2025

Winbond Materiality Analysis Report

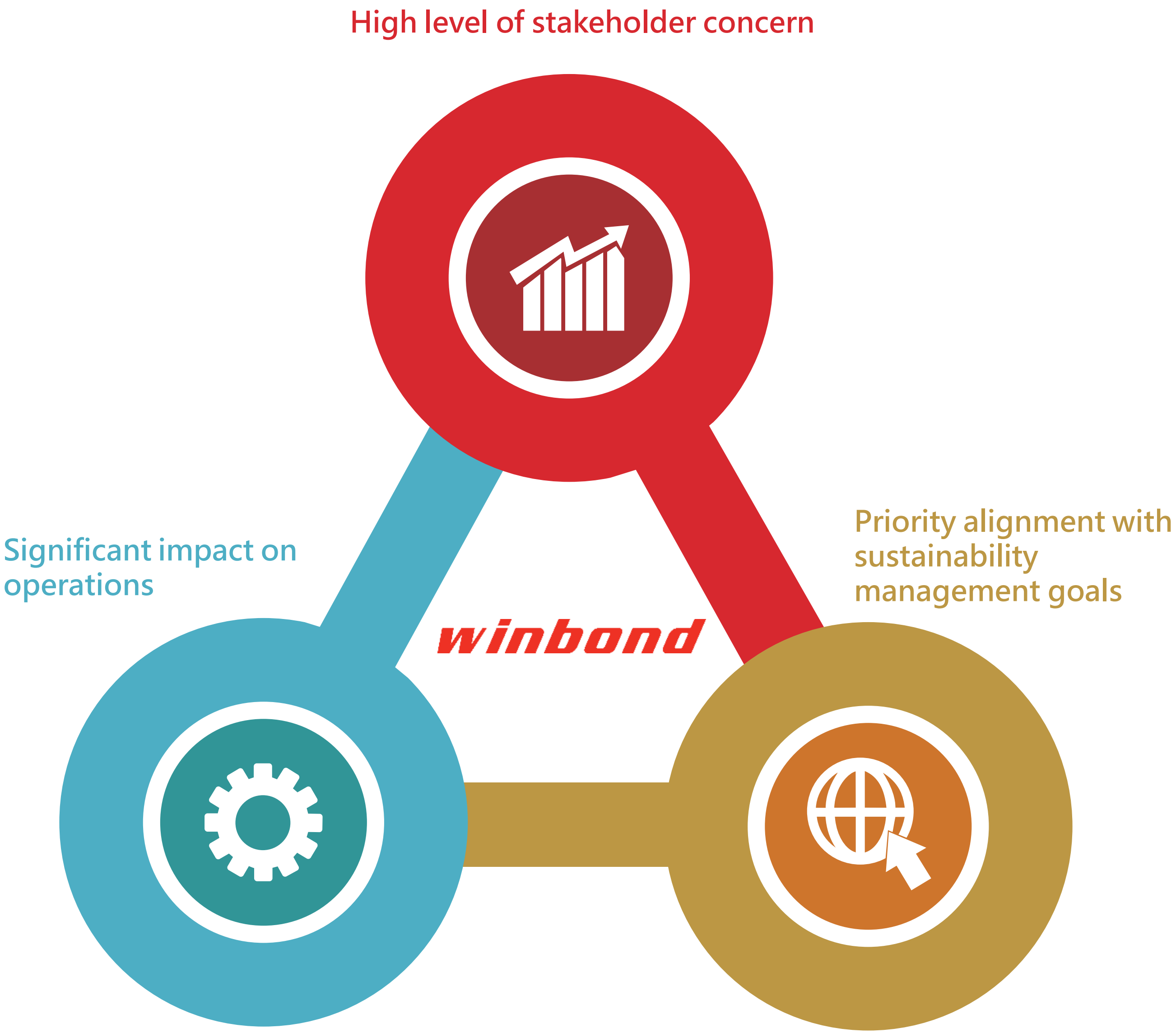
Contents

Background

Definition of Materiality

Winbond conducted its materiality analysis in accordance with the GRI standards released by the Global Sustainability Standards Board in October 2021 — the GRI Universal Standards: GRI 3 Material Topics (GRI 3: Material Topics 2021), and defined Winbond's material topic assessment principles as:

- High level of stakeholder concern
- Significant impact on operations
- Priority alignment with sustainability management goals



Background

Purpose of the Materiality Analysis

Through materiality analysis, Winbond identifies the topics that influence its operations and responds to stakeholder concerns and expectations regarding ESG topics, focusing first on the areas where Winbond can create greater impact. The purposes of the materiality analysis are:

- **Understand stakeholder concern for sustainability topics**
- **Identify the severity of positive and negative impacts and their likelihood**
- **Shape Winbond's sustainability roadmap**
- **Improve the effectiveness of stakeholder communication**
- **Compile and disclose the sustainability report**

Executive Summary

This materiality analysis draws on GRI Standards, SASB Standards, market trends, industry characteristics, international ratings and peer disclosures to collect 21 Winbond-related ESG topics. A structured sustainability topic survey was then developed, drawing on assessments of positive and negative operational impacts by 44 senior executives and the views of 2343 external stakeholders. Combined with Winbond' s sustainability management and development priorities, this identified 8 material topics, which form the basis of Winbond's sustainability roadmap and the priorities for action and response.

Winbond reviews its material topics and related items every year to track trends and changes against long-term targets, and maintains open and transparent communication with stakeholders to stay close to the sustainability topics they care about.

Basis for Stakeholders and Material Topics

- Prepared in accordance with Article 3 of the TWSE "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies."
- To meet the requirements of GRI 2-29 Stakeholder Engagement and GRI 3 Material Topics, an organization preparing a report must first identify its stakeholders and material topics.

GRI 2-29 Stakeholder Engagement

The organization shall describe the process for identifying stakeholder groups and the type and frequency of engagement

GRI 3 Material Topics

The organization shall report its process for determining material topics, the list of material topics, and how each material topic is managed

Stakeholder Identification

- Senior executives complete the stakeholder assessment questionnaire
- Results are analyzed and a stakeholder engagement communication data sheet is compiled

Material Topic Identification

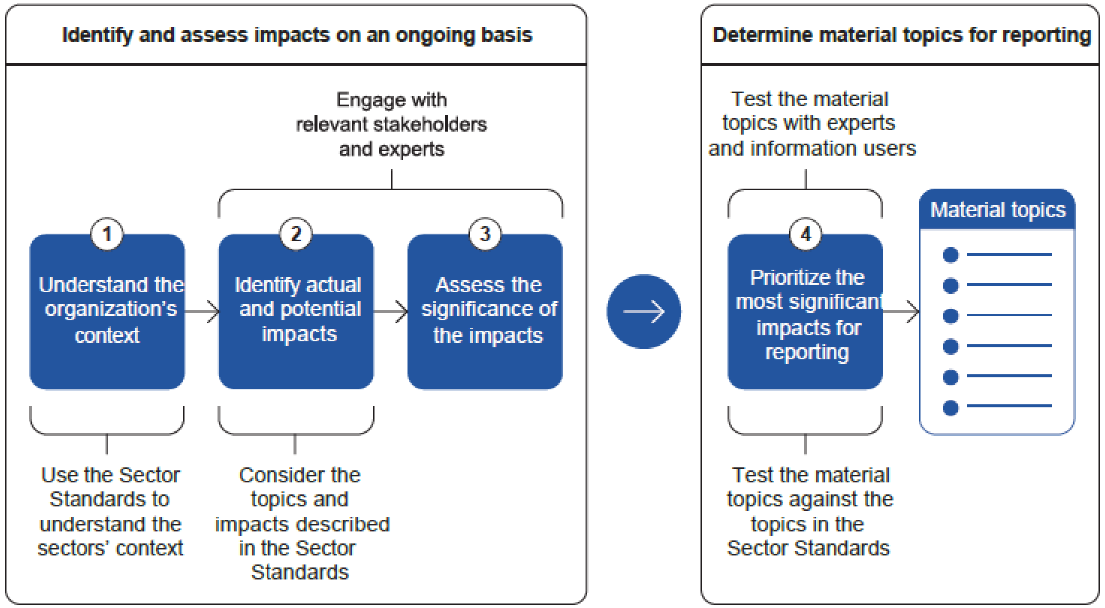
- Senior management completes the internal impact topic questionnaire
- Responsible units distribute the concern topic questionnaire to stakeholders
- Results are analyzed to produce the positive/negative impact matrix and a recommended list of material topics

* Article 3 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies": Listed companies meeting Article 2 shall each year prepare the prior year's sustainability report with reference to the Universal Standards, Sector Standards and Topic Standards issued by the Global Reporting Initiative (GRI), disclosing the economic, environmental and social material topics and impacts identified, the disclosures and their reporting requirements.

Disclosures Required for Material Topics

- **GRI 3 Material Topics :** describes the process for identifying material topics, helping companies analyze operational impacts, rank materiality, and identify the topics to report first.
- **GRI 3 required disclosures :** the process for identifying material topics (the materiality analysis process), the list of material topics, and the management of material topics.

GRI 3: Process for Determining Material Topics



*Based on GRI 3 Material Topics analysis process, disclosures and reporting requirements

Content structure of material topics

Material Topics	Reporting requirements
Disclosure 3-1	• Describe the process for determining material topics. • Specify the stakeholders and experts whose views have informed the process of determining its material topics.
Disclosure 3-2	• List the material topics • Report changes to the list of material topics compared with the previous reporting period.
Disclosure 3-3	• Describe actual and potential positive and negative impacts on the economy, environment, people and human rights • Report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships; • Describe policies and commitments for the material topic • Describe actions taken to manage the topic and its impacts • Information on tracking the effectiveness of the actions taken • Describe how stakeholder engagement shaped the actions taken and how their effectiveness is assessed

Stakeholder Identification and Communication

- Stakeholder identification questionnaire designed in line with the AA1000 SES stakeholder engagement assessment principles

AA 1000 Stakeholder Engagement Standard (2015)

Five-Dimension Stakeholder Assessment Based on AA1000 SES

Dimension	Definition
Dependency	Stakeholders who depend, directly or indirectly, on the activities and operations of the business
Responsibility	Stakeholders to whom the business has, or may have, legal, economic or operational responsibilities
Tension	Stakeholders requiring immediate attention arising from financial, economic, social or environmental issues
Influence	Stakeholders able to influence the business or its decision-making
Diverse Perspectives	Differing stakeholder views that give the business new insight into particular situations or reveal new opportunities

*The standard is issued by AccountAbility, a global ESG advisory and standard-setting organization. Its AA1000 series is a principles-based framework promoting organizational accountability, responsibility and sustainability, and is used by many multinationals, SMEs, governments and civil society organizations

Materiality Analysis Process

Collecting Sustainability Topics

Understanding the Organizational Context

Sustainability Topic List

Sources for collecting sustainability topics:

- GRI Sustainability Reporting Standards
- SASB Standards
- United Nations Sustainable Development Goals (SDGs)
- Semiconductor industry indicators
- Peer disclosures and industry development trends
- Dow Jones Best-in-Class Index (DJBIC)

Consolidation of Sustainability Topics

- Identifying the impacts and challenges of operating activities and business relationships on the economy, environment and people (including human rights), and integrating stakeholder profiles
- With confirmation by senior management, consolidating 21 ESG topics relevant to Winbond for use in the materiality survey

*Based on the GRI 3 identification process for Winbond's material topics

Compiling Priority Topics

Identifying Actual and Potential Impacts

Stakeholder concern questionnaire and positive/negative impact assessment questionnaire

Stakeholder concern topic assessment questionnaire

Distributed by Winbond's sustainability department to stakeholders, inviting stakeholders to assess their level of concern for each topic in order to understand stakeholder priorities

2343 stakeholder concern questionnaires

\+

Positive/negative impact topic assessment questionnaire

Completed by members of Winbond and Nuvoton's Sustainability Development Committee and senior executives to assess the degree of positive and negative impacts on operations and on the economy, society and people (including human rights)

44 senior executive impact assessment questionnaires

Assessing Impact Topics

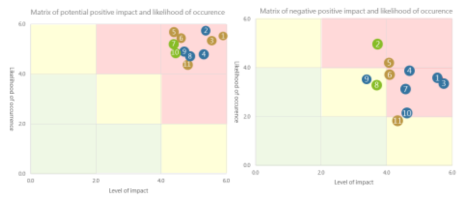
Stakeholder Identification Results

No.	Stakeholders
1	Employees
2	Customers
3	Suppliers/Contractors
4	Government
5	Shareholders/Investors
6	Community/Society
7	Media

Stakeholder Priority Topics

	Topic
1	Regulatory Compliance
2	Occupational Safety and Health
3	Business Integrity and Corporate Governance
4	Information Security and Privacy Protection
5	Risk Management
6	Human Rights and Equality
7	Productivity and Business Performance
8	Green Products and Services
9	Customer Relationship Management
10	Labor Relations
11	Supply Chain Management

Positive/negative impact severity and likelihood materiality matrix



Approving Material Topics

List of material topics

Confirming Material Topics

Based on the importance of sustainability development to the Company, senior executives identified 8 material topics

Completeness disclosure

Confirming 100% alignment with sustainability context and completeness disclosure requirements

Establishing management policies

Group senior management established management policies

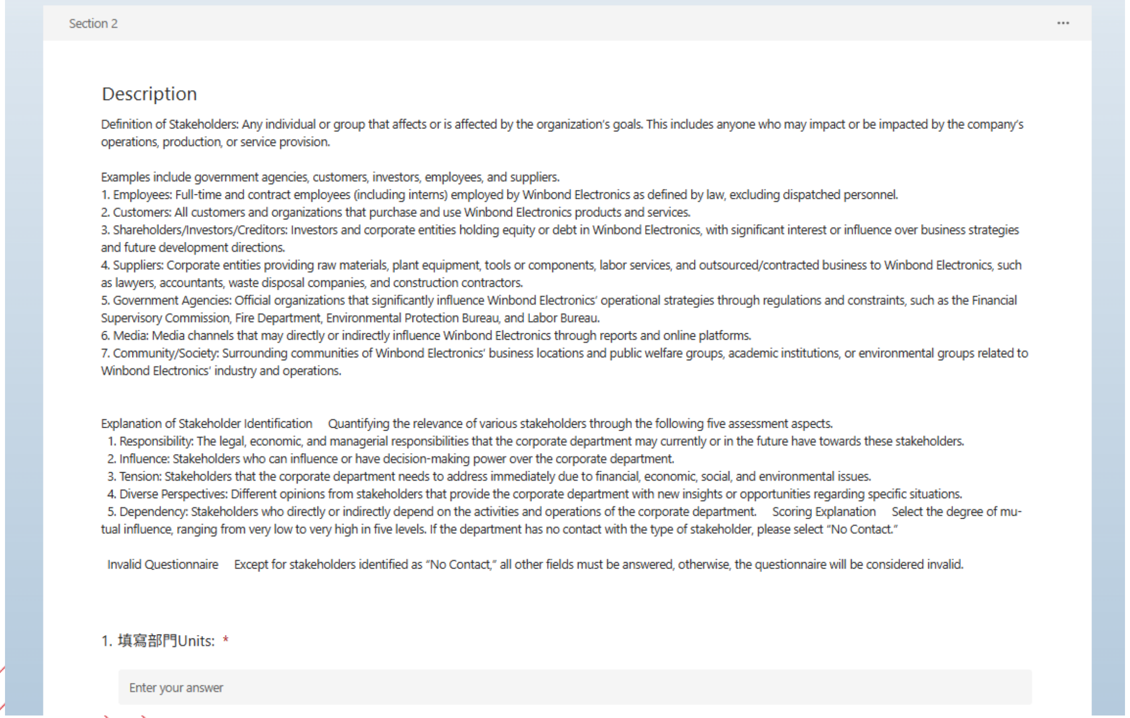
Approved by the Sustainability Development Committee Material Topics

Preparing the Sustainability Report

Stakeholder Identification Results

- The stakeholder identification questionnaire was designed following the AA1000 SES stakeholder engagement assessment principles.
- Winbond Group senior management completed 44, rating the influence of each stakeholder group on a scale of 1 to 5, and the results were ranked from high to low.
- This assessment identified 7 key stakeholder groups: employees, customers, suppliers/contractors, government agencies, shareholders/investors, communities/society and the media.

Stakeholder identification questionnaire



Section 2

Description

Definition of Stakeholders: Any individual or group that affects or is affected by the organization's goals. This includes anyone who may impact or be impacted by the company's operations, production, or service provision.

Examples include government agencies, customers, investors, employees, and suppliers.
1. Employees: Full-time and contract employees (including interns) employed by Winbond Electronics as defined by law, excluding dispatched personnel.
2. Customers: All customers and organizations that purchase and use Winbond Electronics products and services.
3. Shareholders/Investors/Creditors: Investors and corporate entities holding equity or debt in Winbond Electronics, with significant interest or influence over business strategies and future development directions.
4. Suppliers: Corporate entities providing raw materials, plant equipment, tools or components, labor services, and outsourced/contracted business to Winbond Electronics, such as lawyers, accountants, waste disposal companies, and construction contractors.
5. Government Agencies: Official organizations that significantly influence Winbond Electronics' operational strategies through regulations and constraints, such as the Financial Supervisory Commission, Fire Department, Environmental Protection Bureau, and Labor Bureau.
6. Media: Media channels that may directly or indirectly influence Winbond Electronics through reports and online platforms.
7. Community/Society: Surrounding communities of Winbond Electronics' business locations and public welfare groups, academic institutions, or environmental groups related to Winbond Electronics' industry and operations.

Explanation of Stakeholder Identification Quantifying the relevance of various stakeholders through the following five assessment aspects.
1. Responsibility: The legal, economic, and managerial responsibilities that the corporate department may currently or in the future have towards these stakeholders.
2. Influence: Stakeholders who can influence or have decision-making power over the corporate department.
3. Tension: Stakeholders that the corporate department needs to address immediately due to financial, economic, social, and environmental issues.
4. Diverse Perspectives: Different opinions from stakeholders that provide the corporate department with new insights or opportunities regarding specific situations.
5. Dependency: Stakeholders who directly or indirectly depend on the activities and operations of the corporate department. Scoring Explanation Select the degree of mutual influence, ranging from very low to very high in five levels. If the department has no contact with the type of stakeholder, please select "No Contact."

Invalid Questionnaire Except for stakeholders identified as "No Contact," all other fields must be answered, otherwise, the questionnaire will be considered invalid.

1. 填寫部門Units: *

Enter your answer

Level of relevance

High

No.	Stakeholders
1	Employees
2	Customers
3	Suppliers/Contractors
4	Government
5	Shareholders/Investors
6	Community/Society
7	Media

Low

*Based on the AA1000 SES stakeholder engagement assessment principles

Topics of Concern to Stakeholders

- A total of 2652 questionnaires were returned; after screening for completeness, 2343 were valid
- Sustainability topics were ranked by score, and the top 50% represent the topics of high stakeholder concern

Questionnaire Response Statistics

Stakeholder group	Winbond Responses	Nuvoton Responses	Total Responses	Valid questionnaires
Employees	914	831	1,745	1,488
Customers	105	63	168	144
Suppliers/Contractors	227	78	305	282
Government	21	4	25	24
Shareholders/Investors	353	12	365	364
Community/Society	18	9	27	25
Media	12	5	17	16
Total	1,650	1,002	2,652	2,343

*Shareholders/investors surveyed hold approximately 29.79%
*Questionnaires giving every topic the same score show no differentiation and are treated as invalid
*Valid response rate: 2343/2652=88%

List of stakeholder priority topics

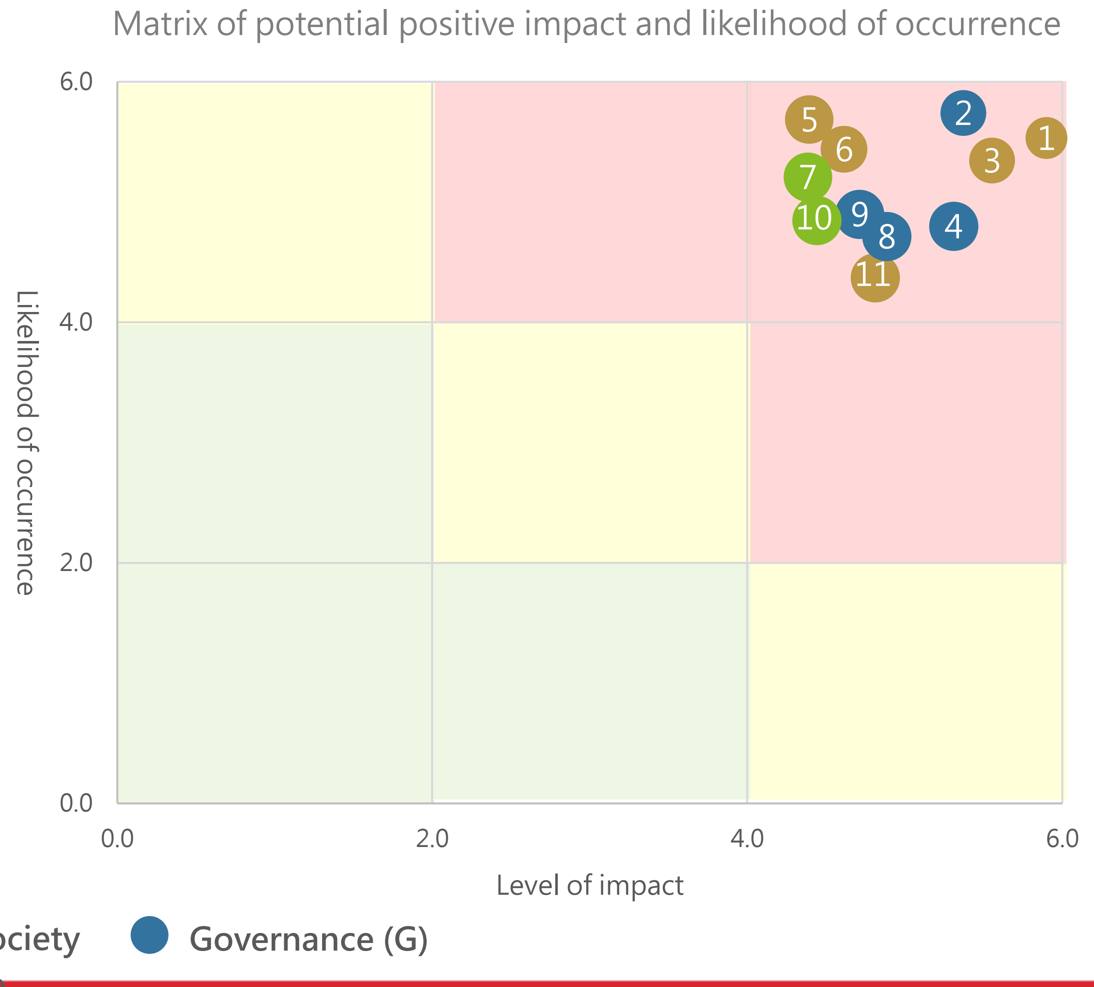
	Topic
1	Regulatory Compliance
2	Occupational Safety and Health
3	Business Integrity and Corporate Governance
4	Information Security and Privacy Protection
5	Risk Management
6	Human Rights and Equality
7	Productivity and Business Performance
8	Green Products and Services
9	Customer Relationship Management
10	Labor Relations
11	Supply Chain Management

Environmental (E) Society (S) Governance (G)

Materiality Matrix - Positive

- Senior management assessed the significance of Winbond's actual and potential positive impacts on the economy, the environment, and people, including impacts on their human rights. Positive impacts referred to the beneficial effects generated through Winbond's policies, actions, and performance. Potential positive impacts were prioritized based on their scale, scope, and likelihood. The top 50% of the assessment results were identified as significant impacts.

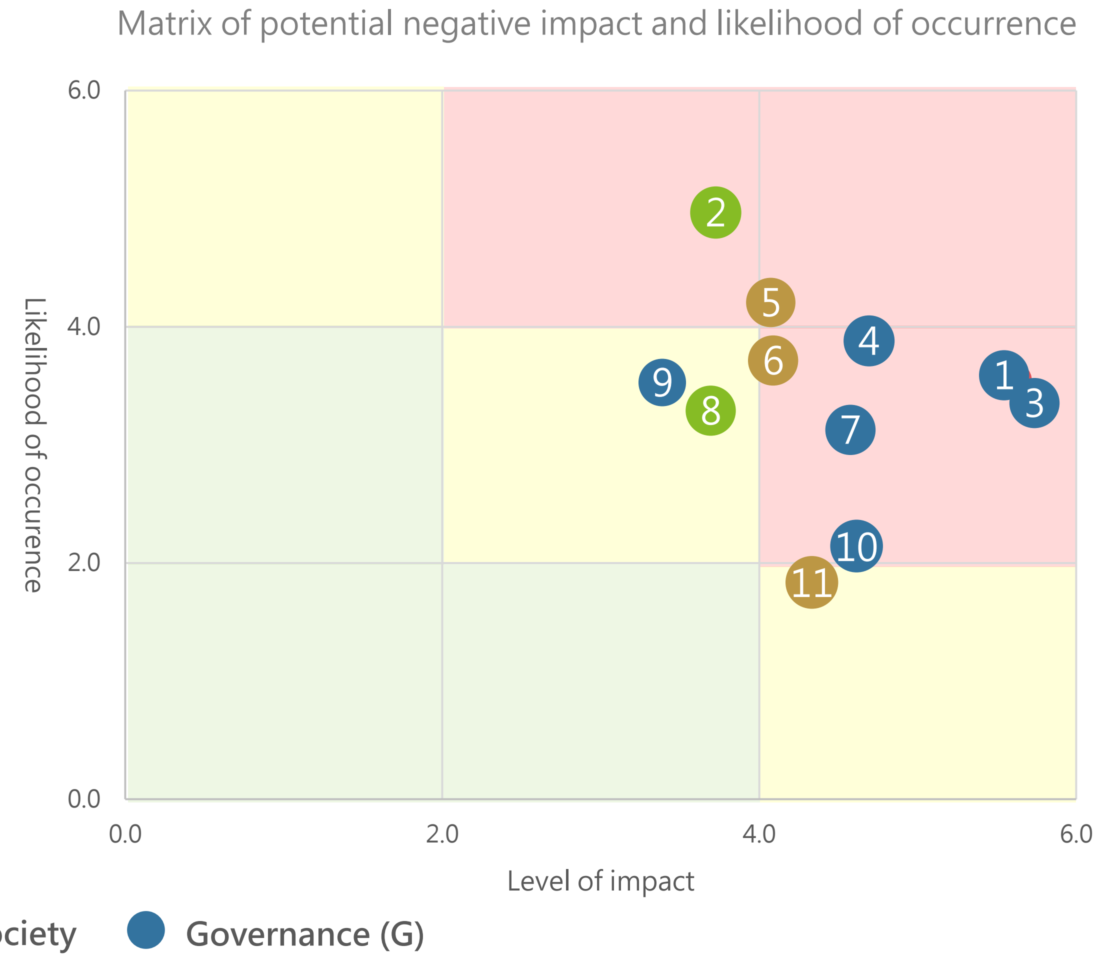
No.	Sustainability topic
1	Talent Recruitment and Development
2	Research, Development and Innovation
3	Compensation, Benefits and Employee Care
4	Business Integrity and Corporate Governance
5	Occupational Safety and Health
6	Labor Relations
7	Energy and Greenhouse Gas Management
8	Information Security and Privacy Protection
9	Customer Relationship Management
10	Air Pollution Control
11	Human Rights and Equality



Materiality Matrix - Negative

- Senior management assessed the significance of Winbond's actual and potential negative impacts on the economy, the environment, and people, including impacts on their human rights. Negative impacts referred to adverse effects caused or contributed to by Winbond through its activities or business relationships. Potential negative impacts were prioritized based on their severity and likelihood. The top 50% of the assessment results were identified as significant impacts.

No.	Sustainability topic
1	Information Security and Privacy Protection
2	Energy and Greenhouse Gas Management
3	Customer Relationship Management
4	Productivity and Business Performance
5	Talent Recruitment and Development
6	Compensation, Benefits and Employee Care
7	Research, Development and Innovation
8	Water Resource Management
9	Climate-Related Risks and Opportunities
10	Supply Chain Management
11	Occupational Safety and Health



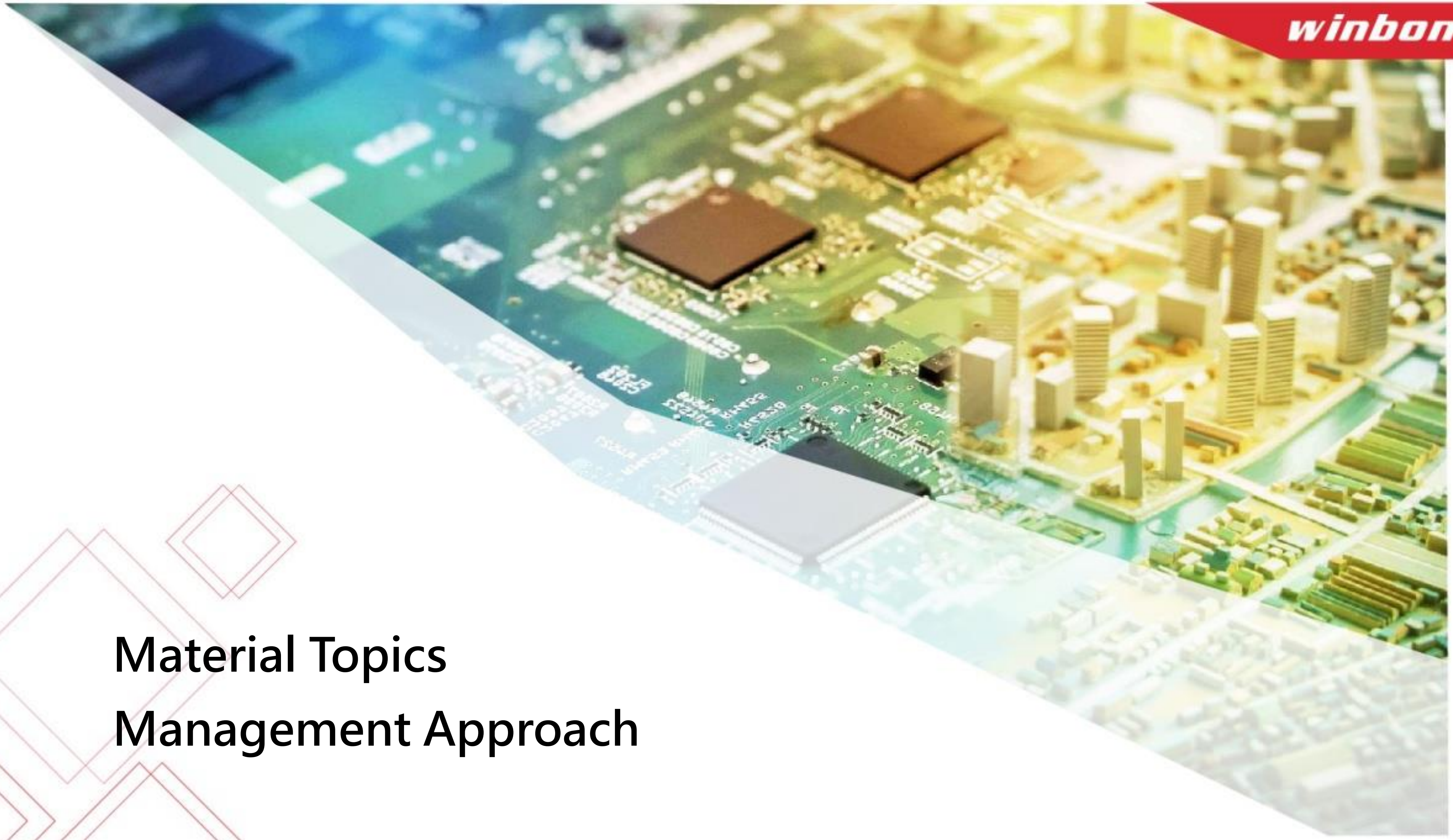
Determination of Material Topics

- Winbond confirmed its material topics based on high stakeholder concern, significant impact on company operations, and priority for corporate sustainability development:

Dimension	Sustainability topic	Assessment principle			Material Topics (8)
		High level of stakeholder concern	Significant impact on company operations	Sustainability priority	
Governance (G)	Business Integrity and Corporate Governance	V	V	V	Business Integrity and Corporate Governance
	Regulatory Compliance	V		V	
	Risk Management	V		V	Risk Management
	Information Security and Privacy Protection	V	V	V	
	Supply Chain Management	V	V	V	
	Research, Development and Innovation		V	V	Research, Development and Innovation
	Productivity and Business Performance	V	V	V	Productivity and Business Performance
	Customer Relationship Management	V	V	V	
Environmental (E)	Green Products and Services	V		V	Green Product
	Energy and Greenhouse Gas Management		V	V	Energy and Greenhouse Gas Management
	Climate-Related Risks and Opportunities		V	V	
	Waste Management				
	Water Resource Management		V	V	Water Resource Management
	Air Pollution Control		V		
	Biodiversity				
Society (S)	Compensation, Benefits and Employee Care		V	V	Talent Management
	Talent Recruitment and Development		V	V	
	Human Rights and Equality	V	V	V	
	Labor Relations	V	V	V	
	Occupational Safety and Health	V	V	V	
	Social Engagement				

Consolidated into Risk Management

Note: In response to changes in international trends and requirements compared with the previous reporting period, "Business Integrity and Corporate Governance" and "Regulatory Compliance" were consolidated into "Business Integrity and Corporate Governance"; "Supply Chain Management" and "Climate-Related Risks and Opportunities" were consolidated into "Risk Management"; and "Water Resource Management" was newly added.



Material Topics Management Approach

Material Topics Management Approach

Business Integrity and Corporate Governance

Significance for Winbond

- In the knowledge economy era, high-tech companies depend on a solid governance foundation
- Upholding the corporate spirit of sustainable development, Winbond fulfills its duties as a responsible enterprise and places regulatory compliance at the top of its operating priorities.

Strategy

- Trust through integrity and empowerment through trust, enabling every employee to fully apply their wisdom, expertise and experience to create sustainable value.
- Comply with the laws and regulatory requirements of every operating location.
- Comply comprehensively with all laws, regulations, industry standards and internal rules relevant to operations, and govern by the rule of law.
- Effectively reduce direct and indirect operational risks and strengthen corporate resilience and sustainability.
- Respond to and meet the reasonable expectations of stakeholders, continuously enhancing corporate reputation and social value.

Commitment

- Regulatory compliance is the basic threshold, and "business integrity" is the Company's highest ethical standard. Building on these, Winbond pursues mutual prosperity for the Company and society.
- Operations comply fully with all laws and standards relating to corporate governance, finance, trade, environmental protection, occupational safety and health, information security, intellectual property, labor and human rights, internal controls and risk management.

2030 Goals

- ✓ Major violations of law **0 cases**
- ✓ Major corruption incidents **0 cases**
- ✓ Compliance-related training courses offered **>15 courses / year**

Material Topics Management Approach

Risk Management

Significance for Winbond

Winbond is customer-centric. Natural disasters, geopolitical changes, the emergence of new technologies and regulatory or policy changes can all disrupt customer service or affect technology competitiveness and profitability. A robust risk management framework is therefore the basis for Winbond's sustainable operations and high-quality customer service.

Strategy

Establish a "Risk Management Policy and Procedures" to proactively manage the four major risk categories facing modern enterprises — strategic, operational, financial and information security. Comprehensive plans and processes are developed for ex-ante assessment, hedging, loss prevention and crisis response across operating activities, and reported regularly to management and the governance body to ensure that all enterprise risk control objectives are met. The Risk Management Team continuously monitors international and domestic risk management practices.

Commitment

Upholding the goal of sustainable corporate operations, establish risk management mechanisms to integrate and manage the potential risks that may affect operations and profitability, including but not limited to financial, environmental, information security, operational, supply chain and climate risks.

2030 Goals

- ✓ Compliance with domestic and international regulations, with **no violations**
- ✓ Strengthen climate resilience with climate change response and prevention measures to reduce climate risk; production interruption caused by climate disasters **0 days**
- ✓ All employees complete information security training, completion rate **100%**
- ✓ **No** major information security incident affecting the Company's operations
- ✓ Increase local sourcing of key raw materials to **42%**
- ✓ **100%** of Tier-1 significant suppliers signed the Conflict Minerals Statement

Material Topics Management Approach

Research, Development and Innovation

Significance for Winbond

Continued R&D and innovation in products, technologies and business models is the core driver of Winbond's competitiveness. It creates optimal value for customers, shareholders and employees, and is the most efficient pathway to sustainable operations and to energy conservation and carbon reduction.

Strategy

- Actively adopt AI and digital transformation to raise overall productivity and R&D efficiency, unlock employee innovation potential, and further strengthen leadership in memory technology.
- Reinforce industry-academia collaboration and technology introduction, bringing in forward-looking technologies and professional talent to build an open innovation ecosystem and improve R&D momentum and market responsiveness.
- Protect intellectual property and trade secrets through patent strategy, technology confidentiality and internal training, ensuring the exclusivity and commercial value of innovation outcomes.

Commitment

Deepen internal R&D capabilities while actively collaborating with academia, introducing forward-looking technologies and innovative thinking to enhance R&D capacity and technological depth. Provide competitive products and services and develop innovative products for energy saving and low-carbon production.

2030 Goals

✓ Patents granted worldwide > 350 patents

Material Topics Management Approach

Productivity and Business Performance

Significance for Winbond

Productivity and business performance are the foundation of Winbond's development, particularly in cost control. Higher productivity means more output from the same resources, directly lowering unit production costs. Better business performance uses resources more effectively and reduces management and operating expenses. These cost reductions directly improve Winbond's profitability and market competitiveness.

Strategy

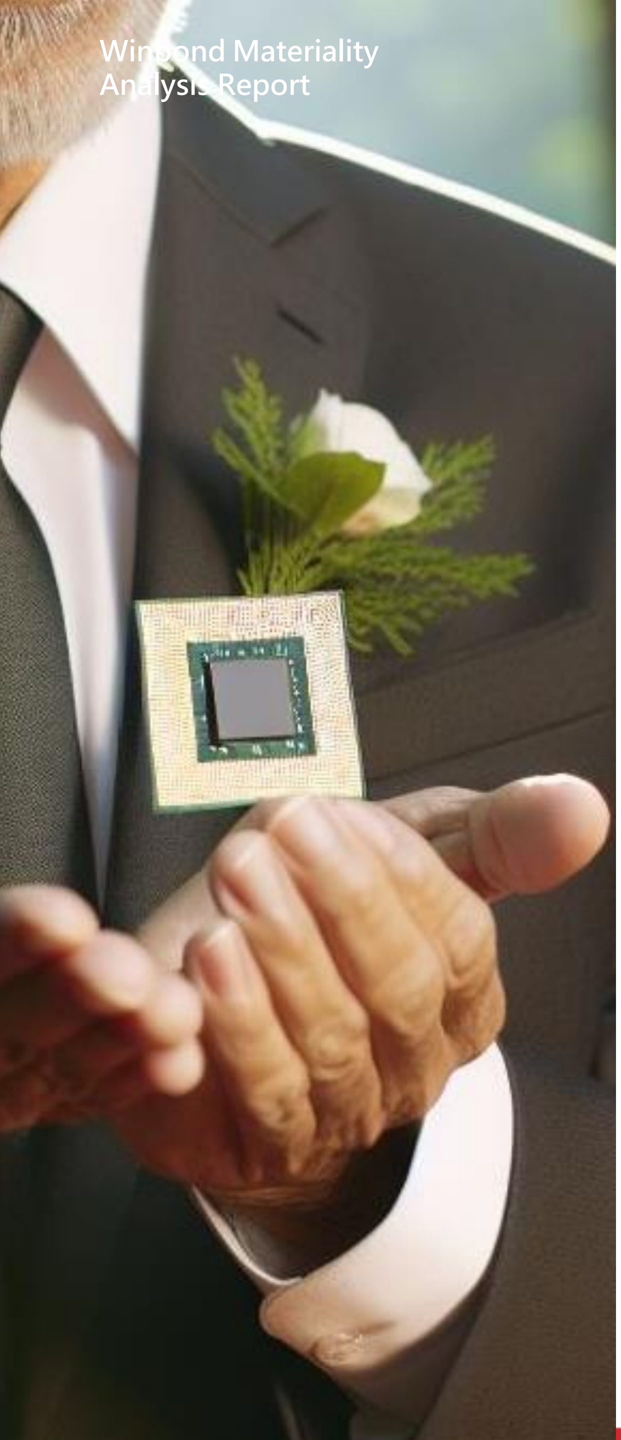
Targeting higher productivity and business performance, sustainable development and greater corporate value, Winbond advances digital transformation, introduces advanced technologies and broadens the use of data and AI applications, continuously optimizing operating strategies and management models, raising competitiveness and market share, and strengthening employee training and incentives.

Commitment

Through sustained digital transformation and the introduction of advanced technologies and AI applications, reduce costs, improve efficiency and achieve greater operating performance. Specific measures include optimizing production processes, introducing automation, improving yields, lean management, process optimization and lower inventory. Winbond also manages the risks involved, such as the initial investment in automation, technology renewal costs and workforce transformation costs, carefully balancing cost reduction against risk to keep the cost optimization strategy sustainable.

2030 Goals

- ✓ Group-wide completion of 72 digital transformation activities and training sessions



Material Topics Management Approach

Green Product

Significance for Winbond

Guided by the vision of being the "hidden champion in providing sustainable semiconductors to enrich human life," Winbond delivers green products that combine performance with environmental friendliness. Upholding information security and privacy protection principles, Winbond co-creates long-term value with customers and enables a sustainable, forward-looking technological life.

Strategy

- Continue advancing low-power processes and low-voltage designs to reduce end-use energy consumption and the overall environmental impact of end applications.
- Embed green design into the product development process to reduce manufacturing energy use, and disclose product environmental performance assessments (such as carbon footprint).
- Ensure that raw materials comply with international environmental regulations and customer green product requirements

Commitment

Winbond develops high-performance, small-form-factor, low-power and high-quality green memory products to meet customer needs.

2030 Goals

- ✓ Full DRAM product line, including process evolution,"cradle-to-gate" carbon emission reduction 20%
- ✓ Full Flash memory product line, including process evolution,"cradle-to-gate" annual carbon emission reduction 110,000 tCO_2e
- ✓ Overall customer satisfaction >85%
- ✓ Shipments of products manufactured with renewable energy >50%

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Material Topics Management Approach

Energy and Greenhouse Gas Management

Significance for Winbond

Improving energy management effectively reduces the carbon footprint, mitigates global warming and lowers operating costs

Commitment

Combine expertise with data science to identify ways to improve energy efficiency, develop concrete energy-saving and carbon-reduction implementation plans, and review results regularly.

Strategy

- Combine data science with technical expertise, working with facility system providers and equipment suppliers to continuously improve energy efficiency
- Progressively increase the share of renewable electricity each year to reduce greenhouse gas emissions.

2030 Goals

- ✓ Cumulative electricity savings of over **15%** (Note 1)
- ✓ Overall waste recycling rate **≥90%**
- ✓ Volatile organic compounds (VOCs) reduction rate **≥93%**
- ✓ Scope 1 and 2 GHG emissions reduction of **42%**
- ✓ Scope 3 GHG emissions reduction of **25%**
- ✓ **50%** renewable electricity use at Winbond's Taiwan by 2030
- ✓ Company-wide **net-zero emissions** by 2050 (Note 2)

Note:
1. Calculated from base year 2021
2. GHG emissions calculated from the base year through 2030

Material Topics Management Approach

Water Resource Management

Significance for Winbond

Water is a critical input to Winbond's production. Winbond fulfills its responsibility for green manufacturing by reducing environmental impacts during operations, in line with its commitment to social responsibility and sustainable operations.

Commitment

Continuously identify internal water-saving and circular reuse opportunities, minimize the use of hazardous substances, reduce or eliminate pollutant discharges, and safeguard drinking water safety in the communities where Winbond operates, using water-saving measures and recycled water reuse to protect and reasonably utilize water resources and ensure sustainability

Strategy

- Establish a "Water Efficiency Policy"
- Implement water-saving action plans
- Reduce process wastewater sources
- Implement water pollution prevention
- Develop diversified alternative water sources
- Increase the reuse rate of recycled water

2030 Goals

- ✓ Fab-wide water recycling rate ≥80%
- ✓ Water pollution composite index reduction rate ≥78%

Material Topics Management Approach

Talent Management

Significance for Winbond

- The semiconductor industry is technology-intensive and innovation-driven, and key talent is a primary source of competitive advantage. Effective talent management enhances innovation, reduces turnover risk and strengthens global operations and organizational agility.
- Through talent development and retention, Winbond strengthens technological capability, maintains operational stability and enables AI-driven innovation to continuously sharpen its competitive edge in a highly competitive market.

Strategy

- Expand recruitment and internal training to strengthen recruitment outcomes and employability
- Enhance employees' AI capabilities, using empowerment to raise productivity and share the Company's success
- Implement DEI principles together with training to align employee and Company needs

Commitment

Commit to providing a high-quality work environment and competitive compensation and benefits to attract, develop and retain top talent and enhance employee engagement.

2030 Goals

- ✓ Continued social inclusion donations
- ✓ Recruit employees from 40 countries
- ✓ Global "Human Rights and Labor Ethics Training" completion rate 100%
- ✓ Overall compensation maintained within the top 25% of Taiwan's industry
- ✓ Employee core-value and engagement survey: colleagues willing to build their careers at Winbond over the next five years ≥95%
- ✓ Average annual training hours per employee worldwide 65 hours

Material Topics and Enterprise Risk Management

- The Company continues to deepen the identification and management of material topics and systematically integrates them into its enterprise risk management (ERM) framework to strengthen overall operational resilience and sustainable development.

Material Topic	Potential risks	Risk mitigation and response
Business Integrity and Corporate Governance	• Breaches of business integrity or corporate governance leading to customer loss and reduced investment • Weak internal control mechanisms leading to fraud or information security risk • Insufficient employee awareness of regulations leading to violations	• Establish the《Code of Business Integrity》, with regular training and internal audits • Establish a three-lines-of-defense risk management structure with internal audit, a risk reporting system and a whistleblower mechanism • Continue offering compliance and business integrity courses to raise regulatory awareness and compliance capability across the workforce
Risk Management	• Hacking and theft of confidential information • Environmental and climate risks disrupting customer service	• Establish an information security management system to strengthen cyber resilience, train all employees, and reinforce incident reporting and response. • Establish a "Risk Management Policy and Procedures" and report regularly to management and the governance body to ensure that all enterprise risk control objectives are met.
Research, Development and Innovation	• Technology development falling behind, or products out of step with the market • Insufficient patent coverage weakening technology protection	• Continue pursuing sustainable innovation in green semiconductor design and products to meet next-generation market trends • Establish an intellectual property management system and a patent committee to improve patent quality and protection
Productivity and Business Performance	• Workforce transformation and skills gaps affecting production efficiency and operational stability	• Strengthen digital transformation training to improve understanding and use of digital tools and processes
Green Product	• Failure to keep pace with customer demand for energy-saving, low-carbon products • Product quality or environmental performance falling short of standards	• Continue investing R&D resources to strengthen product differentiation and customization, and co-develop new applications with customers • Adopt international standards such as hazardous substance management systems, and set up cross-functional teams to control the product manufacturing process
Energy and Greenhouse Gas Management	• Power supply anomalies and restrictions causing interruptions to electricity supply	• Establish the 2030 Winbond RE50 renewable electricity target, and continue procuring diversified power sources
Water Resource Management	• Water supply shortage or interruption • Water pollution impacting the environment	• Establish a "Water Efficiency Policy" and develop diversified alternative water sources • Continue investing in wastewater technology R&D and improved wastewater monitoring, raising the composite water pollution index reduction rate year by year
Talent Management	• Inability to attract or retain top talent	• Provide a high-quality work environment and competitive compensation and benefits • Use global recruitment and diverse internal training to build and maintain employability

Glossary

- **Material Topics**

  Topics determined by an organization based on its most significant impacts on the economy, the environment, and people, including impacts on their human rights. A material topic may correspond to a topic covered by the GRI Topic Standards or may be specific to the organization's activities and business relationships.

- **Material Issues**

  Specific sustainability topics not defined by the GRI Standards — topics of high concern to Winbond's stakeholders, with significant impact on the Company's operations, that also align with the priorities of Winbond's sustainability management and development objectives

References

- GSSB (2021), GRI Universal Standards 2021 - GRI 3: Material Topics 2021
- AccountAbility (2015), AA1000 Stakeholder Engagement Standard (2015)

We Deliver