

# Winbond Electronics Corporation

## Human Rights Due Diligence Report



***winbond***

A Global Supplier of  
Advanced Solutions

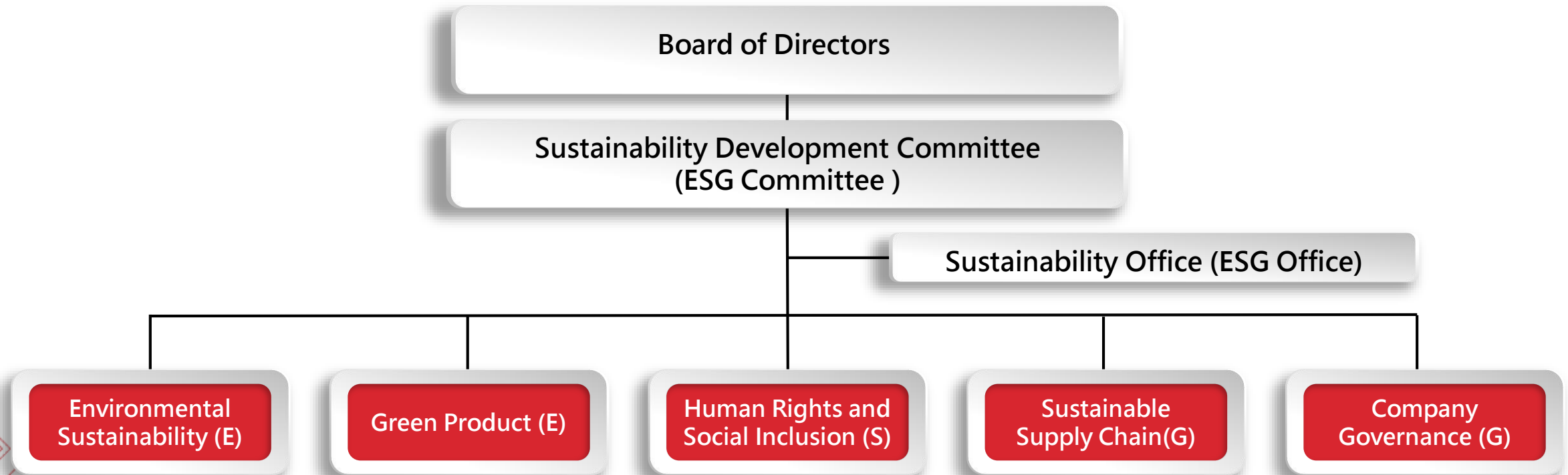
Winbond Electronics has been actively involved in human rights management for many years. By supporting and protecting human rights, we aim to provide a safe and ethical working environment, and achieve the goal of honest and sustainable operation.

In order to optimize human rights risk management, in 2022, we updated our human rights policy by referring to relevant regulations and human rights development trends. We also commissioned a third-party to conduct human rights due diligence investigations on all of our employees located in Taiwan. By conducting human rights risk reviews, we will continuously improve our human rights management mechanism and enhance the awareness and importance of human rights among stakeholders.

# Human Rights Governance

Winbond integrates human rights management into daily operations, ensuring that all business activities respect dignity and protect human rights. The human rights governance of Winbond is managed by the Sustainability Development Committee, which consists of the Board of Directors, senior management, and relevant organizational units. Its responsibilities include planning the company's sustainable development strategy and goals, developing action plans, integrating company resources, and implementing various issues to enhance operational competitiveness.

The human rights management is under the jurisdiction of the Human Rights and Social Inclusion Team, which is subordinate to the Sustainability Development Committee. Its main responsibilities include safeguarding human rights, recruiting and retaining a diverse workforce, establishing a friendly and harmonious workplace, ensuring occupational safety and health, and engaging with the community on environmental and social issues.



# Human Rights Policy

Winbond Electronics Corp. promises to abide by internationally recognized human rights standards as the highest guiding principle, including :

- UN Guiding Principles on Business and Human Rights
- Declaration of Fundamental Principles and Rights at Work
- UN Universal Declaration of Human Rights of the International Labor Organization

Winbond implements the Responsible Business Alliance Code of Conduct to uphold human rights and create a safe and ethical working environment. Also, Winbond adheres to the human rights policies below and expects vendors to follow the same standards in their operation and management:

Particular attention:

1. To abide by local laws and regulations of the operational base and provide a safe and legal working environment.
2. To continuously promote a culture of diversity and inclusion by recruiting and developing diverse talents.
3. To protect the labor rights of disadvantaged groups such as women, indigenous peoples, foreign employees and people with disabilities so as to ensure equal employment opportunities and eliminate employment discrimination
4. To prohibit any form of forced labor and child labor from being employed
5. To prohibit any form of cruel treatment, including intimidation or harassment
6. To provide various grievance channels and mechanisms, and to protect confidentiality of the complainant's identity
7. To promise, propose, approve, give or accept bribe or other legitimate gains are prohibited
8. To purchase minerals responsibly
9. To conduct regular due diligence on human rights, review potential risks and formulate preventive measures to reduce the impact of human rights risks.

Chairman





# Scope and Time

The investigation scope of Winbond's human rights due diligence follows the international standards, sustainability benchmarks, and issue frameworks, including the UN Global Compact, the International Bill of Human Rights, UNGPs on Business and Human Rights, ILO-Declaration of Fundamental Right at Work, International Labor Office Tripartite Declaration of Principles, and OECD Due Diligence Guidance For Responsible Business Conduct.

## Scope

All Winbond sites : Taipei and Hsinchu offices, Taichung fab, Tainan office, and Kaohsiung fab.

## Time

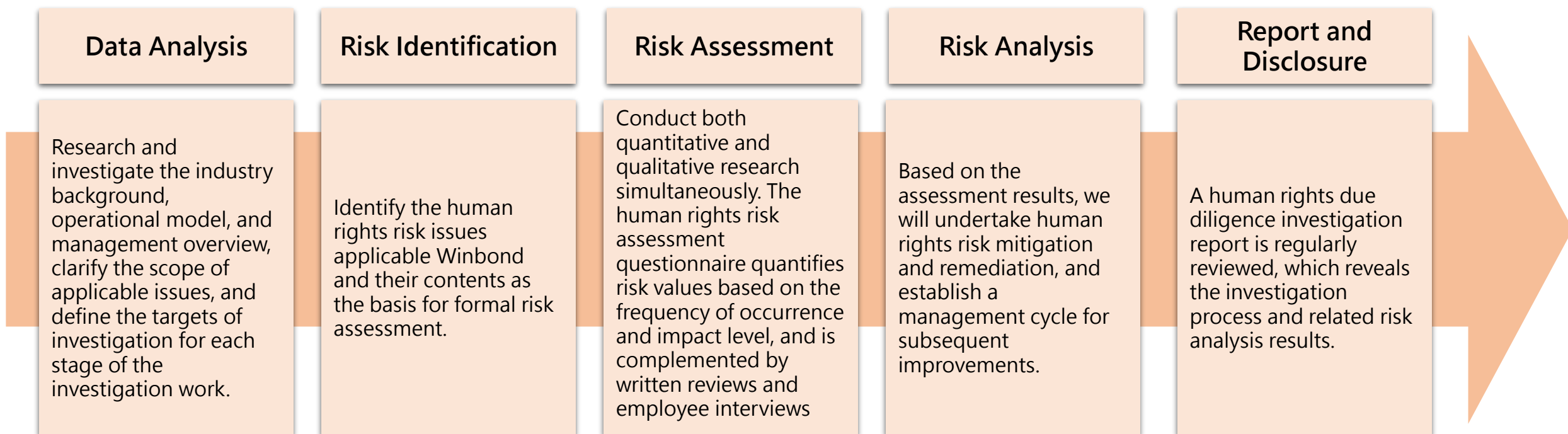
Year 2022



# Investigation Process

Based on international human rights standards and frameworks, combined with risk management and sustainability management methodologies, Winbond human rights due diligence investigation has developed a method of execution that has a complete theoretical basis and practical verification. The operational methods of each stage are adjusted according to the operational scope of the investigation target, industry type, organizational structure, and management mode.

After confirming the investigation method, Winbond invested resources from various units to actively cooperate with the investigation, and the process was rigorous in order to assess the current human rights risk situation and make improvements.



# Coverage

The human rights risk assessment questionnaire was sent to all employees of all operating locations, including the Taipei office, Zhubei office, Taichung fab, Tainan office, and Kaohsiung fab, and the human rights risk assessment scope covers 100% of the operating locations.



Location	Questionnaire Distribution	Questionnaire Response
Taipei office	V	V
Zhubei office	V	V
Taichung fab	V	V
Tainan office	V	V
Kaohsiung fab	V	V

# Human Rights Risk Identification

In the human rights risk identification process, a total of 37 human rights risk were identified. After assessing the available evidence, 9 issues were confirmed to have no potential violation. For the remaining 28 human rights issues in the categories of labor rights, health and safety, environment and community, and governance and ethics (including but not limited to forced labor, human trafficking, child labor, freedom of association, collective bargaining, equal pay for equal work, discrimination, etc.), a human rights risk assessment questionnaire was developed. The questionnaire evaluated the frequency and impact of each risk, and the risk score was calculated by multiplying the two factors. Based on the risk scores, a human rights risk matrix was created.

## Labor Rights

Code	Risks	Code	Risks
1	Human Trafficking	10	Work-Life Balance
2	Forced Labor	11	Disability Protection
3	Talent Training and Development	12	Freedom of religion
4	Working Hours	13	Sex Discrimination
5	Wages and Benefits	14	Employment and Occupational Discrimination
6	Maternity Protection	15	Child Labor
7	Diversity and Inclusion	16	Freedom of Association
8	Freedom of Speech and Expression	17	Collective Bargaining
9	Physical and Mental Health	18	Bullying and Harassment

## Health and Safety

Code	Risks
19	Occupational Injury and Illness
20	Sanitation, Food, and Housing
21	Safe Operations Information
22	Occupational Safety

## Environment and Community

Code	Risks
23	Biodiversity
24	Material Control
25	Local Community Rights
26	Pollution Prevention and Resource Reduction
27	Harmful Substance
28	Land Use and Property Rights
29	Cultural, spiritual and religious influences

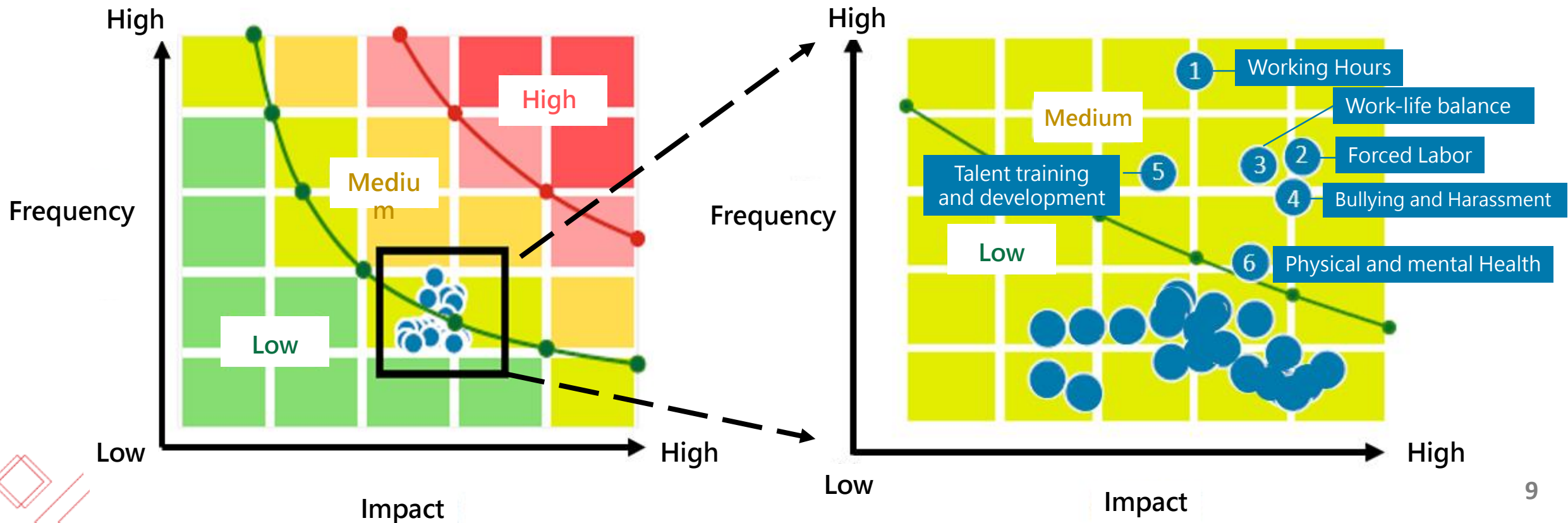
## Governance and Ethics

Code	Risks
30	Harmful Products/Services
31	Protection of Identity and Non-Retaliation
32	Personal Data and Privacy Protection
33	Intellectual Property
34	Human Rights Ethical Principles
35	Fair Business, Advertising and Competition
36	Responsible Sourcing of Minerals
37	Product Testing



# Human Rights Risk Matrix

Based on the survey results, a human rights risk matrix was created. The matrix defines each issue as high, medium, or low risk based on the risk product of impact and frequency of occurrence. Low risk is located to the left of the green line, medium risk is between the green and red lines, and high risk is located to the right of the red line. According to the survey results, out of the 28 issues, 22 were categorized as low risk and 6 were categorized as medium risk. The medium risk issues included working hours, forced labor, work-life balance, bullying and harassment, talent training and development, and physical and mental health. This indicates that **no high risk requires immediate remediation measures**. Employees generally perceive a low likelihood of human rights violations occurring at Winbond, and that the potential impact on individual rights is low.



# Improvement and Monitoring

Although there were no high-risk issues identified in this survey, for the medium-risk issues, Winbond has taken continuous improvement actions to reduce the occurrence and impact of these risks. The action plans taken for the 6 human rights issues are shown in the table below :

Multiplication Ranking	Risk	Risk Mitigation Measures	Risk Remediation Measures
1	Working Hours	<ul style="list-style-type: none"><li>• We have regularly reviewed our capacity and manpower needs to prepare for personnel recruitment and flexible adjustments.</li><li>• We have analyzed and addressed the issue through a mechanism and system for managing working hours.</li><li>• Every year, we will schedule regular training on working hours to enhance awareness of working hour management.</li></ul>	<ul style="list-style-type: none"><li>• If any violation happened, an investigation shall be conducted, and internal reward and punishment regulations shall be applied, and the rights of employees whose interests have been damaged shall be restored.</li></ul>
2	Forced Labor	<ul style="list-style-type: none"><li>• Every year, training and education on forced labor issues for managerial employees will be arranged to enhance management awareness.</li></ul>	<ul style="list-style-type: none"><li>• If any violation happened, an investigation shall be conducted, and internal reward and punishment regulations shall be applied, and the rights of employees whose interests have been damaged shall be restored.</li></ul>

# Improvement and Monitoring

Multiplication Ranking	Risk	Risk Mitigation Measures	Risk Remediation Measures
3	Work-life balance	<ul style="list-style-type: none"><li>We will regularly organize events such as parenting seminars and wellness workshops to provide employees with information and support for their personal lives, and to enhance their work-life balance. In 2022, A series of courses were conducted, including stress relief and good sleep, hypertension prevention and control, CPR &amp; AED training, traffic safety and defensive driving awareness, as well as motorcycle safety inspections. In total, 15 sessions were organized, with a participation of 6,686 individuals.</li></ul>	<ul style="list-style-type: none"><li>We provide the "employee assistance program" . Through the consultant team's professional counseling in interpersonal relationships, physical and mental health, finance, law, and management, we assist employees in regaining work-life balance.</li></ul>
4	Bullying and Harassment	<ul style="list-style-type: none"><li>The measures for preventing workplace unlawful infringement and preventing workplace harassment, including sexual harassment, have been strictly implemented in the company.</li><li>Regular courses on anti-bullying and harassment management are held. In 2022, workplace misconduct prevention and crisis case handling training were conducted, with a total of 192 individuals trained.</li><li>Enhanced communication skills training courses will be arranged to actively establish and cultivate a friendly working interaction mode.</li><li>The prohibition of workplace unlawful infringement is regularly promoted through channels such as email, bulletin boards, or posters to ensure that colleagues understand the company's regulations.</li><li>The company has established an internal complaint channel, and a follow-up tracking and disposal procedure has been established to provide employees with sufficient relief channels.</li></ul>	<ul style="list-style-type: none"><li>Winbond sets up appeal channels and follow-up procedure to provide employees with comprehensive remedial measures.</li><li>If any violation happened, appropriate protection and placement measures will be provided to victims of bullying and harassment.</li><li>If any violation happened, an investigation shall be conducted, and internal reward and punishment regulations shall be applied, and the rights of employees whose interests have been damaged shall be restored.</li></ul>

# Improvement and Monitoring


Multiplication Ranking	Risk	Risk Mitigation Measures	Risk Remediation Measures
5	Talent training and development	<ul style="list-style-type: none"><li>• Develop comprehensive training and development programs based on the company's strategic vision and core culture. Please refer to Page 14 for details.</li><li>• Periodically announce internal rotation opportunities and provide channels for employees to apply.</li><li>• Implement succession planning for key management positions, focusing on long-term cultivation of talent. In 2022, there was a strong emphasis on talent development in the factory units, with 32% of middle and senior management personnel undergoing rotation and development by the end of 2022. It is planned to gradually expand the talent pool in each business group through succession planning in 2023.</li></ul>	<ul style="list-style-type: none"><li>• If employees provide feedback indicating insufficient training content, the responsible unit will assess the needs based on their specific topics and provide appropriate solutions.</li><li>• The promotion of internal rotation regulations will also be carried out.</li></ul>
6	Physical and mental health	<ul style="list-style-type: none"><li>• Regularly organize diversified health promotion activities, provide accurate health information, and enhance employees' ability to control self-health management and improvement.</li><li>• Regularly use employee health check survey to assess employees' health risks and provide reminders and follow-up assistance to help improve their health.</li></ul>	<ul style="list-style-type: none"><li>• If it is found that the company's shift system, rest time, epidemic prevention policy, and other practices violate legal regulations, an investigation should be conducted, and punishment should be imposed in accordance with the internal disciplinary regulations. The company should also return the loss that affected employees.</li></ul>


# Continuously Enhancement


Winbond has long been committed to human rights management, and continuously attracts diverse talents through different channels. In 2022, female employees accounted for 33% of the total, and the new recruitment rate of female employees increased from 6% to 24%. The company also actively participates in the recruitment of foreign talents. In 2022, 11 new foreign employees were recruited from six different countries, and the proportion of foreign colleagues reached 1.3%.

Winbond provides a healthy, safe, and equitable working environment for employees of different genders, ages, nationalities, indigenous peoples, and those with disabilities through a biannual performance evaluation system, competitive salary design, employee care benefits and group insurance that are better than the legal requirements. This allows talents to develop in positions that suit their skills. Employees can also express their opinions or provide suggestions through various communication channels, either named or anonymously, and communicate smoothly with their supervisors.

Comprehensive Employee Care				
Bonus	Subsidy and Insurance	Vacation	Life Care	Clubs
Festival Bonus	Birth Subsidy	LOHAS Leaves	Care for Foreigners	Exercise
Special Bonus	Marriage Subsidy	Parental Leave	Health Check	Arts and Culture
Performance Operating Bonus	Child Care Subsidy		Health Care	LOHAS
Employee Remuneration	Group Insurance		Health Promotion	Public Welfare
Motivation Fund	Retirement and Transition Plans			
Winbond Star Bonus				
Patent Bonus				
Retirement Fund				





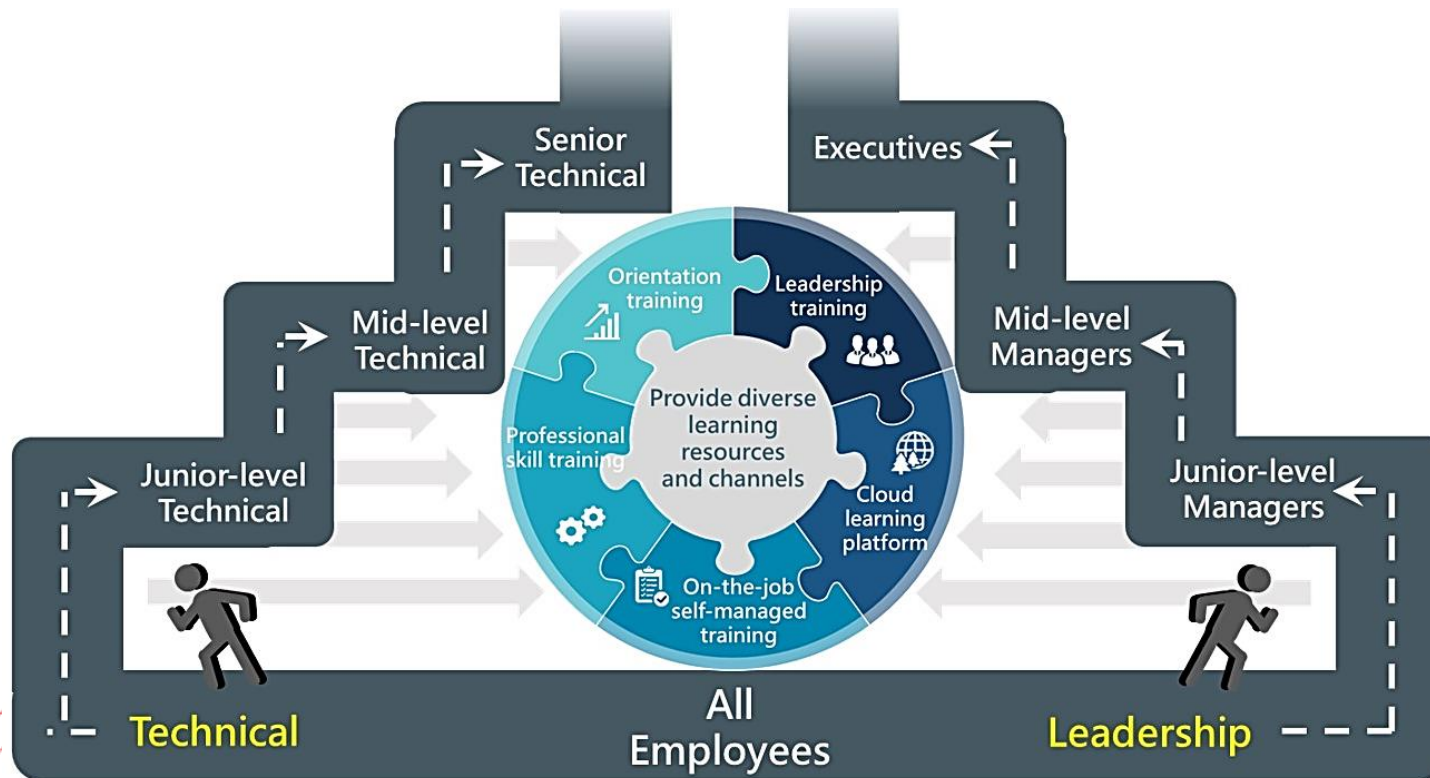




# Continuously Enhancement

Winbond is committed to providing comprehensive training resources, both online and in-person, to assist employees in adapting to rapidly changing environments while meeting their lifelong learning needs and achieving personal job satisfaction. From the "Newcomer Bootcamp" for new employees, which strengthens knowledge, skills, and cultural transmission, to a wide range of management and professional training programs, and the deepening of key talent pool construction, a complete talent development blueprint is provided.

In June 2023, a women's leadership development program will be launched, and global human rights training, intergenerational communication courses, and unconscious bias courses will be completed by Q3. At the same time, the concept of human rights is gradually being extended to suppliers, with the expectation that suppliers will operate their businesses to the same standards, building a happy industrial value chain.



**we are Unique**  
擁抱多元 永續共融

**STEP 1 理解什麼是偏見與所有人的不同**  
個性大膽的人做事較敢衝?內向的人溝通能力不佳?有孩子的女同事無法擔負重任?偏見無形中阻礙我們傾聽與思考不同觀點的助力,並降低團隊成效。課程中的互動問答與實例短片將帶領你一步步認識無意識偏見,並提供克服方法。

**STEP 2 多元的團隊對於生產力是有幫助的**  
多元化絕不只是政治正確或者口頭。多元化研究學者Rocio Lorenzo和她的團隊針對171家企業進行調查,證實多元化對企業的營收帶來正面影響,並發現女性領導者達20%以上之企業,將與其他企業產生顯著差異。

**STEP 3 減少工作領域的偏見**  
我們都有偏見——尤其是無意識的偏見——它阻礙了我們做最好的工作。不受控制的偏見會使員工感到不滿、沮喪和疏離,甚至會導致嚴重的歧視和騷擾。

**STEP 4 每種群體都需要被理解**  
【性別】性別平等專家Sara Sanford的研究指出,女性離開快速發展領域的行業(如科技業)之比例比男性高45%。主要原因因是性別偏見的文化。那麼如何調整企業文化體質? Sara提出一條具體建議,協助有效溝通與理解。

【種族】當你第一眼看到這位戴頭巾的女人,腦海中浮現的自覺反應是什麼?多數人猜想也許是保守的母親、愛給家務的難民,或基於刻板印象如此著迷的穆斯林女性。在這場有聲、關鍵的演講中,機械工程師Yassmin Abdel-Magied用一種出人意料的方式挑戰我們所有人,透過承認偏見的存在進而改變我們最初的認知。

無論你來自哪裡,身處何方,擁抱多元文化,共創共融



***winbond***