

WT Microelectronics Co., Ltd.

Sustainable Development Best Practice Principles

Chapter I General Principles

Article 1

In order to fulfill corporate social responsibility (CSR) and to promote economic, environmental, and social advancement for purposes of sustainable development, the Company hereby establishes the Principles with reference to the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and consideration of the Company's operating activities and industrial characteristics.

Article 2

The Principles applies to the Company and the entire operations of each such company and its business group.

The Principles encourages the Company to actively fulfill its sustainable development in the course of business operation so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on sustainable development.

Article 3

In promoting sustainable development initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.

The Company shall, in accordance with the materiality principle, conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.

Article 4

To implement sustainable development initiatives, the Company is advised to follow the principles below:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Preserve public welfare.
4. Enhance disclosure of corporate sustainable development information.

Chapter 2 Exercising Corporate Governance

Article 5

The Company is advised to follow the "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies", the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", and the "Code of Ethical Conduct for TWSE/GTSM Listed Companies" to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 6

The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its sustainable development initiatives, examine the results of the implementation thereof from time to time and continually make adjustments, so as to ensure the thorough implementation of its sustainable development policies.

Article 7

The Company is advised to, on an irregular basis, organize education and training on the promotion of sustainable development initiatives.

Article 8

For the purpose of managing sustainable development initiatives, the Company is advised to establish a governance structure to promote sustainable development, set up an exclusively dedicated unit to be in charge of proposing and enforcing the sustainable development policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on an irregular basis.

The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.

Article 9

The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website. The Company shall understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.

Chapter 3 Fostering a Sustainable Environment**Article 10**

The Company shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article 11

The Company shall strive to improve the efficiency of energy use and prefer to use renewable materials which have a low impact on the environment to improve the sustainability of natural resources.

Article 12

The Company establish a proper environment management system based on the characteristic of its industry. Such system shall include the following tasks:

1. Collecting sufficient and up-to-date information to evaluate the impact of the Company's business operations on the natural environment.
2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
3. Adopting enforcement measures such as concrete plans or action plans, and examining the

results of their operation on a regular basis.

Article 13

The Company assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and hold environment education courses for its managerial officers and other employees on a periodic basis.

Article 14

The Company is advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services to reduce the impact on the natural environment and human beings from their business operations.

Article 15

The Company shall place priority on the environmental measures including water resource management, environmental greening, resource recycling, waste disposal, green procurement, and the use of green building materials, so as to utilize all resources more efficiently, with the vision of an environmentally friendly enterprise.

Article 16

The Company is advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt related measures

The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the Company.
2. Indirect greenhouse gas emissions: emissions resulting from the utilization of energy such as imported electricity, heating, or steam.
3. Other indirect emissions: emissions from the Company's activities that are not indirect emissions from energy, but are from other sources of emissions owned or controlled by other subsidiary companies in the group.

The Company is advised to compile statistics on greenhouse gas emissions, volume of water consumption, and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The Company's carbon reduction strategies shall include obtaining carbon credits and be promoted accordingly to minimize the impact of its business operations on climate change.

Chapter 4 Preserving Public Welfare

Article 17

The Company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and the prohibition of discrimination.

The Company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or

marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The Company shall provide an effective and appropriate grievance mechanism against matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. The Company shall respond to any employee's grievance in an appropriate manner.

Article 18

The Company shall provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.

Article 19

The Company is advised to provide safe and healthful work environments for their employees, including necessary health and first-aid facilities, and the Company shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.

The Company is advised to organize training on safety and health for their employees on an irregular basis.

Article 20

The Company is advised to create an environment conducive to the development of its employees' careers and establish effective training programs to foster career skills.

The Company shall establish and implement reasonable employee welfare measures (including remuneration, leave, and other welfare, etc.) and appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

Article 21

The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the Company's operations, management and decisions.

The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.

Article 22

The Company shall ensure the quality of its products and services by following the laws and regulations of the government and relevant standards in the industry.

The Company shall follow relevant laws, regulations and international guidelines in regard to customer health and safety and customer privacy involved in, and marketing and labeling of, its products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article 23

The Company is advised to assess the impact their procurement has on society as well as the environment of the community that it is procuring from, and shall cooperate with its suppliers to jointly implement the corporate social responsibility initiative.

The Company is advised to establish supplier management policies and request suppliers to comply with rules governing issues such as environmental protection, occupational safety and

health or labor rights. Prior to engaging in commercial dealings, the Company is advised to assess whether there is any record of major supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.

When the Company enters into a contract with any of its major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.

Article 24

The Company shall evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.

The Company is advised to, through commercial activities, endowments, volunteering service or other charitable professional services, dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.

Chapter 5 Enhancing Disclosure of Sustainable Development Information

Article 25

The Company shall disclose information according to relevant laws, regulations and the "Corporate Governance Best Practice Principles for TWSE/GTSM listed companies" and shall fully disclose relevant and reliable information relating to their sustainable development initiatives to improve information transparency.

Relevant information relating to sustainable development which the Company shall disclose includes:

1. The policy, systems or relevant management guidelines, and concrete promotion plans for sustainable development initiatives, as resolved by the board of directors.
2. The risks of and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for promoting the sustainable development initiatives established by the Company, and performance in implementation.
4. Major stakeholders and their concerns.
5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
6. Other information related to sustainable development initiatives.

Article 26

The Company shall adopt internationally widely recognized standards or guidelines when producing sustainable development reports, to disclose the status of its implementation of the sustainable development policy. The Company shall obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:

1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing sustainable development initiatives.

2. Major stakeholders and their concerns.
3. Results and review of the exercising of corporate governance, fostering of a sustainable environment, preservation of social public welfare and promotion of economic development.
4. Future improvement and goals.

Chapter 6 Supplementary Provisions

Article 27

The Company shall at all times monitor the development of domestic and foreign sustainable development standards and the change of business environment, so as to examine and improve its established sustainable development framework and to obtain better results from the promotion of the sustainable development policy.

Article 28

These Principles and any amendments hereto shall be implemented after adoption by the resolution of the board of directors.

These Principles were established on December 1, 2014.

The 1st amendment was made on August 7, 2020.

The 2nd amendment was made on February 24, 2022.