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Index

"Electronic Access Industry" Disclosure Index

1	Total energy consumed, percentage grid electricity, and percentage renewable	See 5-6 Energy Management for details
2	Total water withdrawn, and total water consumed	See 5-7 Water Resource Management for details
3	Amount of hazardous waste, percentage recycled	See 5-9 Waste Reduction for details
4	Amount of incident catalog and employees, and total recordable incident rate	There is no recordable work-related incident in 2023, See 4-6 Workplace Safety for details
5	Weight of end-of-life products and e-waste; percentage recycled (Note 1)	See 5-9 Waste Reduction for details
6	Description of the management of risks associated with the use of critical materials	As a semiconductor agent, WT keeps the product inventory level under continuous monitoring. Inventory management has been improved through digital optimization in recent years. See 3-3 Digital Optimization for details.
7	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	There were no such cases
8	Number of units by product category	See 1-1 Operation Status for details

Note 1: Including the sale of leftovers or other recycling, relevant instructions should be provided.



chapter 6.4 TCFD Index

Category	Suggested Disclosure	Report Contents	Page
Governance	Describe the board's oversight of climate-related risks and opportunities	3-5 Enhanced risk management 5-4 Response to climate change	p.63 p.119
	Describe management's role in assessing and managing climate-related risks and opportunities	3-5 Enhanced risk management 5-4 Response to climate change	p.63 p.119
Strategies	Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	3-5 Enhanced risk management 5-4 Response to climate change	p.63 p.119
	Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning	5-1 Green design 5-4 Response to climate change	p.108 p.119
Risk Management	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2° C or lower scenario	5-4 Response to climate change	p.119
	Describe the organization's processes for identifying and assessing climate-related risks.	5-4 Response to climate change	p.119
	Describe the organization's processes for managing climate-related risks.	5-4 Response to climate change	p.119
Metrics and Targets	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	5-4 Response to climate change	p.119
	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	5-4 Response to climate change	p.122
	Disclose scope 1, scope 2, and if appropriate, scope 3 GHG emissions and the related risks.	5-5 Greenhouse gases	p.123
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	5-4 Response to climate change	p.121



chapter 6.5 GHG Inventory and Verification Situation

WT, with a capital of more than NTD 10 billion, is required by the Roadmap for the Sustainable Development of Listed Companies to disclose at least the GHG emissions of the parent company in 2022. BSI conducted verification procedures with reasonable assurance for scopes 1 and 2 and limited assurance levels for scope 3. The organizational boundaries are set by the operational control method. See the table Description of Organizational Boundaries below for details.

GHG Emissions

Scope	Total emissions (tons CO ₂ e)	Density (metric tons of CO ₂ e/NTD)	Verified by	Verification Situation Explanation
Scope 1			BSI Pacific Limited, Taiwan Branch	BSI conducted inspection procedures for reasonable assurance levels for scopes 1 and 2 and limited assurance levels for scope 3. The organizational boundaries of the inspection procedures are set by the operational control method. See the table Description of Organizational Boundaries below for details.
Taiwan, Hong Kong, and Singapore Logistics Centers	110.0573	0.000290		
Scope 2 (By operating location)				
Taiwan, Hong Kong, and Singapore Logistics Centers	1,436.8365	0.003785		
Scope 2 (By market)				
Taiwan, Hong Kong, and Singapore Logistics Centers	1,431.8865	0.003772		
Scope 1			Not verified by a third party	
China, Hong Kong, Korea, Japan, South Asia, USA	205.5427			
Scope 2 (By operating location)				
China, Hong Kong, Korea, Japan, South Asia, USA	1026.2635			

GHG Emissions (Scope 3)

Emission	Total emissions (tonsCO ₂ e)	Verified by	Verification Situation Explanation
Scope 3			
Scope 3 in total	373.4026		
3-5 Emissions from business travel	134.5137	BSI	Agreed upon procedures (SUP). See the Verification Statement for details.
4-1 Upstream suppliers' activities related to fuel and energy in Taiwan	238.8889		

Description of Organizational Boundaries

Operating Location	Operating Location Description	Inventory	Verification
Consolidated financial reporting company	The emissions of the consolidated financial reporting companies in the above table are the total emissions of all the following operating locations of which the inventories have been developed. All the consolidated financial reporting companies were included.		
Taiwan	The organizations covered in the report were WT Microelectronics Co., Ltd, WT Microelectronics Co., Ltd (Hong Kong Logistics Center), WT Technology Co., Ltd. (Singapore Logistics Center), Morrihan International Corp., Techmosa International Inc., Maxtek Technology Co., Ltd, Hongtech Electronics Co., Ltd., Nuvision Technologies Inc., Brillinics (Taiwan) Inc. and WT Group's Joint Employee Welfare Committee, etc. (Emissions of some subsidiaries using shared offices are consolidated as their electricity consumptions can not be separated.)	●	●
Hong Kong	All subsidiaries in Hong Kong (excluding Hong Kong Logistics Center)	●	
China	All subsidiaries in China (excluding Hong Kong)	●	
Korea	Wonchang Semiconductor Co., Ltd. - WT Technology Korea Co., Ltd. - Analog World Co., Ltd. - Leader's Technology Co., Ltd.	●	
Japan	Brillnics Japan Inc.	●	
South Asia	Including subsidiaries in Singapore, Vietnam, Thailand, Malaysia and India (excluding Singapore Logistics Center)	●	
USA	Excelpoint	●	
Exclusion	Explanation		
Holding company	Holding companies without actual operating were excluded from the inventory		

Verification Statement from Verification Agency



Statement No: GHGEV 762372

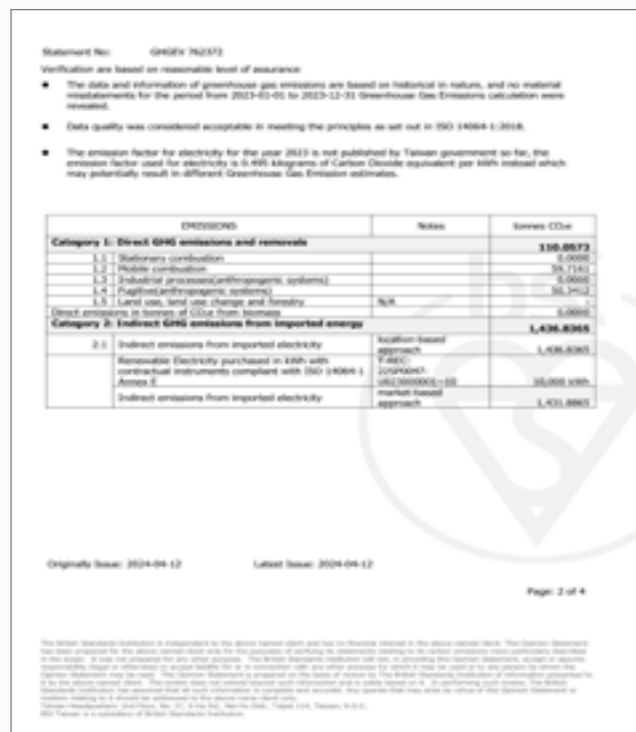
Agreed upon procedures (AUP)

BSI has performed the evidence-gathering procedures for the period from 2023-01-01 to 2023-12-31.

BSI do not express any assurance on the GHG emissions, removals and storage in table below.

EMISSIONS	Notes	AUP Item(s)	tonnes CO2e
Category 3: Indirect GHG emissions from transportation			
3.0 Emissions from Business travels	Estimated international flights & domestic	1.1, 9.0, 3.10(a)(i), (ii), (iii), (iv)	134,513.7
Category 4: Indirect GHG emissions from products used by organization			
4.0 Emissions from Purchased goods	Vendor emissions of electricity	1.1, 9.0	238,888.9

Originally Issue: 2024-04-12 Latest Issue: 2024-04-12 Page: 3 of 4



Statement No: GHGEV 762372

Verification Information

The Greenhouse Gas Emissions with WT Microelectronics Co., Ltd. for the period from 2023-01-01 to 2023-12-31 was verified, including direct greenhouse gas emissions 130,873 tonnes of CO₂ equivalent and indirect greenhouse gas emissions from imported energy 1,436,835 tonnes of CO₂ equivalent.

EMISSIONS	Notes	tonnes CO2e
Category 1: Direct GHG emissions and removals		
1.0 Stationary combustion		0.0000
1.1 Mobile combustion		35.1141
1.2 Industrial processes (excluding systems)		0.0000
1.3 Fugitive emissions (excluding systems)		30.7412
1.4 Land use, land-use change and forestry	N/A	
1.5 Land use, land-use change and forestry		0.0000
Category 2: Indirect GHG emissions from imported energy		
2.0 Indirect emissions from imported electricity	Location-based approach	1,436,835
	Weighted average approach	1,436,835
	Market-based approach	1,431,885

Originally Issue: 2024-04-12 Latest Issue: 2024-04-12 Page: 4 of 4

chapter 6.6 Stakeholder Capitalism Metrics Index

Topic	Core Metrics and Disclosures	Report Contents
Governance		
Governing Purpose		
Setting purpose	The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	Letter from the CEO
Quality of Governing Body		
Governance body composition	Composition of the highest governance body and its committees by: <ul style="list-style-type: none"> - competencies relating to economic, environmental and social topics; - executive or non-executive; - independence; - tenure on the governance body; - number of each individual's other significant positions and commitments, and the nature of the commitments; - gender; - membership of under-represented social groups; and - stakeholder representation. 	3-1 Sound Corporate Governance See 2023 Annual Report for director information.
Remuneration	Describe the performance indicators of the remuneration policies for members of the highest governance body and senior management, and how the organization's goals in economic, environmental and social management are linked to the Company's established purposes, strategies and long-term values. Describe the remuneration policies for members of the highest governance body and senior executives, including: <ol style="list-style-type: none"> fixed pay and variable pay (Including performance-based pay/stock-based pay/bonus/restricted stock); sign-on bonuses or recruitment incentive payments; termination payments; clawbacks; retirement benefits. 	3-1 Sound Corporate Governance
Stakeholder Engagement		
Material issues impacting stakeholders	A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged	2-2 Stakeholder Engagement 2-3 Analysis of material disclosure issues
Ethical Behavior		
Anti - corruption	1. Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region 2. (a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and (b) Total number and nature of incidents of corruption confirmed during the current year, related to this year 3. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption	There were no corruption incidents in 2022 and 2023 3-7 Ethical Corporate Management
Protected ethics advice and reporting mechanisms	A description of internal and external mechanisms for 1. Seeking advice about ethical and lawful behavior and organizational integrity; and 2. Reporting concerns about unethical or unlawful behavior and lack of organizational integrity	3-7 Ethical Corporate Management
Amount of loss caused by unethical conduct	The amount of losses caused by anti-corruption, insider trading, antitrust, anti-competitive behavior, market manipulation, fraud or violation of industrial regulations.	3-7 Ethical Corporate Management
Risk and Opportunity Oversight		
Integrating risk and opportunity into business process	Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.	3-5 Enhanced risk management
ESG topics under the capital allocation framework	How the highest governance body considers economic, environmental and social issues when overseeing major capital allocation decisions, such as capital expenditures, acquisitions and divestments.	2-1 Action Guidelines for Sustainability Management
Planet		
Climate Change		
Greenhouse gas (GHG) emissions	For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO ₂ e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	5-5 Greenhouse gases

Topic	Core Metrics and Disclosures	Report Contents
TCFD implementation	Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement - to limit global warming to well-below 2° C above pre-industrial levels and pursue efforts to limit warming to 1.5° C - and to achieve net-zero emissions before 2050.	5-4 Response to climate change
Nature loss		
Land use and ecological sensitivity	Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).	Not applicable. None of the operating sites are in ecologically sensitive areas.
Fresh water availability		
Water consumption and withdrawal in water stressed areas	Report for operations where material, megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	None of the operating bases are in water stressed areas. 5-7 Water Resources Management
Employee		
Dignity & Equality		
Diversity and inclusion	Percentage of employees per employee category, per age group, gender and other indicators of diversity	4-1 Talent Recruitment
Pay equality	Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men; minor to major ethnic groups; and other relevant equality areas	4-3 Inclusive Workplace
Wage level	1. Ratios of standard entry-level wage by gender compared to local minimum wage 2. Ratio of CEO's total annual compensation to median total annual compensation of all employees (excluding the CEO)	4-3 Inclusive Workplace
Risk for incidents of child, forced or compulsory labour	An explanation of the operations and suppliers considered to have significant risk for incidents of child labor, forced or compulsory labour. Such risks could emerge in relation to type of operation (such as manufacturing plant) and type of supplier; or countries or geographic areas with operations and suppliers considered at risk.	There were no incidents of human rights violations in 2023. Suppliers' commitments and self-assessments were signed and returned as required.
Health and Well-being		
Health and safety	1. The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. 2. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.	4-4 Health Management 4-6 Workplace Safety
Skills for the Future		
Training provided	1. Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of trainings provided to employees divided by the number of employees) 2. Average training and development expenditure per full time employee.	4-2 Talent development
Prosperity		
Employment and Wealth Generation		
Absolute number and rate of employment	1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region 2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region	4-1 Talent Recruitment
Economic Contribution	1. Direct economic value generated and distributed (EVG&D) - on an accrual basis, covering the basic components for the organization's global operations, ideally split out by: a. Revenue b. Operating costs c. Employee wages and benefits d. Payments to providers of capital e. Payments to government f. Community investment 2. Financial assistance received from the government - Total monetary value of financial assistance received by the organization from any government during the reporting period	3-2 Excellent Financial Performance
Wealth Generation and Employment		
Financial investment contribution	1. Total capital expenditures (CapEx) - Depreciation supported by narrative to describe the company's investment strategy 2. Share buybacks + Dividend payments supported by narrative to describe the company's strategy for returns of capital to shareholders	To be assessed and disclosed in coming years
Innovation of Better Products and Services		
Total R&D expenses	Total costs related to research and development	3-2 Excellent Financial Performance
Community and Social Vitality		
Total tax paid	The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes and other taxes that constitute costs to the company, by category of taxes	3-4 Compliant tax policies
Report on total taxes and additional taxes paid for key operating locations by country	Report on total taxes and additional taxes paid for key operating locations by country	3-2 Excellent Financial Performance

Note: The metrics are based on the white paper Measuring Stakeholder Capitalism Towards Common Metrics and Consistent Reporting of Sustainable Value Creation released by the World Economic Forum in September 2020.

chapter 6.7 SDGs Disclosure Index

SDGs	Target No.	Target Title	Report Contents	Page
	3.3	End the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases.	4-4 Health Management	p.91
	3.4	Reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being	4-4 Health Management	p.91
	4.1	Ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes	5-10 Giving Back to the Society	p.136
	4.3	Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university	4-2 Talent development	p.82
	4.4	Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	4-2 Talent development	p.82
	5.1	End all forms of discrimination against all women and girls everywhere	4-1 Talent Recruitment	p.78
	5.5	Ensure full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	4-1 Talent Recruitment	p.78
	7.A	Enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology	5-1 Green design	p.108
	8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation	3-2 Excellent Financial Performance 3-3 Digital Optimization	p.54 p.56
	8.4	Improve progressively global resource efficiency in consumption and production	5-8 Green Logistics	p.131
	8.8	Protect labor rights and promote safe and secure working environments for all workers	4-6 Workplace Safety	p.104
	12.5	Substantially reduce waste generation through prevention, reduction, recycling and reuse	5-9 Waste reduction	p.135
	12.8	Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	5-3 Environmental Management	p.116
	13.2	Integrate climate change measures into policies, strategies and planning	5-5 Greenhouse gases	p.123
	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	5-3 Environmental Management	p.116
	14.2	Sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans.	5-3 Environmental Management	p.116
	16.5	Substantially reduce corruption and bribery in all their forms	3-7 Ethical Corporate Management	p.72



chapter 6.8 Certification of ISO Standards and Related Standards

	Valid from	Valid until
ISO 14001:2015		
Taiwan Logistics Center	2021/10/15	2024/10/14
Hong Kong Logistics Center	2016/12/06	2025/12/05
Shenzhen Logistics Center (Hong Kong Morrihan)	2016/12/07	2025/12/06
ISO/IEC 27001:2013·CNS 27001:2014		
Taiwan Headquarters	2022/12/13	2025/10/31

Note: Of WT's five logistics centers, Taiwan, Hong Kong and Shenzhen are ISO 14001-certified (60% coverage). In addition to annual internal audits, an audit by independent verification parties is conducted every six months to keep the management system certification validated.



chapter 6.9 Disclosure Coverage

This Report covers all the entities included in WT's consolidated reports and is divided into operating regions of Taiwan, Hong Kong, China, Southeast Asia, Korea, Japan, and others. The scope of information disclosure for this year is slightly varied according to the differences in the management status of each issue and the difficulty of data collection. In the future, efforts will be made to continuously communicate with the Group's operating bases and establish an information collection mechanism to gradually improve the accuracy, completeness and timeliness.

Operating Region	Taiwan	Hong Kong	China	Southeast Asia	Korea	Japan	Others
Governance							
Financial performance	●	●	●	●	●	●	●
Ethic education and training	●	●	●	●	●	●	●
Environment							
Environmental management system	●	●	●				
GHG emissions	●	●	●	●	●	●	●
Energy management	●	●	●		●		
Water management	●	●					
Logistics center - resource management	●	●	●	●	●		
Waste management	●	●		●			
Social							
Number of employees	●	●	●	●	●	●	●
Education and training	●	●	●	●	●		
Salary and benefits	●	●	●	●	●		
Occupational safety and health	●	●	●	●	●	●	●

Note: Only disclosing the pension system



chapter 6.10 Quantitative Data Supplement Disclosure

Employee Distribution by Position and Nationality, 2023

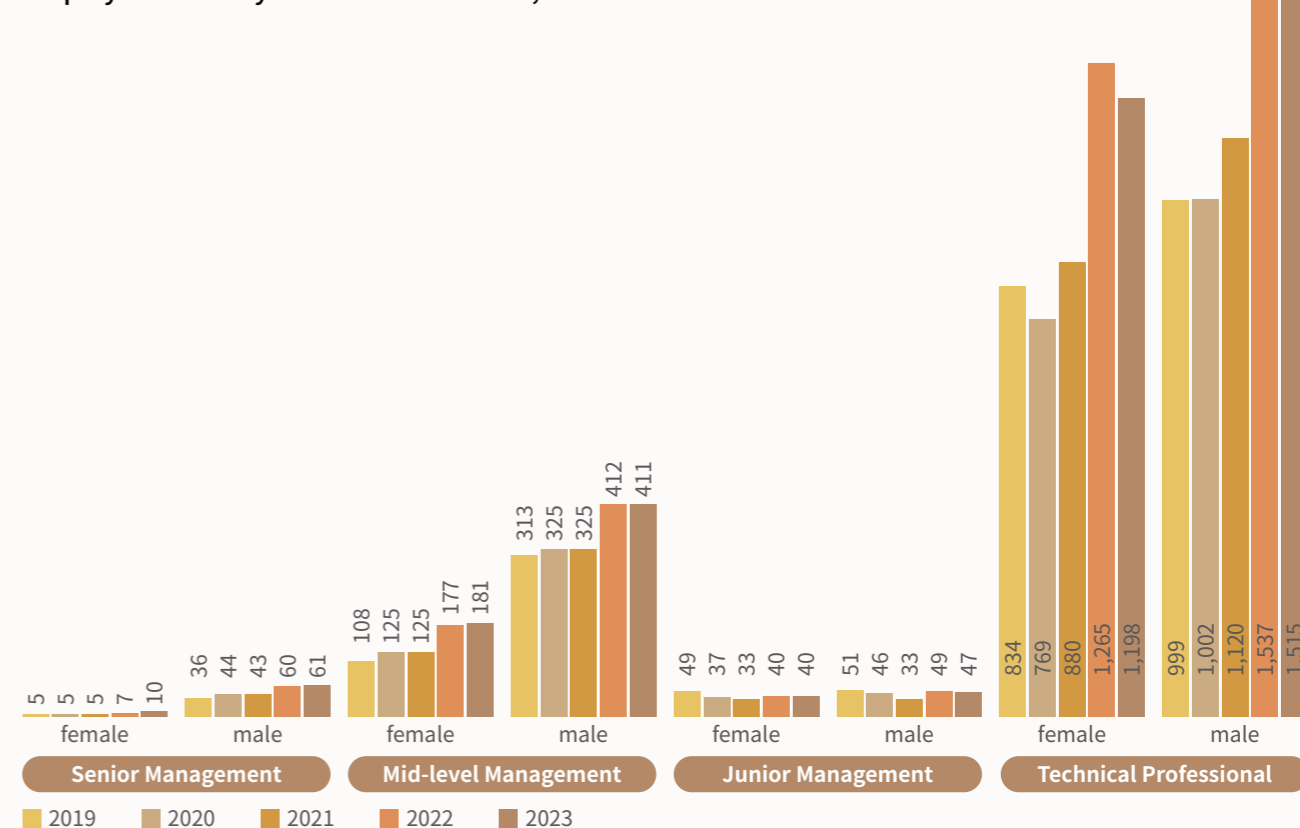
Employee Position	Taiwan	China	Hongkong	Singapore	India	Thailand	Malaysia	Vietnam	Philippines
Executive-level Manager	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Non-executive-level Manager	42.65%	31.58%	3.24%	9.18%	2.02%	0.13%	0.81%	0.40%	0.00%
All Others	31.77%	44.82%	4.09%	5.82%	2.99%	0.41%	1.51%	0.85%	0.18%

Employee Position	Myanmar	Indonesia	Turkey	Pakistan	South Korea	Japan	USA	Australia	New Zealand
Executive-level Manager	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Non-executive-level Manager	0.00%	0.00%	0.00%	0.00%	8.10%	1.35%	0.40%	0.00%	0.13%
All Others	0.07%	0.07%	0.04%	0.04%	5.79%	1.25%	0.00%	0.26%	0.04%

Note: Distribution = employee count of a nationality at the level ÷ employee count across the Group at the level

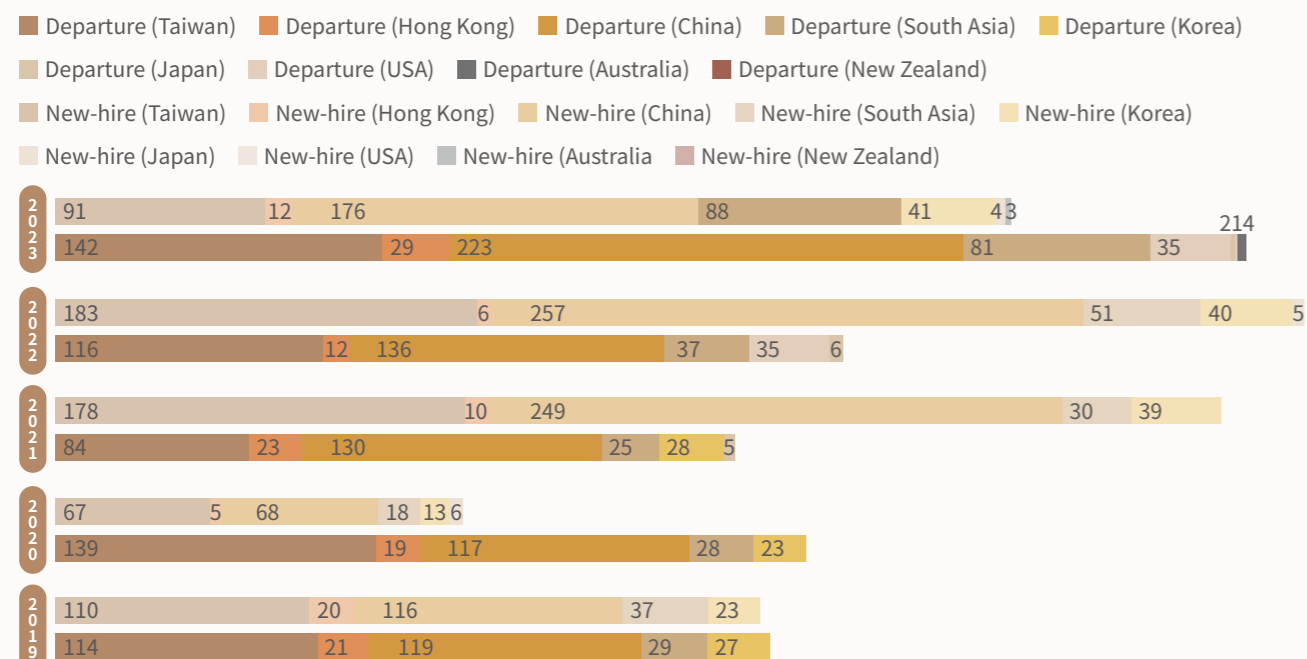
Employee Count by Position and Gender

Employee Count by Position and Gender, 2019-2023



New-hire and Departure by Location

New-hire and Departure by Location, 2019-2023



New-hire Rate and Turnover by Logistics Center, 2023

Logistics Center	Taiwan	Hongkong	Shenzhen	Singapore	South Korea
As of December 31, 2023	58	78	12	18	10
Voluntary departure, 2023	2	18	0	1	0
Non-voluntary departure, 2023	0	0	0	0	0
Voluntary turnover	3.42%	21.18%	0.00%	5.41%	0.00%
Non-voluntary turnover	0.00%	0.00%	0.00%	0.00%	0.00%

Operating Revenue and Profit and GRI-specific Expenditure

	2019	2020	2021	2022	2023
Operating Revenue and Profit, 2018-2023 (in NTD million)					
Operating revenue	335,187	353,152	447,896	571,191	594,519
Operating cost	324,387	342,378	430,909	551,365	576,113
Gross profit	10,800	10,774	16,987	19,832	18,406
Operating expenses	5,547	5,458	6,430	8,051	10,206
Marketing expenses	4,150	4,069	4,522	5,533	6,383
General and administrative expenses	988	979	1,296	1,861	3,060
Research and development expenses	407	386	609	655	755
Expected credit losses	2	24	3	1	8
Operating profit	5,253	5,316	10,557	11,782	8,200
Other income (expense)	(1,944)	(517)	(377)	(1,871)	(3,005)
Profit before income tax	3,309	4,799	10,180	9,911	5,195
Income tax expense	778	1,004	2,325	2,311	1,217
Net profit for the year	2,531	3,795	7,855	7,600	3,978
Other comprehensive income (net)	(568)	6,569	2,140	(7,070)	10,915
Total comprehensive income for the year	1,963	10,364	9,995	530	14,893
Basic earnings per share (in NTD)	4.32	5.22	9.96	8.61	4.24
GRI-specific Expenditure Disclosures (in NTD million)					
Employee salary and benefits	3,413	3,402	4,040	5,023	5,899
Interest expense and dividend	3,341	2,636	3,305	7,147	7,962
Community investment spending	7	8	15	11	11
Retained economic value (retained earnings)	886	1,206	3,154	3,518	1,734

Occupational safety and health training

Course	Total Hours of Course	No. of trainees
Occupational Safety and Health Manager	12	1
Occupational Safety and Health Supervisor	6	5
Nursing skills	4	1
Nursing Laws and Regulations	1	1
Nursing ethics	1	1
Labor Health Service Personnel - Occupational Safety and Health Laws and Regulations	1	1

Overview of Water Intake and Discharge

Overview of Water Intake						
	Intake source	2019	2020	2021	2022	2023
Overall intake	Surface water - freshwater	-	-	-	-	-
	Surface water - others	-	-	-	-	-
	Groundwater - freshwater	-	-	-	-	-
	Groundwater - others	-	-	-	-	-
	Seawater - freshwater	-	-	-	-	-
	Seawater - others	-	-	-	-	-
	Produced water - freshwater	-	-	-	-	-
	Produced Water - others	-	-	-	-	-
	Third-party - freshwater	18.12	17.01	11.14	12.95	21.32
	Third-party - others	-	-	-	-	-
Overall intake from water stressed areas	Surface water - Freshwater	-	-	-	-	-
	Surface water - others	-	-	-	-	-
	Groundwater - freshwater	-	-	-	-	-
	Groundwater - others	-	-	-	-	-
	Seawater - freshwater	-	-	-	-	-
	Seawater - others	-	-	-	-	-
	Produced water - freshwater	-	-	-	-	-
	Produced Water - others	-	-	-	-	-
	Third-party - freshwater	-	-	-	-	-
	Third-party - others	-	-	-	-	-

Overview of Water Discharge						
Discharge by destination	Discharge destination	2019	2020	2021	2022	2023
Discharge by destination (in ML)	Surface water	0.00	0.00	0.00	0.00	0.00
	Ground water	0.00	0.00	0.00	0.00	0.00
	Sea water	0.00	0.00	0.00	0.00	0.00
	Third-party water (overall)	18.12	17.01	11.14	12.95	21.32
	For use by another organization	0.00	0.00	0.00	0.00	0.00

chapter 6.11 External Guarantee

