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ESG Implementation Framework

Winbond strives to "be a hidden champion in providing sustainable semiconductors to enrich human life." With the ESG vision personally outlined by the Chairman, Winbond has established an ESG committee within the Board of Directors. The Board of Directors provides the strategic framework for sustainable development. Winbond upholds values such as integrity, ethical behavior, innovation, and enthusiasm, continuously enhancing corporate value. Simultaneously, Winbond remains attuned to global trends, addresses social issues, and responds to stakeholder expectations. By aligning its actions with the United Nations Sustainable Development Goals (SDGs) and integrating sustainability principles into its core operations, Winbond contributes to a better future for society.



Winbond ESG Strategy Framework

Vision



Measure innovative contributions with carbon footprint.



To be kind, righteous, proper, wise and trustworthy in everything we do. We would treat others as ourselves and extend that to all people and even everything.



Conduct business with integrity and ethical behavior.

Green Product

- Energyefficient product planning and promotion.
- Development of green manufacturing process.

Environmental Sustainability

- Formulate energy conservation and carbon reduction strategies, and disclose information in accordance with regulations.
- Plan and promote energy management and resource tilization enhancement schemes. health.
- Promote environmentally friendly actions.

Human Rights and Social Inclusion

- Ensure human rights protection. Recruit, develop, and
- retain diverse talents. Establish a friendly and
- harmonious workplace. Ensure occupational safety and health.
- Care for society and participate in community development.

Sustainable Supply Chain

- Continuously drive the transformation of supply chain relationships.
- Implement sustainable procurement strategies and initiatives.
- Implement sustainable supply chain risk assessment and management.
- Promote the digitalization of sustainable supply chain management.

Corporate Governance

- Identify climate change risks and opportunities.
- Plan and procure green energy.
- Implement corporate governance in compliance with relevant laws and regulations.
- Innovate and manage intellectual property.
- Manage information and ensure
- security.

Talents

Strategy

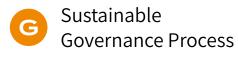




ESG Awareness Building ESG Sustainability Capacities Building













Sustainable Innovation Culture

Technology



Transformation



Sustainable Data Establishment and



Carbon Accounting System





















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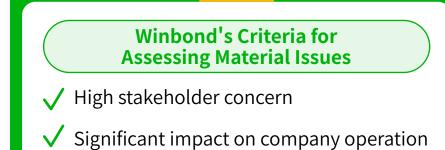
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Materiality Analysis and Stakeholder Engagement

Winbond is committed to communicating with stakeholders in a transparent and open manner in order to identify all sustainability topics of concern and incorporate these topics into our corporate sustainability framework. Winbond published Materiality Analysis Report, disclosing the material issues Winbond had identified and its approach to managing these issues. Based on the GRI Standards published by the Global Sustainability Standards Board on October 2021 (GRI 3: Material Topics 2021), Winbond has conducted a materiality analysis, and defined Winbond's material topics assessment principles as: "issues of significant impact to major stakeholders that also have a noticeable impact on Winbond operations, while staying consistent with Winbond's sustainable development goals". In line with our philosophy for managing material issues, after merging the relevant issues, Winbond has identified 9 material issues after consolidation of similar issues. Materiality assessments are conducted annually to ensure that the most relevant and significant sustainability issues are identified and addressed.

Note The list of material issues in the 2024 Sustainability Report remains unchanged compared to the 2023's.



✓ Priority of Winbond's sustainable management development goals

*Scope of this chapter: Winbond (Taiwan)

Collecting sustainability issues

Understanding organizational background

List of sustainability issues

Sources of data collection

- GRI reporting standards
- SASB (Sustainability Accounting) Standards Board)
- Task Force on Climate-related Financial Disclosures (TCFD)
- UN Sustainable Development Goals (SDGs) Semiconductor industry-
- benchmarks Disclosures by competitors and industry development trends

Tabulating issues of concerns

Identifying actual and potential impacts

Stakeholders' topics of concern survey Positive/negative impact assessment survey

Stakeholders' topics of concern survey

Response from 418

stakeholders

Ouestionnaires were distributed to stakeholders by the responsible department to understand how much importance they attach to each of the 19 ESG issues.

Tabulating sustainability issues

19 ESG issues were selected by senior executives for the materiality survey.



Positive/negative impact assessment survey

Response from 22 senior executives

Winbond's senior executives evaluated the degree of each ESG issue's positive/negative impacts on the economy, society, humanity, and human rights.

Assessing issue-specific impacts

Topics of concerns among stakeholders

Finalizing the list of material issues

List of material issues

Topics of concerns among stakeholders

- Risk Management
- Regulatory Compliance
- Information Security and Personal
- Information Protection
- Occupational Health and Safety
- Manufacturing Capacity and Operations Performance
- Product and Services Quality
- Business Integrity and Corporate Governance
- Research, Development and Innovation
- Green Products
- Equality and Human Rights

Positive impacts and likelihood matrix



Negative impacts and likelihood matrix



Finalizing material issues

9 final material issues selected by senior executives based on their importance to sustainable development.

Finalizing material issues

Verifying that the 9 issues are

100% compliant with sustainability and comprehensive disclosure requirements

Formulating management guidelines

Management guidelines formulated by senior executives



Material issues approved by ESG Committee



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Matrix of Level of Potential Positive and Negative Impact and Likelihood of Occurrence

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Winbond followed the GRI Standards (2021) definition of materiality. Senior management assessed the impact through a questionnaire, considering the principle of Double Materiality to evaluate the positive and negative impacts of Winbond on 19 sustainability issues related to the economy, environment, and people (including human rights). Each issue was scored based on its likelihood (actual/potential impact) and the degree of impact.

Definition of positive impact

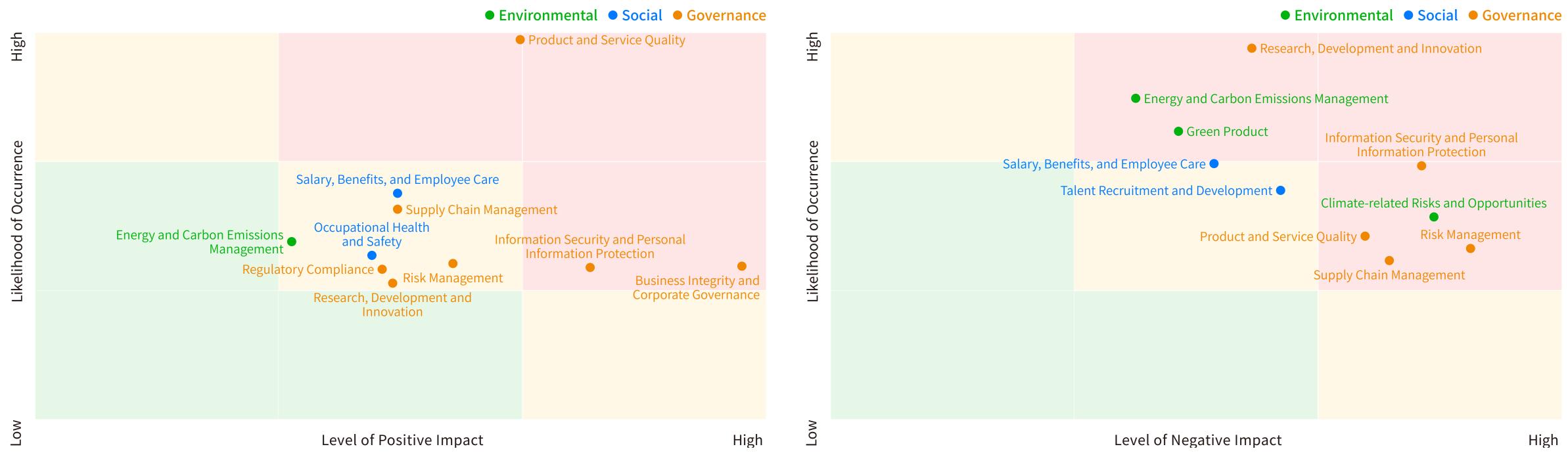
Refers to positive or noticeable results generated by Winbond implementing measures in response to the topic, leading to a positive economic, environmental, or social (including human rights) impact on sustainable development.

Definition of negative impact

Refers to the negative economic, environmental, or social (including human rights) impact caused by Winbond's overall business operations due to Winbond failing to implement or poorly implementing measures in response to the topic.

Matrix of Level of Potential Positive Impact and Likelihood of Occurrence





Top 10 Sustainability Issues Matrix by Positive and Negative Impact Degree and Likelihood

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Validation of Material Issues

We submitted the identified material issues to the Sustainable Development Committee for review. Based on the priority of Winbond's sustainable management development goals, the impact of each issue on internal development, and the impact of Winbond's operational activities on the external economy, environment, and people (including human rights), we consolidated issues with similar content to establish 9 annual material issues. Finally, the Sustainable Development Committee reviewed the identification results of the material issues to ensure compliance with sustainability context and completeness disclosure requirements. Management guidelines for each material issue were formulated and submitted to the Board of Directors for approval.

		Va			
Aspect	Sustainability Issues	Stakeholder Concerns	Impact on Operations	Impact on Sustainability	Material Issues
	Business Integrity and Corporate Governance	✓			Business Integrity and Corporate Governance
	Regulatory Compliance	✓			Regulatory Compliance
	Risk Management	✓			Risk Management
1111	Information Security and Personal Information Protection	✓			- Management
Governance	Research, Development and Innovation	✓			Research, Development and Innovation
	Productivity and Business Performance	✓		✓	Productivity and Business Performance
	Supply Chain Management		✓	✓	Supply Chain Management
	Product and Service Quality	✓	✓		Green Product





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Material Issues and Their Relationship with Winbond Value Chain

Winbond places high importance on material issues, describing both positive and negative impacts associated with the 9 identified material issues. It links these material issues to Winbond's value chain, determining the impact boundaries on the value chain, including Winbond itself, customers, and the supply chain. Winbond tracks specific outcomes regularly each year.

		 Direct ir 	npact $ extstyle extstyle$, Indirect im	oact through	business relationship
Material	Type of Impact(☆ as positive impact, ↓ as negative impact)	Description (How to impact economic, environment, and people (including human rights))	Scope of Impact			Defermine Continu
Issues	Type of impact (as positive impact)		Winbond	Customer	Supply Chain	Referring Section
Business Integrity and Corporate Governance	 Strengthening the trust of customers, suppliers, and investors in Winbond helps attract more cooperation opportunities and business expansion. If integrity management and Corporate Governance are not effectively implemented, it may lead to a decrease in trust from customers, suppliers, and investors in Winbond, potentially resulting in business loss, revenue impact, or reduced investment. 	 Corporate Governance was well-managed, compliant with regulations, and increased investment. Avoiding illegal activities that could lead to financial and rights losses for Winbond and certain groups. 				1.1 Corporategovernance1.2 Business integrity
Regulatory Compliance	 ↑ Winbond complies with regulations, maintains and promotes a good corporate image, enhances customer trust, gains stakeholder support, and achieves long-term value creation and sustainable development. ↓ Avoiding loss of goodwill and causing economic risks. 	Implementing regulatory compliance, enhancing customer trust, and gaining stakeholder support. While creating long-term value and sustainable development, it also avoids loss of goodwill and potential economic risks.				1.2 Business integrity 3 Environmental sustainability 5.1 Human rights governance 5.4 Occupational safety and health
Risk Management	↑ Increasing corporate resilience, improving risk response capabilities, and maintaining operational stability. ↓ If risks are not effectively managed, it may negatively impact business operations, financial status, and market competitiveness.	■ Natural disasters, changes in international political and economic situations, and the emergence of new technologies can affect Winbond's stable supply, long-term competitiveness, and corporate profitability. Good Risk Management allows Winbond to foresee potential risk factors early, plan response strategies and action plans, reduce the impact of risk factors on company operations, customers, and profitability, and turn risks into opportunities.				1.4 Risk management
Research, Develoment and Innovation	 Actively introducing artificial intelligence, robotics, and digital transformation to significantly improve employee productivity, producing more and higher quality results in a shorter time. Innovating and interacting with customers to reduce inefficient work such as rework, providing 24/7 global error-free service to customers. Introducing new technologies (such as artificial intelligence) requires on-the-job retraining for existing employees. There will be an increase in short-term expenses initially. Different customers have varying progress in adopting new technologies, requiring Winbond to customize for each important customer. New technologies may sometimes increase operating costs, and the company needs to ensure that the benefits brought by innovation far exceed the increased costs. 	 Introducing artificial intelligence and digital transformation to improve productivity and service quality, reducing inefficient and erroneous work. Re-educating employees and providing customized services to customers, increasing short-term expenses but achieving higher long-term benefits. 				2.1 Research, development, and innovation



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Material			Scope of Impact			
Issues	Type of Impact(☆ as positive impact, ↓ as negative impact)	Description (How to impact economic, environment, and people (including human rights))	Winbond	Customer	Supply Chain	Referring Section
Productivity and Business Perfor- mance	 Improving productivity can reduce product costs, provide more competitive prices, thereby increasing market share and revenue. Digital transformation and technological innovation can also improve product quality and production efficiency, further enhancing customer satisfaction and brand loyalty. Automation and digital transformation may lead to the loss of some traditional positions, and excessive reliance on technology may increase the risk of employee unemployment, affecting social stability and corporate image. Rapid technological changes may bring uncertainty and financial risks, especially during the initial investment and technology adaptation stages. 	 Improving productivity can reduce costs, increase operational efficiency and capacity. Automation and digital transformation may lead to the loss of traditional positions, and rapid technological changes may bring uncertainty and financial risks. 				1.3 Productivity and business performance
Supply Chain Management	 Suppliers actively meet customer needs by injecting sustainability factors into product/service development, enhancing the sustainable development of the supply chain. Suppliers considering sustainable development face challenges such as operational transformation, financial resource gaps, and hiring sustainable talent. 	Suppliers considering sustainable development face challenges such as operational transformation, financial resource gaps, and hiring sustainable talent.				4 Sustainable supply chain
Green Product	 Developing friendly green products with advanced process capabilities, providing low-power, high-performance, and small-sized products, helping consumers reduce energy consumption and carbon emissions during product use, increasing product friendliness to the environment, and reducing the environmental impact of products. Establishing a comprehensive quality management, zero-defect, and quality-first corporate culture to provide satisfactory products and services to customers. High carbon emission products will incur high carbon taxes, not be adopted by customers, affecting product market competitiveness. 	 Self-developed green-friendly products can reduce energy consumption and carbon emissions, avoiding the risk of high carbon emission products facing high carbon taxes and declining market competitiveness. Providing high-quality products and services, conducting comprehensive testing, evaluation, and improvement of product quality to meet customer needs and expectations. 				2.2 Quality management for products and services 2.3 customer relationship management
Energy and Greenhouse Gas Management	↑ A good energy management system can effectively reduce electricity prices, carbon fees, and enhance the company's image. If energy and greenhouse gas management are not properly done, it may negatively impact the community environment, increase product production costs, and reduce gross profit.	 Managing Winbond's energy and greenhouse gas emissions effectively reduces costs. Mitigating the potential impact of extreme weather on operations. 	•	_		3.1 Energy and greenhouse gas management
Talent Management	 ↑ The booming development of AI tools provides opportunities for significant improvement in employee productivity. ↓ The trend of declining birth rates and Taiwan gradually becoming a global center for AI and semiconductors results in a long-term shortage of labor supply. 	 The role of employees will undergo significant changes with the intervention of AI. It is necessary to achieve a win-win outcome for employees and the company through empowerment and repositioning of employees, allowing employees to share in the company's growth. Through global recruitment, the implementation of DEI concepts, and internal diversity education and training, enhance and maintain employee employability, and implement occupational safety and health management to promote employee physical and mental health. 				5.1 Human rights 5.2 Talent attraction and development 5.3 Employee communication and relations 5.4 Occupational safety and health

















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Alignment of Major Issues with GRI, SASB, UN Global Compact, SDGs, and Winbond Commitments

Winbond aligns nine major issues with international standards, including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the United Nations Global Compact (UNGC), and the United Nations Sustainable Development Goals (SDGs).

Material Issues	Material Significance to Winbond	Business Strategies	Commitment	GRI	SASB	UNGC	SDGs
Business Integrity and Corporate Governance	Business Integrity is the foundation of sustainable corporate operations and one of Winbond's five corporate cultures. Implementing Business Integrity and Corporate Governance avoids violations of corruption and competition, thereby reducing legal and other related risks and financial losses faced by the company.	Through the establishment of regulations, continuous improvement, supervision and control, and education and training, employees become familiar with the connotation of Business Integrity and effectively implement it in their work.	Compliance with laws and regulations is the most basic threshold, and "Business Integrity" is the highest ethical standard of Winbond, based on which Winbond pursues mutual prosperity with society.	 GRI 205 Anti- Corruption GRI 206 Anti- competitive Behavior 	■ TC-SC-520a.1 Intellectual Property Protection & Competitive Behaviour	 Businesses should work against corruption in all its forms, including extortion and bribery. 	
Regulatory Compliance	Winbond adheres to the corporate spirit of sustainable development, prioritizes regulatory compliance, ensures operations align with company policy principles and risk control, strengthens corporate resilience, and demonstrates social responsibility commitments.	Through regular review of operational processes, system control of regulatory updates, and education and training, compliance management is achieved, potential legal risks are reduced, ensuring stable corporate operations and maintaining sustainable competitiveness.	The regulations and norms involved in operations, including Corporate Governance, finance, trade, environmental protection, occupational safety and health, information security, intellectual property, labor rights, internal control, and Risk Management, will be fully complied with.	Regulatory compliance (self- defined topic)			
Risk Management	Winbond is customer-centric. Natural disasters, changes in international political and economic situations, the emergence of new technologies, and changes in policies and regulations can disrupt customer service or affect technical competitiveness and operational profitability. Therefore, a good Risk Management system is the foundation of Winbond's sustainable operations and quality customer service.	Establishing "Risk Management policies and procedures," actively managing the four major risk types faced by contemporary enterprises: "strategic," "operational," "financial," and "information security," and developing comprehensive plans and processes for pre-assessment, risk avoidance, loss prevention, and crisis handling of various operational activities, regularly reporting to management and governance units to ensure the achievement of all corporate risk control objectives. The Risk Management team should always pay attention to international and domestic Risk Management mechanisms.	Adhering to the goal of sustainable corporate operations, a Risk Management mechanism is established to integrate and manage various potential risks that may affect operations and profitability, including but not limited to financial, environmental, information security, operational, and climate risks.	■ GRI 418 Customer Privacy, Risk management (self- defined topic)			13 CLIMATE TO FOR THE GOALS FOR THE GOALS



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Material Issues	Material Significance to Winbond	Business Strategies	Commitment	GRI	SASB	UNGC	SDGs
Research, Development and Innovation	The innovation in product, technology, and business model development is the source of Winbond's competitiveness. It is also the most efficient way to provide the best value to customers, shareholders, and employees, as well as to achieve sustainable operations and energy conservation and carbon reduction.	Actively introducing artificial intelligence and digital transformation to accelerate employee productivity improvement, reducing the demand for tangible/intangible resources; and providing customers with more efficient transaction models in real-time, eliminating human delays or errors.	Committed to providing the most competitive products and services, and making good use of innovative technology to develop the most energy-saving and low-carbon emission technologies and products.	Research & Development and Innovation (Self- defined topics)			9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Productivity and Business Performance	Productivity and operational performance are the cornerstones of Winbond's development, especially in cost control. Improving productivity means producing more products with the same resource input, which can directly reduce unit production costs. Enhancing operational performance can more effectively utilize resources, reduce management costs and operating expenses. These cost reductions will directly enhance Winbond's profitability and strengthen market competitiveness.	Through continuous promotion of digital transformation, introducing advanced technology and AI applications to reduce costs, improve efficiency, and achieve greater operational benefits. Specific strategies include optimizing production processes, introducing automated equipment, improving yield rates, lean management, process optimization, and reducing inventory. However, Winbond also needs to pay attention to potential risks, such as initial investment in automated equipment, technology update costs, and carefully weigh the relationship between cost reduction and risks to ensure the sustainability of cost optimization strategies.	Improving productivity and operational performance, and with the goal of sustainable development and enhancing corporate value, promoting digital transformation, introducing advanced technology, popularizing data and AI applications, continuously optimizing business strategies and management models, enhancing corporate competitiveness and market share, and strengthening employee training and incentives.	■ GRI 201 Economic Performance			8 DECENT WORK AND ECONOMIC GROWTH
Supply Chain Management	Collaborate with customers and suppliers to promote and enhance sustainable development capabilities, strengthen overall supply chain resilience, and reduce operational risks.	Winbond has established a sustainable and resilient supply chain ecosystem with supplier partners through responsible procurement practices, continuous enhancement of supply chain resilience, and promotion of a low-carbon supply chain.	Ensure supply chain stability and enhance supply chain information transparency through close cooperation with suppliers, jointly formulating and implementing policies on environmental protection and social responsibility, and improving sustainability while ensuring compliance across the entire supply chain.	 GRI 204-1 Proportion of spending on local suppliers GRI 308 Supplier Environmental Assessment GRI 414 Supplier Social Assessment 	■ TC-SC-440.a.1 Material sourcing	Make sure that they are not complicit in human rights abuses.	7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION AND PRODUCTION CONSUMPTION AND PRODUCTION AND PRODUCTION CONSUMPTION AND PRODUCTION AND PRODUCTION AND PRODUCTION AND PRODUCTION AND PRODUCTION AND PRODUCTION AND P

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Material Issues	Material Significance to Winbond	Business Strategies	Commitment	GRI	SASB	UNGC	SDGs
Green Product	Create long-term value, reduce operational risks, and aim to ensure information security, energy conservation, carbon reduction, and support the development of artificial intelligence to establish a green and forward-looking technological life, achieving sustainable technology and products.	Developing green-friendly products independently, complemented by advanced manufacturing capabilities, providing low-power, high-performance, and small-sized products, enabling customers to produce more advanced, energy-saving, and environmentally friendly products, reducing the environmental impact of products.	With the vision of "Being a hidden champion in providing sustainable semiconductors to enrich human life." We are committed to developing high-performance, small-sized, low-power, and high-quality green memory products and green manufacturing processes.	GRI 417 Marketing and Labeling	■ TC-SC-410a.1 TC-SC-410a.2 Product lifecycle management	Encourage the development and diffusion of environmentally friendly technologies.	7 AFFORDABLE AND CLEAN ENERGY 3 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Energy and Greenhouse Gas Management	Improving energy management can effectively reduce carbon footprint, mitigate global warming, and reduce operational costs.	Combining professional knowledge and data science to find ways to improve energy efficiency, formulate specific implementation plans for energy conservation and carbon reduction, and regularly review the effectiveness.	Combining data science and professional knowledge, and collaborating with fab system vendors and equipment suppliers, we continuously improve energy efficiency, increase the proportion of green electricity year by year, and reduce greenhouse gas emissions.	■ GRI 302 Energy■ GRI 305 Emission	 TC-SC-110a.1 TCSC-110a.2 Greenhouse Gas Emissions TC-SC-130a.1 Energy emission 	 Businesses should support a precautionary approach to environmental challenges. Undertake initiatives to promote greater environmental responsibility. 	7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION AND PRODUCTION 13 CLIMATE POVERTY 14 POVERTY
Talent Management	 Establish new collaboration models between enterprises, employees, and AI tools. Strengthen employee recruitment outcomes and employability through expanded recruitment and internal training. 	 Enhancing employees' ability to use AI to improve productivity from an empowerment perspective and share Winbond's operational results. Implement DEI concepts and achieve alignment between employee and corporate needs through educational training. 	We are dedicated to providing a high-quality work environment and competitive salary benefits to attract, cultivate, and retain outstanding talents, thereby enhancing employee engagement.	 GRI 401 Employment GRI 403 Occupational Health and Safety GRI 404 Training and Education GRI 405 Diversity and Equal Opportunity GRI 406 Non- discrimination GRI 408 Child Labor 	 TC-SC 320a.1 TCSC-320a.2 Workforce Health & Safety TC-SC-330a.1 Recruiting & Managing a Global & Skilled Workforce 	 Businesses should support and respect the protection of internationally proclaimed human rights. Make sure that they are not complicit in human rights abuses. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. The elimination of all forms of forced and compulsory labour. The effective abolition of child labour. The elimination of discrimination in respect of employment and occupation. 	3 GOOD HEALTH A QUALITY EDUCATION 17 PARTNERSHIPS FOR THE GOALS THE GOALS



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Goals and Performance for Material Issues

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Material Issues	2024 Target	2024 Progress (Achieved)	2025 Short-term Goal	2030 Mid- & Long-term Goal
Pusinoss Intogrity	• Attain top 20% ranking in TWSE Corporate Governance Evaluation.	✓ listed in top 6 -20%	■ listed in top 20%	■ listed in top 20%
Business Integrity and Corporate Governance	■ Continuously increasing the participation of female board members.	3 female directors, accounting for 27%	 Continuously increasing the participation of female board members 	 Continuously increasing the participation of female board members
Regulatory Compliance	■ Implement and conduct 12 regulatory compliance-related courses/year.	✓ 13 courses	>12 course/year	>15 course/year
	Ensure strict compliance with relevant domestic and foreign laws and regulations, with no major violations.	✓ 0 violation	0 violation	• 0 violation
Risk Management	Strengthen climate resilience and formulate measures climate change adaptation and prevention to minimize the impact of climate risks and production disruptions caused by climate disasters.	✓ 0 day	■ 0 day	■ 0 day
	All employees received information security training.	✓ Completion rate 100%	■ Completion rate 100%	■ Completion rate 100%
	No information security incidents affecting company operations occurred.	✓ 0 incidents	0 incidents	0 incidents
Research, Development and Innovation	Obtain approval for 350 patents worldwide.	✓ 380 patents	>350 patents	>350 patents
Productivity and Business Performance	■ Digital transformation activities ≥ 24 sessions.	✓ 37 sessions	■ Digital transformation activities ≥ 24 sessions.	■ 72 sessions
	■ Tier-1 significant suppliers signed Winbond's Supplier Code of Conduct ^{Note 1} .	✓ 100%	■ 100%	■ 100%
Supply Chain	■ Tier-1 significant suppliers 100% signed the Conflict-Free Minerals declaration.	✓ 100%	1 00%	■ 100%
Management	■ Tier-1 significant suppliers 100% underwent sustainable due diligence SAQ ^{Note2} .	✓ 100%	■ 100%	■ 100%
	■ High-risk suppliers underwent on-site sustainable audits and guidance (cumulative number).	✓ 4	9	34

Note 1 Tier-1 significant suppliers refer to those who directly trade with Winbond, providing products/services/technologies directly related to production and manufacturing, with an annual procurement amount exceeding NT\$10 million. Note 2 High-risk suppliers refer to those comprehensively determined through sustainable due diligence and sustainable written audits to require on-site audits and guidance to reduce sustainability risks.



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Material Issues	2024 Target	2024 Progress (✓ Achieved)	2025 Short-term Goal	2030 Mid- & Long-term Goal
Supply Chain	$lacktriangle$ Major suppliers disclosed the proportion of resource usage and savings \geq 95% $^{ ext{Note1}}$	√ 95%	■ 95%	■ 100%
Management	■ Increased the localization ratio of key raw material procurement ≥ 38%	√ 39%	■ 39.5%	■ 42%
	Customer application energy-saving and carbon reduction >33%	✓ 33%	 Customer application energy- saving and carbon reduction >33% Note 2 	■ Product lifecycle carbon emission reduction 20% Note 3
Green Product	■ 35,000 tCO₂e carbon reduction	√ 5.6 tons	35,000 tCO ₂ e carbon reduction	■ 110,000 tCO ₂ e carbon reduction Note 4
	 Achieve over 80% customer satisfaction 	√ 90%	▶80%	▶ >80%
	■ Total power saving: 2~3%	√ 3.5%	■ 2~3%	• Accumulated power savings reached over 15%
	$lacksquare$ YoY reduction in electricity consumption per unit product: $\geq 1\%$	✓ Reduce 14.8%		≥ 1%
Energy and Greenhouse Gas	■ YoY reduction in GHG emission intensity (in Scope 1&2): \geq 5%	✓ Reduce 18.1%	≥ 5%	≥ 5%
Management	■ Fab-wide water recovery rate ≥ 80%	✓ 81.9%	■ ≥ 80%	≥ 80%
	■ Overall waste recycling rate: ≥ 90%	√ 91.9%	≥ 90%	≥ 90%
	■ Reduction rate of volatile organic compounds (VOCs): ≥ 93%	√ 99%	≥ 93%	■ ≥ 93%
	■ 100% Achieve 100% attendance rate of "Global human rights and labor ethics" training course	√ 100%	■ 100%	■ 100%
	 Continuing investing in social inclusion 	✓ N\$ 23,700,000	Continue	Continue
* Talent	■ Maintain total compensation within the top 25% of the industry	✓ Top 25%	■ Top 25%	■ Top 25%
Management	■ Attain ≥ 95% employee retention and willingness to contribute at Winbond for the next 5 years, based on the 2023 Employee Core Values and Engagement Survey results	✓ ≥ 97% Note5	≥ 95%	■ ≥ 95%
	■ The average annual learning hours per employee in Taiwan reached 50 hours	√ 70 hours per person	50 hours per person	■ 65 hours per person

Note 1 Major suppliers refer to those directly related to Winbond's Scope 3 emission category 4 (inventory standards based on ISO 14064:2018).

Note 2 This calculation is based on the 25nm 1.2V/128Mb HyperRAM product.

Note 3 This calculation is based on the entire series of dynamic random-access memory (DRAM) products, including process evolution.

Note 4 This calculation is based on the entire series of flash memory products, including process evolution.

Note 5 The employee core values and engagement survey analysis is conducted biennially. These are the figures for 2023, and another employee opinion survey will be conducted in 2025.

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Stakeholder Engagement

Winbond identified the relevance and precedence of stakeholders using the five principles of the AA1000 Stakeholder Engagement Standard (SES) 2015: Dependency, Responsibility, Influence, Tension, and Diverse Perspectives.

Fostering Green Innovation and

Sustainability for a Better Future for All

In 2023, 22 senior management members at Winbond participated in a stakeholder identification survey (please refer to the 2022 Materiality Analysis Report). They identified the following major stakeholders based on the extent of each stakeholder's relationship with Winbond: government agencies, customers, employees, investors/shareholders, media, suppliers/contractors, and community groups.

A dedicated stakeholder section has been established on the Winbond website, providing various communication channels for stakeholders. Stakeholders can raise questions or suggestions related to sustainability topics, with specific contacts designated to respond to different types of stakeholders. This structure ensures effective communication between Winbond and its stakeholders. The 2024 report utilized the stakeholder identification results mentioned above.





Employee

- Employees are one of the most important assets.
- Serving as key stakeholders in our continued breakthroughs and innovations.

100%

Human rights due diligence survey

78% Attendance Rate

4 supervisor management discussion sessions

23 Cases

Total number of internal communication cases handled

Material Issues

- Business Integrity and Corporate Governance
- Talent Management

- Regulatory Compliance
- Productivity and Business Performance

Channel and Frequency of Communication

immediate

- Internal Hotline 75234 Employee Complaints Hotline
- "Care" Employee Suggestions Box

employee homepage (weekly)

Employee Homepage (weekly)

■ Illegal Employment Infringement Appeals and **Arbitration Committee**

Published articles on corporate philosophy on the

Employer-Employee Meetings and Supervisor

Functional Communications Meetings (regular)

Articles on Winbond Philosophy Published on the

Communication Meetings (quarterly)

Health Consultation

regular

ad hoc

- Health Promotion Activities
- Employee Welfare Committee
- Internal Bulletin Board

- Monthly Labor Safety Meetings (monthly)
- Environmental Safety and Health Committee (quarterly)
- ESG questionnaire (annual)

Testimonial



Tzu-Yu Chen

The company is people-oriented, understanding the high pressure of this industry and therefore providing corresponding measures for both mental and physical well-being, creating a sense of being cared for by this big family.



Winbond is a good company that cares about its employees. The supervisors also take good care of the employees, providing a balance between life and work.



Hung-Chin Lin

Achieving a balance between life and work, along with childcare subsidies to reduce the financial pressure of raising children, and wellness leave to spend more time with family, makes it a happy workplace.



Winbond offers superior benefits compared to the industry, taking care of employees' physical and mental health



In 2024, Winbond host a Zero Carbon Family Day, offsetting the event's carbon footprint with carbon credits

2024 Communication

- 6 cases of internal complaints in total (excluding the sexual harassment)
- 0 cases of sexual harassment
- 18 reports of everyday issues received through the suggestion box
- 4 quarterly supervisor management discussion sessions were held. These sessions were attended by 1,881 people, achieving an attendance rate of 78%.
- 12 labor-management meetings were held (in Zhubei Building, CTSP Fab, Kaohsiung Fab).



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- Customers are the primary source of economic value creation for Winbond.
- They are key stakeholders concerned with Winbond's ESG performance.

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90%

Customer satisfaction

7,470

Customer interaction

Material Issues

- Business Integrity and Corporate Governance
- Energy and Greenhouse Gas Management
- Green Product
- Regulatory Compliance

- Productivity and Business Performance
- Research, Development and Innovation
- Risk Management
- Supply Chain Management

Channel and Frequency of Communication

immediate

Winbond official website, telephone, and e-mail

regular

- Sales meetings (regular)
- ESG questionnaire (annual)Technical seminars (annual)
- Internal Audit (annual)

ad hoc

- Customer audits
- Customer interaction

2024 Communication

- Exhibition: Electronica 2024: Discussing current market conditions, product development directions, and potential solutions
- Supplier Conference: Qisda, Inventec
- Visits: Customers such as Syntrend, Amazon, and Dell visiting CTSP and Kaohsiung fab
- Meetings: Holding multiple conferences to share market dynamics, future trends, and related strategic directions of Winbond (including India Sales conference ∘ Taiwan, Korea, Japan distributor conference)
- Daily visit and communication

Testimonial





Sales Conference India

A lot of useful inputs from presentation.

We are happy to learn about global market situation/trend and technical information by application

Electronica

Good feedback from demo boards on display, prepared by Winbond, customer and partners Preface The Winbond Story Leading a Sustainable Pathway Sustainable Practices Appendix

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- Suppliers/Contractors provide supplies and services required for Winbond's production operations.
- They help maintain Winbond's continuous and sustainable operations, making them also important stakeholders and partners of Winbond's sustainable development.

100% Signing rate

of Code of ethics and integrity and RBA statement

21,681 Hours

Total learning hours for the supply chain ecosystem

38 Sessions

Number of ESG ecosystem meetings held

Material Issues

- Business Integrity and Corporate Governance
- Green Product
- Regulatory Compliance

- Research, Development and Innovation
- Supply Chain Management

Channel and Frequency of Communication

immediate

- External complaints channels
- Supplier ESG Interaction Platform

regular

- Winbond Ethics and Integrity Policy and complaint channel (Semi-annual)
- Evaluations of major suppliers (Semi-annual)
- Supplier audits (annual)
- Sustainability Due Diligence SAQ for Suppliers (annual)
- Conducted face-to-face communication with contractors through safety protocol organizations (monthly)

2024 Communication

- 100% of suppliers signed the Integrity Commitment and RBA Declaration
- 100% of Tier-1 significant suppliers signed the declaration of not using conflict minerals
- 100% of Tier-1 significant suppliers signed the declaration of not using hazardous substances
- 0 supplier complaints
- 100% pass rate for new suppliers meeting economic, environmental, and social sustainability standards
- 100% coverage of Tier-1 significant suppliers undergoing economic, environmental, and social sustainable due diligence SAQ
- 21,681 hours of total ESG ecosystem meeting hours, 38 ESG ecosystem meetings held (including regular supplier and sustainable due diligence SAQ training, CSR activity cooperation, internal colleague ESG training hours, and external public association advocacy)
- 1,358 professional certifications for special operation personnel of contracting construction companies
- 3,320 participants in hazard notification courses for contracting construction companies

Testimonial



Evon Tsai, Manager from ESH office, ChipMOS Technologies

Winbond Electronics leads the carbon data exchange pilot project, with ChipMOS joining. This initiative reduces the burden of carbon footprint data entry, lowers labor costs, and promotes transparency and comparability of carbon data. It aims to resolve supplier data collection issues in Scope 3 inventories and achieve net-zero emissions.

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Public

Association

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Focused on Winbond's compliance with various environmental, social, and governance (ESG) regulations, as an important stakeholder influencing industry development and policy promotion

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68 Meetings

Occupational safety and health meeting with authorities

Material Issues

- Business Integrity and Corporate Governance
- Energy and Greenhouse Gas Management Regulatory Compliance
- Risk Management

Talent Management

Channel and Frequency of Communication

immediate

■ ESG questionnaire (annual)

ad hoc

- Official documents correspondence
- Regulatory and conferences
- Public hearings
- Policy information sessions
- Participation in relevant organizations
- Inspections by competent authority

2024 Communication

- Participated in 68 meetings with Occupational safety and health management entities.
- Conducted 53 on-site audits and inspections with Occupational safety and health management entities
- Engaged in 8 public association
- 4 Policy Information Sessions on Sustainability Issues



In 2024, Winbond was awarded the "Work-Life Balance Award - Family-Friendly" by the Ministry of Labor

Shareholders/ **Investors**

- Shareholders/Investors are Winbond's main source of capital.
- They are mainly concerned with Winbond's operating performance and sustainable development.

41 Meetings

Shareholders/investors communication meetings

Material Issues

- Green Product Risk Management
- Regulatory Compliance
- Business Integrity and Corporate Governance
- Productivity and Business Performance Research Development and Innovation

Channel and Frequency of Communication

immediate

■ Telephone and e-mail

regular

- Investor conference (biannual, or whenever necessary due to special circumstances)
- One-on-one meetings with institutional investors (8-10 times/quarter)
- Shareholders' Meeting (annual)
- ESG questionnaire (annual)

ad hoc

- Winbond official website
- The Taiwan Stock Exchange Market Observation Post System

2024 Communication

- 12 disclosures of revenue
- 1 annual shareholders' meeting
- 2 institutional investor conferences
- 38 Corporate communication meetings
- 4 disclosures of financial reports

Dialogue and Engagement with Investors



Winbond 2024 Investor Conference



Winbond 2024 Annual Shareholders' Meeting



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• Their proximity to Winbond's operating locations means they bear the brunt of the impact from our operations. Their welfare is therefore of high importance to Winbond.

NT\$23.7 million

Total amount of charitable donations

1,089 People

385 People

Total number of donors

Serve as a volunteer and lecturer

Material Issues

- Business Integrity and Corporate Governance
- Regulatory Compliance
- Talent Management

Channel and Frequency of Communication

ad hoc

- Volunteer activities
- Collaborative projects and visits



Conserving and nurturing 33 species of Theaceae to protect Taiwan's native plants and preserve Theaceae germplasm

2024 Communication

■ We have cultivated 33 Theaceae species, including 1 species that is classified as critically endangered, 1 as endangered, 7 as vulnerable, and 3 as near threatened, as listed in the IUCN Red List of Threatened Species.

Fostering Green Innovation and

Sustainability for a Better Future for All

- Happy Breakfast Program for School Children in Rural Areas which benefits 80 students
- Fundraising for Impoverished Students Education Financial Aid which benefits 1,062 students
- In 2024, seven blood donation events were held, with a total of 458 participants and 685 bags of blood donated.
- Activities such as protecting Fazih River, cleaning up Nanliao Beach, and clearing Kaohsiung Yuanzhonggang Wetland were conducted, collecting approximately 658 kilograms of trash.
- Total amount of charitable donations NT\$23.7 million



■ The media serves as a bridge between Winbond and stakeholders. With immediate access to information released by Winbond, they can assist Winbond with the disclosure of positive sustainability information.

2 Times

25

Press Conference

Press releases

Material Issues

- Business Integrity and Corporate Governance
- Talent Management
- Green Product
- Productivity and Business Performance
- Research, Development and Innovation

Channel and Frequency of Communication

immediate

■ Telephone and e-mail

regular

- Press release (regular)
- Media interviews (annual)
- ESG questionnaire (annual)

2024 Communication

- 34 telephone and e-mail communications
- 25 press releases
- Winbond operating report provided 2 times
- 2 press conferences held

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UN Sustainable Development Goals

Winbond references the Sustainable Development Goals (SDGs) released by the United Nations and the Taiwan Sustainable Development Goals announced by the Taiwanese government, integrating SDGs relevant to its business into its corporate social responsibility policies and oper- ational directions. Following the Practical Guide for Business Reporting on SDGs jointly issued by the Global Reporting Initiative (GRI) and the United Nations, Winbond identifies SDGs relevant to its operations through three steps and nine actions, establishing sustainable development goals and initiating sustainable actions.

Winbond first identifies priority areas of SDGs, sets sustainable goals after measuring and evaluating performance, and integrates and reports on sustainable action plans. We will continue to track our progress in the future. Winbond released its first action report, defining SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation, and Infrastructure), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), SDG 15 (Life on Land), and SDG 17 (Partnerships for the Goals) as priority areas, setting 24 specific goals. By 2023, Winbond had initiated and undertaken over 15 sustainable actions, fulfilling its corporate citizenship responsibilities and expanding its positive impact on society by aligning with its commitment to SDGs and demonstrating a clear dedication to their implementation.

*Scope of this chapter: Winbond (Taiwan)

Winbond's Sustainable **Development** Strategy

Develop five strategies from the threedimensional vision of ESG



Green Product

Developing safe, efficient, and lowenergy green products continuously



Sustainable Supply Chain

Strengthening supply chain cooperation and enhancing sustainable competitiveness



Environmental Sustainability

Improving energy efficiency and achieving net-zero goal



Human Rights and Social Inclusion

Cultivating talent, encourage innovation, and creating a friendly and harmonious workplace



Appendix

Corporate Governance

Enhancing corporate governance functions and realizing sustainable value



Through 3 steps and

Winbond **Stakeholders**

customers employees shareholders/investors

suppliers/contractors community/society
media

government agencies

Item Identification

9 actions, we identify the SDGs related to Winbond and establish sustainable development goals

Step 1

Identify priorities for the SDGs

> 10 priorities

1 Learn about the SDGs and their sub-goals

Sort the SDGs sub-goals

3 Decide on the content of SDG-related coverage

Step 2

Measurement & Performance **Evaluation**

> 22 goals

4 Setting goals

5 Select the Disclosure Project

6 Collect and analyze data

Step 3

Report, integrate, and react

15

Action plans

8 Consider the needs of information users

Seporting and action

7 Benchmarking

examples when

reporting on the SDGs

Practice of Sustainable Action Plan

V

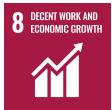
Actions, disclosures and reports





















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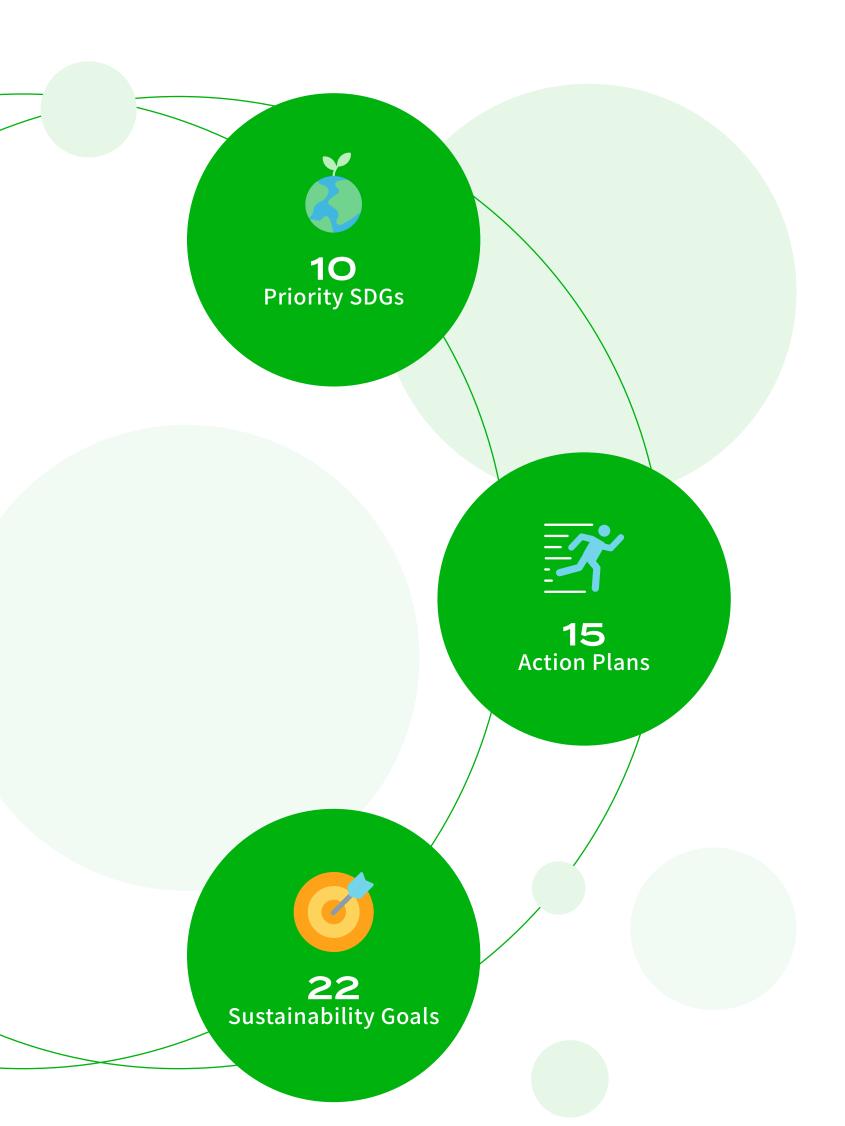
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Indicators

- 3.7 Ensure universal access to sexual and reproductive health-care services, including family planning, information, and education
- 3.8 Achieve universal health coverage, including financial risk protection and access to quality essential health-care services and medicines

Employee health management

- 1 >1,000 employees benefit from health promotion programs
- 2 >1,000 employees receive free vaccines

Encourage childbearing

- 1 NT\$6,000 monthly employee childcare stipend (until the kid reaches the age of 4)
- 2 Pregnant Employee Care Program coverage: 100%

2024 Highlights

- Employee health examination follow-up completion rate: 100%
- 38,438 employees participated in sports promotion campaigns (12,526,500 Kcal burned)
- 1,760 employees received free flu shots
- Employees of Winbond(Taiwan) and Nuvoton(Taiwan) receive monthly childcare subsidies of NT\$6,000 and NT\$5,000 for their newborn children. From 2011 to 2024, the subsidiaries have cumulatively distributed approximately NT\$390 million in subsidies.
- 53 pregnant employees received female counseling services and information



Indicators

- 4.3 Ensure equal access to affordable and quality technical, vocational, and higher education.
- 4.4 Increase the number of people with relevant skills for financial success.

Youth Education

1 Investing in cultivating semiconductor talent

Educational resources for the disadvantaged

1 Annual scholarships for disadvantaged students (benefiting > 1,000 students)

2024 Highlights

- Invested NT\$10 million in and appointed 18 lecturers to the NCKU Semiconductor Program, benefiting 542 students
- 1,062 students benefiting from Financial Aid for the Education of Students from Economically Disadvantaged Families

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SDG 6 Clean Water and Sanitation

Indicators

6.5 implement integrated water resources management at all levels

Minimize water risk

1 Water recovery rate of every fab $\geq 80\%$

2024 Highlights

- Fab-wide water recovery rate: 81.9% ➤ Process water recycling rate 89.3%
- Since 2019, the cumulative water savings have reached approximately 4,880 megaliters.
- Fully obtained the ISO 46001 water efficiency management systems.



SDG 7 Affordable and Clean Energy

Indicators

- 7.2 Increase the global share of renewable energy.
- 7.3 Double the global rate of improvement in energy efficiency

Energy conservation

Accumulated power savings reached over 15%

Use of renewable energy

1 Renewable energy accounted for 90% by 2030 at the CTSB Fab

2024 Highlights

- Renewable electricity investment: As of the end of 2024, the board-approved renewable energy-related investments reached NT\$955 million.
- Renewable electricity procurement: Accumulated 27 MW of solar power; accumulated 12.84 MW of wind power.
- CTSP fab's 499 KW rooftop renewable energy generation equipment was converted for selfuse.
- Renewable energy usage rate: 5.9%.



SDG 8 Decent Work and Economic Growth

Indicators

- 8.3 Promote policies that support job creation and business growth
- 8.5 Achieve full employment and equal pay for work of equal value

Competitive employee remuneration

1 Salary level ranks in the top 25% among our competitors

Local procurement

1 Increase the proportion of localized procurement of key raw materials 2025 short-term goal: 39.5% 2030 Mid-to-long-term goal: 42%

2024 Highlights

- Remuneration for full-time non-management employees ranked in the top 25% in the industry
- 39% of key materials sourced locally



SDG 9 Industry, Innovation and Infrastructure

Indicators

9.5 Enhance research and upgrade industrial technologies

Encouraging innovation

1 The number of global patent approvals reached 350

2024 Highlights

- Over 6,900 patents have been applied for globally, with more than 5,300 patents granted
- R&D expenses accounted for 20% of operating income
- Selected as the Top 100 Global Innovator by Clarivate in 3 conservative years

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SDG 12

Responsible Consumption and Production

Fostering Green Innovation and

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Indicators

- 12.7 Promote sustainable public procurement practices1
- 12.8 Promote universal understanding of sustainable lifestyles

Responsible procurement

- 1 Declaration of Non-Use of Conflict Minerals signing rate: 100%
- 2 Winbond Supplier Code of Conduct Commitment Letter signing rate: 100%

Promotion of sustainable awareness

1 By 2030, suppliers are required to conduct sustainability meetings and training (including management/technical forums, regular training, ESG-themed co-learning, external public associations, and industry advocacy).

2024 Highlights

- Tier-1 significant suppliers use zero prohibited substances and zero conflict minerals
- 100% of Tier-1 significant suppliers signed the Winbond Supplier Integrity Commitment
- 100% of suppliers were educated on the Winbond Supplier Code of Conduct
- The number of sustainability meetings and training sessions for suppliers has accumulated to 73 sessions.



SDG 13 Climate Action

Indicators

- 13.1 Strengthen resilience and adaptive capacity to climate-related hazards
- 13.3 Improve education, awareness, and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning

Minimize weather risks

- 1 Zero days of production interruptions due to weather-related hazards
- **2** Greenhouse gas emission intensity (Scope 1&2) YoY reduction $\geq 5\%$

Promote climate change education

- 1 Promoting sustainable education
- 2 Promoting suppliers co-learning initiative
- 3 Establish cross-functional TCFD project team

2024 Highlights

- Zero days of production interruptions due to weather-related hazards
- The unit greenhouse gas emission intensity indicator is 12.7 kg CO₂ equivalent, a YoY decrease of approximately 18.1%
- Establish sustainable training platform to promote sustainable education
- Total learning hours for the supply chain ecosystem: 21,681 hours
- Established the TCFD platform to provide a convenient management tool for climate change issues



SDG 15 Life on Land

Indicators

15.5 Protect biodiversity and natural habitats

Nature-based solutions

- 1 30-year afforestation project
- 2 > Preservation of 25 species of Theaceae

2024 Highlights

- Afforestation Plan in Kaohsiung: calculated using the biomass expansion factor method, combined with the unit area volume formula of different tree species' forest age, the estimated carbon sequestration during the execution period is 390 metric tons of CO₂ equivalent
- Tree Adoption Plan in Chiayi: calculated using the biomass expansion factor method, combined with the unit area volume formula of different tree species' forest age, the estimated total carbon sequestration is 990
- 33 out of 42 native Taiwanese Theaceae species conserved
- Conservation of Spiranthes sinensis (the Lady's Tresses orchid), an endangered wild plant species



SDG 17 Partnerships for the Goals

Winbond starts with its own operations, engages employees, customers, suppliers, government agencies, stakeholders/investors, and the community/society, and collaborates with stakeholders to respond to the SDGs and create sustainable value.

