

2022 Fulfillment of Social Responsibility

Sino-American Silicon Products Inc

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
I. Has the Company established a governance framework to promote sustainable development and a dedicated department (or have another department be responsible for related efforts) for fulfilling sustainable development, with the board of directors authorizing high-level managers to handle such efforts, and having relevant progress be supervised by the board of directors?	V		<p>The Company has established the “Corporate Sustainability Development Committee” in 2016 as the highest-level corporate social responsibility implementation organization for the Company. The Chairperson of the committee was originally held by the president, but was switched to the Chairperson of the board since June 2020 due to organizational changes. The committee members comprised of department heads in order to coordinate the development direction of the Company's corporate social responsibility and sustainability goals. To align with international development trends and the high level of attention paid to ESG issues, the Company renamed its sustainability organization the “ESG Committee,” which shall be chaired by the Chairperson of the Board of Directors, to facilitate deeper promotion and implementation of sustainability goals. The ESG Committee is the highest governing body overseeing the management and supervision of sustainability practices within Sino-US Silicon. To promote ESG-related activities, the ESG Committee has set up professional committees (incorporated as needed). Promotion committees are established in the early stage of project implementation to achieve short-term goals. The Company has established two promotion committees as needed, namely the Greenhouse Gas Inventory and Reduction Promotion Committee, and the TCFD Promotion Committee. Both promotional projects have been completed and will be forwarded to the respective professional committees for task integration, regular follow-up monitoring, review, and inspection. Each year, the chair of the</p>	No significant difference

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			<p>ESG Committee reviews the performance and the achievement of goals and performs continuous review for improvement. With the concerted efforts of all departments, we strive to fulfill our corporate sustainability commitments.</p> <p>In addition, the ESG Committee has reported to the Board of Directors on August 4, 2022 regarding implementation focuses, annual targets, and implementation results.</p> <p>The Committee is supervised by the board of directors. In addition to the annual report by the chair to the board of directors on the implementation of sustainable development and the achievement of goals, it also reports ESG promotions to the board of directors every quarter. The board of directors supervises the goal-setting for sustainable development and reviews the implementation, while giving relevant advices and guidance based on the content of the report.</p>	
II. Whether the company conducts business operations in accordance with the principle of materiality risk assessment of environmental, social and corporate governance issues, and formulates relevant risk management policies or strategies?	V		<p>The Company has prescribed the “Risk Management Policy and Procedures” approved by the board of directors. The board of directors is the highest risk management unit, based on the overall operating strategies and operating environment, aims to comply with laws and regulations, promote and implement the Company's holistic risk management, and bear the ultimate responsibility for risk management; the senior management is responsible for planning, commanding, and deploying the implementation of risk management decisions by the board of directors, and coordinating interaction and communication for the cross-departmental risk management; each functional unit is responsible for analyzing, managing and monitoring related risks within their</p>	No significant difference

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			<p>respective units; the internal audit is an independent unit that assists the board of directors to monitor the implementation of the risk management mechanism, to ensure the effective implementation of the risk control mechanism and procedures. The scope of risk management includes hazard risk, operational risk, financial risk, strategic risk, compliance risk/contract risk, environmental risk and other risks. Through the effective implementation of risk management processes (including risk identification, risk measurement, risk monitoring, risk reporting, and risk response), the Company’s risk management mechanism is realized.</p> <p>The Company’s ESG Committee conducts risk evaluation on environmental, social and governance issues related to company operations based on the principle of materiality; establishes relevant risk management strategies to identify more risks following the three major emerging risks identified in 2020—climate change, information security, and epidemic diseases; and formulates risk strategies and action plans to mitigate any possible impacts on all aspects of the company’s operations. In doing so, we ensure that risks are effectively controlled. For more information on each risk and corresponding risk management strategies, please refer to the “Governance and Operations” section and “Climate Change Risk Management” section in the Company’s Sustainability Report.</p> <p>The Company regularly assesses risks every year. The risk assessment boundary covers all the Company's operations and production bases, and the assessment is reported to the board of directors annually. The latest report was made to the board of directors on August 4, 2022.</p>	

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III. Environmental issues (I) Whether the Company establishes an appropriate environmental management system which suits its industrial characteristics?	V		<p>The Company insists the promotion of ISO 14001 Environment Management System,” and “ISO 50001 Energy Management System, “The Company introduces the concept of product lifecycles, and starts from improving the manufacturing process and product design stage in order to truly achieve reduction of source raw materials. The Company accommodates the environment and energy management system, to determine the goal of energy saving and material saving every year, while continuously implementing water recycling and waste reduction measures, to treasure resources and reduce uses of resources, and achieving the effect of reducing greenhouse gas emissions.</p> <p>The Company abides by relevant domestic laws and regulations. Chunan plant and Ilan plant have passed and renewed the internationally recognized environmental and safety and health management system certification of ISO 14001 and ISO 45001 certification. The updated certifications information as below:</p> <p>ISO 45001 : 2018 Expiry: 11 March, 2022-11 March,2025 Approved Date: 17 February,2022 Certification No.: 196466-2016-ASA-RGC-JAS-ANZ</p> <p>ISO 14001 : 2015 Expiry: 11 March, 2022- 11 March,2025 Approved Date: 17 February,2022 Certification No.: 196463-2016-AE-RGC-UKAS</p>	No significant difference

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			The company upholds the corporate social responsibility and aims to take care of environmental protection while serving customers, and provide a better and safer working environment. The implementation of ESH through the “compliance with laws and regulations, environmental protection, hazard prevention, continuous improvement, all staff awareness” policy. The company has obtained environmental management system, energy management system, and occupational safety and health management system certifications, meanwhile, the company is responsible for boosting and execution of environmental protection problems, safety and health affairs for environmental management by promoting the environmental protection concept, strengthening the educational training, saving energy and reducing carbon internally, fulfilling the environmental management policies and establishing the unit dedicated to managing labor safety and health affairs.	
(II) Whether the Company is committed to improving the utilization efficiency of various resources and using recycled materials with low impact on environmental?	V		The Company, by promoting the “ISO 14001 environmental management system,” has introduced the product life cycle concept in order to reduce raw material consumption and waste output, and achieve the goal of sustainable operation and environmental protection. To achieve the goal of sustainable utilization of environmental resources, the Company focuses on the improvement of the efficiency of the use of various resources, gives priority to the process reduction and reuse, and finally makes disposal; in the selection of raw materials, it will choose recycled materials with low impact on the environment as far as possible in order to reduce the impact on the environment.	No significant difference

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			For information on the Company’s use of recycled materials, please refer to “Chapter III. Climate and Energy Resource Management” in the Company's Sustainability Report.	
(III) Whether the Company assesses the potential risks and opportunities of climate change to the company now and in the future, and take measures to deal with climate-related issues?	V		Mitigating the emission of greenhouse gas has become the key issue of the global economic development. In 2017, the Financial Stability Board (FSB) published the Task Force on Climate-Related Financial Disclosures (TCFD). We adopted the TCFD framework, disclosing information related to the four core elements of climate change, namely governance, strategy, risk management, and metrics and targets. The Company’s TCFD Professional Committee (formerly TCFD Promotion Committee) collects risks and opportunities related to climate change and integrates them with the concerns of stakeholders. Representatives from each group of the ESG Committee identify and score the risks, and report their assessment results to the Sustainable Development Committee each year. Subsequently, committee members and teams will formulate management approaches and goals for each identified risk (material topics), and present the results during the most recent board meeting. For relevant countermeasures, goals, and information, please refer to the section on “Climate Change Risk Management “in the Company’ Sustainability Report.	No significant difference
(IV) Whether the company counts greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulate policies for energy, carbon, greenhouse gas and	V		The Company inventories and tracks the volume of greenhouse gas emissions, water consumption, waste, the use of recycled materials, and power consumption every year. Please refer to the Company's Sustainability Report “Chapter III. Climate and Energy Resource Management” for the relevant data and coverage of information	No significant difference

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water use reduction, or other waste management?			<div> 1. Volumes of GHG emission, water consumption, and total weight of waste in the recent two years: <div>(1) GHG emissions Unit: (metric tons of CO₂e)</div> <table> <tr> <th>Factory</th> <th colspan="2">Chunan</th> <th colspan="2">Yilan</th> <th>Head office</th> <th>Hsu-Hsin</th> </tr> <tr> <th>Year</th> <th>2021</th> <th>2022</th> <th>2021</th> <th>2022</th> <th>2022</th> <th>2022</th> </tr> <tr> <td>Direct emission (Scope 1)</td> <td>296.615</td> <td>184.7</td> <td>1,721.059</td> <td>2,219.9</td> <td>3.1</td> <td>20.5</td> </tr> <tr> <td>Energy indirect emission (Scope 2)</td> <td>23,015.563</td> <td>28,106.0</td> <td>18,257.555</td> <td>20,359.1</td> <td>-</td> <td>-</td> </tr> <tr> <td>Carbon Emission Quantity (Total emissions - including the emission from other scopes)</td> <td>73,306.873</td> <td>104,981.577</td> <td>330,066.340</td> <td>733,084.049</td> <td>4,620.362</td> <td>52.350</td> </tr> </table> <div>Note: The above carbon emissions were inventoried and verified based the 2018 version of ISO 14064 standards</div> <div>(2) Water consumption Unit: (ton)</div> <table> <tr> <th>Factory</th> <th colspan="2">Chunan</th> <th colspan="2">Yilan</th> </tr> <tr> <th>Year</th> <th>2021</th> <th>2022</th> <th>2021</th> <th>2022</th> </tr> <tr> <td>Water consumption</td> <td>131,159</td> <td>144,957</td> <td>235,042</td> <td>241,163</td> </tr> </table> </div>				Factory	Chunan		Yilan		Head office	Hsu-Hsin	Year	2021	2022	2021	2022	2022	2022	Direct emission (Scope 1)	296.615	184.7	1,721.059	2,219.9	3.1	20.5	Energy indirect emission (Scope 2)	23,015.563	28,106.0	18,257.555	20,359.1	-	-	Carbon Emission Quantity (Total emissions - including the emission from other scopes)	73,306.873	104,981.577	330,066.340	733,084.049	4,620.362	52.350	Factory	Chunan		Yilan		Year	2021	2022	2021	2022	Water consumption	131,159	144,957	235,042	241,163
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			<div>(3) Waste generation Unit: (ton)</div> <table><tr><th>Factory</th><th colspan="2">Chunan</th><th colspan="2">Yilan</th></tr><tr><th>Year</th><th>2021</th><th>2022</th><th>2021</th><th>2022</th></tr><tr><td>Non-hazardous waste volume</td><td>559.11</td><td>1,583.29</td><td>2,010.18</td><td>2,200.62</td></tr><tr><td>Hazardous waste volume</td><td>2.05</td><td>3.13</td><td>1.46</td><td>2.13</td></tr><tr><td>Total waste volume</td><td>561.16</td><td>1,586.42</td><td>2,011.64</td><td>2,202.75</td></tr></table> <div>2. According to results of the organizational examination of greenhouse gas emissions, the main source of greenhouse gas emissions of the Company is electricity (Scope 2). Therefore, the reduction of electricity use and the improvement of energy efficiency are the top priorities of the Company at present. Starting from the core of the Company, by introducing the environmental management system and the energy management system, the Company promotes various energy-saving improvement measures to achieve the goal of energy saving and carbon reduction. In 2015, the Company began working with BenQ ESCO Corp. to introduce various energy-saving improvement plans every year, such as in-plant air conditioning and cooling water variable-frequency control, air conditioning system improvement, replacement with energy saving lighting, and recycling of waste heat from air compressors. In 2021, our Chunan Plant adopted the ISO 50001 Energy Management System and passed the certification. In the same year, the plant also applied for a Green Building Label through the “Carbon Reduction Benefit Evaluation</div>			Factory	Chunan		Yilan		Year	2021	2022	2021	2022	Non-hazardous waste volume	559.11	1,583.29	2,010.18	2,200.62	Hazardous waste volume	2.05	3.13	1.46	2.13	Total waste volume	561.16	1,586.42	2,011.64	2,202.75
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			<p>Method,” and obtained the Green Building Label Diamond Class. Our Yilan Plant adopted the ISO 50001 Energy Management System and passed verification in 2022. The Company continues to optimize energy management practices. The performance of our energy/power-saving measures in 2022 is summarized below (Chunan Plant + Yilan Plant).</p> <table> <tr> <th>Type</th> <th>Measures</th> <th>Amount of Energy Saved (kWh)</th> </tr> <tr> <td>Process improvement</td> <td>Adopt G7 silicon ingot process</td> <td>2,024,750</td> </tr> <tr> <td>Air conditioning system</td> <td>1. Replace energy-saving fans in Cooling Tower #2 2. Service Process Chiller #2 3. Service Process Chiller #3</td> <td>617,826</td> </tr> <tr> <td>Air compressor system</td> <td>1. Reduce the pressure of process compressed air supply. 2. Add a water removal treatment unit to the air compressor system. Install a new small air compressor in the wastewater treatment facility</td> <td>167,760</td> </tr> <tr> <td>Improve lighting equipment</td> <td>Replace office and warehouse lighting with LED lamps</td> <td>7,761</td> </tr> <tr> <td colspan="2">Total</td> <td>2,818,097</td> </tr> </table>	Type	Measures	Amount of Energy Saved (kWh)	Process improvement	Adopt G7 silicon ingot process	2,024,750	Air conditioning system	1. Replace energy-saving fans in Cooling Tower #2 2. Service Process Chiller #2 3. Service Process Chiller #3	617,826	Air compressor system	1. Reduce the pressure of process compressed air supply. 2. Add a water removal treatment unit to the air compressor system. Install a new small air compressor in the wastewater treatment facility	167,760	Improve lighting equipment	Replace office and warehouse lighting with LED lamps	7,761	Total		2,818,097	
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			<p>In addition to energy saving and carbon reduction, by promoting ISO 14001 Environment Management System, the Company has introduced the concept of product life cycle through the promotion of the new ISO 14001 environmental management system in other parts of environmental protection improvement, such as water saving and waste reduction, so that the reduction of raw materials at the source can be achieved from the improvement of process and product design stages. With respect to prevention of air pollution and water pollution, the company also works with the promulgation of the environment management system. Each year, goals for energy conservation, water conservation, waste reduction and resource saving are established in order to lower energy resource consumption while achieving results of reducing greenhouse gas emission. In the aspect of waste management, the traditional concept of clean-up and disposal is transformed into the concept of effective management of resources, so as to reduce the output of waste. Achievement of 2022 targets is described below:</p> <table><tr><th>Material topics</th><th>2022 Goals</th><th>Status of goal achievements</th></tr><tr><td rowspan="4">Consumption and Reduction of Energy Resources</td><td>1. Chunan Branch to save >1% of electricity throughout the year.</td><td>1. Achieved the target.</td></tr><tr><td>2. Chunan Branch to adopt smart energy management.</td><td>2. Target not achieved.</td></tr><tr><td>3. Yilan Branch to save >800,000 kWh of electricity throughout the year.</td><td>3. Achieved the target.</td></tr><tr><td>4. Yilan Branch to adopt the ISO 50001 Energy Management System.</td><td>4. Achieved the target.</td></tr></table>	Material topics	2022 Goals	Status of goal achievements	Consumption and Reduction of Energy Resources	1. Chunan Branch to save >1% of electricity throughout the year.	1. Achieved the target.	2. Chunan Branch to adopt smart energy management.	2. Target not achieved.	3. Yilan Branch to save >800,000 kWh of electricity throughout the year.	3. Achieved the target.	4. Yilan Branch to adopt the ISO 50001 Energy Management System.	4. Achieved the target.	
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			Greenhouse Gas (GHG) Emissions	Optimize assessment of climate change risks and opportunities	Achieved the target	
			Waste Management	Chunan Branch to recycle and reuse 85% of wastes generated by the whole plant	Achieved the target	
			Pollution prevention	1. Pollution control equipment to completely meet emission requirements.	1. Achieved the target.	
				2. Chunan Branch reclaimed more than 50% of the waste water from the drilling process.	2. Achieved the target	
			3. Verification information (1) The Chunan and Yilan Plants has inventoried GHG based on the 2018 ISO 14064 standards from 2021, and have been verified by a third-party verification institution (DNV); the information of the statement is as following: <u>Chunan Plant</u> ISO 14064-1 : 2018 Inventory period: 1 st January,2022~ 31 st December, 2022 Date of issuance: 11 April, 2023 Statement No.: C589065-2022-AG-TWN-DNV <u>Yilan Plant</u> ISO 14064-1 : 2018 Inventory period: 1 st January,2022~ 31 st December, 2022 Date of issuance: 23 March, 2023			

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			<p>Statement No.: C594608-2022-AG-TWN-DNV</p> <p>(2) The Company’s Chunan Plant has obtained ISO 50001 Energy Management System verification; the certificate information is as follows:</p> <p><u>Chunan Plant</u> ISO 50001 : 2018 Expiry: 21 February, 2025 Verification date: 22 February, 2022 Verification No.: 00001-2022-AN-TWN-TAF</p> <p><u>Yilan Plant</u> ISO 50001 : 2018 Expiry: 9 January, 2026 Verification date: 10 January, 2023 Verification No.: 00004-2023-AN-TWN-TAF</p>	
<p>IV. Society issues</p> <p>(I) Whether the Company establishes the related management policies and procedures in accordance with the relevant laws and international human rights conventions?</p>	V		<p>The Company upholds the core value of respecting employees and putting people first. We observe and support the local laws and regulations of our business locations around the world; safeguard the legal rights and interests of full-time employees, contract workers and part-time staff, interns, and job seekers; and are committed to promoting cooperation and encouraging our partnering suppliers to adopt the same standard in their operating activities.</p> <p>The Company recognize and support the spirit and basic principles of human rights protection mandated in international human rights conventions such as the Universal Declaration of Human Rights, the</p>	No significant difference

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			<p>United Nations Global Compact, and the International Labor Conventions, and abide by relevant labor laws and above international human rights regulations, setting “Human Rights Policy”, in an effort to creating an equal, safe, and dignified workplace environment.</p> <p>The five policy guideline and related implementation status of the Company “Human Rights Policy” as below:</p> <ol style="list-style-type: none"> 1. Continuing to create opportunities for achieving diversity, inclusiveness, and equality and prohibit any forms of discrimination (including on the basis of gender, gender orientation, race, class, age, marital status, language, thought, religion, political party, place of origin, place of birth, appearance, facial features, disability, etc.) The Company continues to promote the prohibition of all inappropriate discrimination in recruitment, appointment, and operating processes. To fulfill the responsibility of caring for migrant workers, we not only organize Christmas parties or prepare Christmas gifts for Filipino workers every year, but also commit to improving their overseas living conditions. 2. Prohibiting forced labor and child labor The Company complies with all labor-related laws and regulations, respects the wishes of all employees, and encourages work–life balance. In addition, methods of detecting child labor and remedial measures are clearly stipulated in the "Personnel Employment Rules" to ensure that all operating activities are free from the illegal use of child labor. If use of child labor in operational processes is found, 	

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			<p>relevant remedial plans will be enforced for six months or until the child reaches the age of 16 in order to protect the rights of the child.</p> <p>3. Creating a safe and healthy work environment The Company continues to provide free health examination, arrange on-premise medical services, organize health promotion activities, and keep track of specific populations to raise employees' awareness of self-health management. In 2022, we organized a total of 62 health promotion activities such as lectures, first aid courses, cancer prevention screening, etc., for a total of 2,517 participants. The Company also establishes various work safety and health management procedures and operating standards, and implements special hazardous operation control, chemical management, and environmental monitoring to prevent occupational injuries, eliminate hazards, and reduce environmental safety and health risks, thereby creating a safe operating environment for employees.</p> <p>4. Providing fair and reasonable salary and working conditions Each year, the Company determines industry salary standards through salary surveys, and appropriately adjusts employee salaries with reference to objective data such as overall economic indicators and price indexes. For the purpose of fairness, employee remuneration standards are based on job position, seniority, and professional skills to ensure equal pay for equal work and avoid discrimination and differential treatment on the basis of gender, age, or other conditions. The Company also strictly control working hours to not exceed the statutory limit, and actively prevent overwork by</p>	

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			<p>regularly reviewing attendance analysis reports and management systems.</p> <p>5. Providing avenues and environment for freedom of expression and respecting employees’ freedom of association.</p> <p>The Company convenes four employer-employee meetings each year during which matters concerning the coordination of labor-management relations, labor conditions, and worker benefits are discussed so as to promote harmonious employer-employee relations. The Company also sets up employee suggestion boxes in appropriate and obvious places to provide employees with whistleblowing and grievance channels, so that their dissatisfaction and concerns can be expressed and resolved.</p> <p>The above policies and statements have been declared by senior executives and are published on the Company's website.</p> <p>Each year, the Company assesses risks associated with human rights and labor rights in accordance with the Responsible Business Alliance (RBA) standards, which are incorporated in the Company’s "Personnel Employment Rules" and "Sexual Harassment Preventive Measures, Complaint and Punishment Regulations". Employees can anonymously submit grievances via such channels as the mailbox or telephone to report illegal infringements. Relevant committees will keep the entire handling process confidential. Meeting outcomes will be used to actively track, monitor, and afford necessary support to the parties involved so as to safeguard human rights and avoid recurrence. The Company has not been the subject of any complaints for violation of human rights (forced labor,</p>	

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			<p>child labor, discrimination, harassment, and freedom of association) at all operating locations in the past three years.</p> <p>Regarding training, new recruits are trained on human rights when they report for duty; existing employees are arranged from time to time to take courses on workplace violence and sexual harassment prevention. These training courses are mandatory to employees in managerial roles, who are identified as one of the main stakeholders of the Company, so as to actively prevent illegal infringement in the workplace. In 2022, the Company recorded 303 people in attendance, for a total 265 hours of training.</p>	
(II) Whether the Company legislates and implement reasonable employee welfare measures (including compensation, vacations and other benefits), and appropriately reflect operating performance or results in employee compensation?	V		<p>The Company fairly decides and distributes employees’ remunerations from the annual profit, if any, for 3%~15%, as set for in the Articles of Incorporation, and the performance of individual employee pursuant to the “Employee Remuneration Distribution Procedures.” It seeks to properly reflect the operating performance or results on the employees’ remunerations.</p> <p>The Company establishes attendance rules in accordance with the Labor Standards Act. The attendance rules specify paid leaves to which employees are entitled. All employees of the Company are entitled to labor insurance, health insurance, group insurance, and pension contribution, among other general benefits. Company-provided benefits include year-end bonus, gifts for birthday and festivities, year-end banquet, subsidies for matrimony, bereavement, and other celebration, domestic and overseas travel, emergency relief fund, scholarship, on-the-</p>	No significant difference

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			<p>job education subsidies, childbirth subsidy, meals, and comprehensive range of training programs. The Company also creates a cross-functional team to be in charge of an Employee Care Program (ECP) that integrates employee benefits and plans ways to improve their benefits so that appropriate resources are made immediately available when employees encounter a personal problem.</p> <p>Since 2021, the trust of employee shareholding was also added. Employees may evaluate on their own whether to join or not, and participants are given rewards equal to 100% of the amount contributed by themselves.</p>	
(III) Whether the Company provides its employees with a safe and healthy work environment, and regularly implements employee safety and health education measures?	V		<ol style="list-style-type: none"> 1. The Company regularly inspects the working environment of employees, and conducts various safety and health education and training courses and health seminars based on the needs of employees, promotes anti-bullying in the workplace, annual physical checks of employees, and distribute health information to all employees weekly, to create a happy, healthy and safe workplace environment for each employees. 2. The Company's Chunan and Yilan Plants have passed the environmental and occupational safety management system verification and updated their ISO 14001 and ISO 45001 certificates to provide the employees with a healthy and safe working environment. The updated certifications information as below: ●ISO 45001 : 2018 Expiry: 11 March ,2022-11 March, 2025 Verification date: 17 February, 2022 	No significant difference

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			<p>Verification No.: 196466-2016-ASA-RGC-JAS-ANZ</p> <p>●ISO 14001 : 2015</p> <p>Expiry: 11March, 2022-11 March, 2025</p> <p>Verification date: 17 February, 2022</p> <p>Verification No.: 196463-2016-AE-RGC-UKAS</p> <p>The company upholds the corporate social responsibility and aims to take care of environmental protection while serving customers, and provide a better and safer working environment. The implementation of ESH through the “compliance with laws and regulations, environmental protection, hazard prevention, continuous improvement, all staff awareness” policy. The company has obtained environmental management system, energy management system, and occupational safety and health management system certifications, meanwhile, the company is responsible for boosting and execution of environmental protection problems, safety and health affairs for environmental management by promoting the environmental protection concept, strengthening the educational training, saving energy and reducing carbon internally, fulfilling the environmental management policies and establishing the unit dedicated to managing labor safety and health affairs. In addition, meetings of occupational safety and health committees are held quarterly in various plants to discuss about safety and health management plan, improvement and response measures of working environment determination, safety and health education and training, safety and health audit, safety and health management performance, accident propaganda and prevention, health management and promotion</p>	

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			<p>and other matters. The matters discussed about in the meeting are recorded, and continuously tracked and improved.</p> <p>3. In 2022, there were no work-related incidents of death, occupational illness, or major occupational hazards. The Company recorded 10 occupational injuries (excluding incidents that occurred during employees’ commute), 4 of which involved falling, 2 entrapment, 1 chemical exposure, and 1 injury due to improper operations. The Ministry of Labor-defined disability injury frequency rate (FR) was 5.62, and disability injury severity rate (SR) was 144. We have conducted special investigations for each occupational disaster incident, and taken improvement measures (such as improving facilities/equipment, establishing systematic document specifications, or strengthening personnel education and training) based on the root cause of the incident, and provided training to other departments to prevent similar incidents from occurring again. Please refer to the Company's Sustainability Report “Chapter V. Great Workplace Health and Safety” for detailed information.</p>	
(IV) Whether the Company establishes some effective career development training plan for employees?	V		Each year the Company establishes annual education training program based on our operation strategies and short/mid/long term goals, and consider talent cultivation and technology inheritance as our key task. We strengthen our talent database in order to keep track of the talent dynamics and development direction in the group. We host various types of training courses, academia-industry collaboration and research projects, in order for our employees to stay tuned to real-time global political and economic trends and status, technology updates, while	No significant difference

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			<p>supplementing the training with job substitutes, job rotation and on-the-job training to strengthen different professional capacity of our employees. The Company provides diversified training system encompassing the following five categories: competency training for new recruits, professional competency training, general management competency training, intellectual property training, and health and safety management training. This system provides suitable training courses for employees in their different stages of career development, so that the Company and employees will be adaptive to the ever evolving world, and own the knowledge, skills, and capabilities go along with the time.</p> <p>In 2022, total 62 classes of function training for new recruits were conducted, attended by 159 persons, with total 467.5 hours; 911 classes of professional function training were conducted, attended by 15,130 persons, with total 2,210.5 hours; 298 classes of general function training were conducted, attended by 3,297 persons, with total 475 hours.</p>	
(V) With regard to customer health and safety, customer privacy, marketing and labeling of products and services, has the company followed relevant regulations and international standards, and formulated relevant consumer protection policies and appeal procedures?	V		<p>The Company's products and services complies with the relevant regulations and standards applicable to the Company's industry; through the supplier management, it is ensured that the products from the supply chain fully conform to the industrial standards and policies like RoHS, REACH, WEEE, among other things, to fulfill the social and environmental responsibility; the Company is also committed to comply with product standard and operational regulations in plants required by customers, to achieve the promises with full force, and maintain quality relationships. The Company also has a legal compliance unit in place, to ensure that commercial conditions, products, processes and services to meet the</p>	No significant difference

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			<p>requirements of competition laws and relevant export control regulations with jurisdiction.</p> <p>Before working with any customer, the Company shall sign a non-disclosure agreement (NDA) approved by the legal department, and personnel shall not breach the contracts entered with the Company by disclosing the known trade secrets to others, nor shall they inquire or collect trade secrets not related to their duties, in order to fully protect the confidential and sensitive information of both parties. With regard to the protection of customers' personal information, the Company's Compliance Unit charges the unit in charge of data with conducting regular inventory of personal data involved in business operations to ensure that the unit in charge of data observes the Personal Information Protection Act when collecting, processing, and using personal data. The Company has established the “Procedures of Customer Complaints Management” to maintain good communications with its customers, as well as effective appealing procedures regarding products and service.</p>	
(VI) Whether the company formulates supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and health or labor human rights, and their implementation?	V		<p>The Company has established the “External Supplier Evaluation and Appraisal Procedures”, including written reviews, on-site evaluations, monthly evaluations, process monitoring, qualification evaluation and continuous evaluation and assistance, and regularly or from time to time audits suppliers. There is also an annual evaluation mechanism for performance evaluation. The Company requires suppliers to sign the “Statement of Commitment to Supplier’s Code of Conduct” which requires suppliers to adopt the same standards as the Company with respect to anti-bribery and corruption, social and environmental responsibility,</p>	No significant difference

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			conflict-free minerals, trade compliance, non-infringement, prohibition of silicon materials linked to forced labor, and green procurement (RoHS , REACH and WEEE). The Statement also emphasizes that the suppliers are obligated to observe regulations that apply to their business activities. In our “Purchase Order Form”, we also request suppliers to comply with the Responsible Business Alliance (RBA) Code of Conduct, including requirements related to RoHS ,REACH and WEEE ,and to ban the use of conflicting minerals, promote engagement in green procurement, and enforce policies and regulations related to environmental protection, occupational safety and health, intellectual property rights, labor rights, and human rights.	
V. Does the company prepare sustainability reports and other reports that disclose non-financial information by following international reporting standards or guidelines? Does the company obtain third-party assurance or guarantees for the reports above?	V		<ol style="list-style-type: none"> 1. The Company prepares Sustainability Reports in alignment with the Global Reporting Initiative (GRI) Standards, indicators of semiconductor industry in the “Sustainability Accounting Standards” issued by the Sustainability Accounting Standards Board (SASB), and “Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies”. 2. The Company’s 2022 Sustainability Report has been verified by DNV GL Business Assurance Co., Ltd. as meeting the requirements of the GRI Standards and moderate level of assurance of DNV VeriSustain. The Sustainability Report and verification statement are disclosed on the Company website and Market Observation Post System. 	No significant difference
VI. If the Company has established the corporate social responsibility principles based on “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the Principles and their implementation:				

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The Company has established the “Sustainable Development Best-Practice Principles” and devoted to promote the sustainable development, which has no significant difference with the Rules.				
VII. Other important information to facilitate better understanding of the Company’s promotion of sustainability development:				
<div>1. Environmental protection: It is everyone's responsibility to promote environmental protection and low-carbon activities. In addition to strengthening energy-saving management and control of the process, the Company actively implements waste classification and resource recovery, promotes energy saving and carbon reduction, and has energy-saving and carbon-reduction equipment expenditure.</div> <div>2. Social welfare: The Company continues to assess risks and opportunities in our place of business operations. We are committed to taking care of disadvantaged individuals in rural areas, such as economically disadvantaged families, children, and those with physical and mental disabilities, expecting through the charity donation activity support to improve their life and education condition. In addition, implement specific action plans for environmental protection in the place of operation through local volunteer services. To encourage employee participation in charity and welfare, the Company will match employee's contribution at a 1: 1 ratio (i.e., the company will donate the exact same amount of donation made by employees), thereby increasing the size of donation to help more places that are in need of assistance. The Company invested resources in the following social welfare activities in 2022:</div> <div>(1) “Hsinchu Wujian Center Healthy Fundraising” in which we donated NT\$32,000 to World Vision Taiwan Taochumiao Office.</div> <div>(2) “Caring for Angel Families” in which we donated NT\$50,000 to Angel Heart Family Social Welfare Foundation.</div> <div>(3) “Learning Care Program for Disadvantaged Children in Yilan” in which we donated NT\$131,000 to Yilan Taiwan Fund for Children and Families.</div> <div>(4) “Be a Protector Safeguarding the Home of People in Vegetative State” in which we donated NT\$57,000 to Genesis Social Welfare Foundation Miaoli Branch.</div> <div>(5) “2022–2023 Hsinchu Children Safety and Home Safety Improvement Plan” in which we donated NT\$190,000 to World Vision Taiwan Taochumiao Office.</div> <div>(6) “2022 Charity Bazaar Fundraising” in which we donated NT\$61,000 to the Association for Victim Support (ACS) Hsinchu Branch.</div> <div>(7) “Canes for the Blind” in which we donated NT\$85,000 to Taiwan Foundation for Blind.</div> <div>(8) “2023 Rural Family Education Program (Mobile Library/In-Home Cooking Service)” in which we donated NT\$205,000 to World Vision Taiwan Yilan Office.</div> <div>(9) “Winter Charity Fair Sponsorship Program” in which we donated NT\$10,000 to Hsinchu Center of Taiwan Fund for Children and Families.</div> <div>(10) “2022 Mid-Autumn Festival Moon Cake Donation Charity Event” in which we donated NT\$10,000 to to Holy Family for Special Education.</div>				

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(11) “2022 Beach Cleanup and Forest Protection” in which together with GlobalWafers mobilized 174 volunteers to clean up the beach by Longfeng Fishing Harbor in Chunan Township, Miaoli County. In total, 600 kg of litter were removed, averaging approximately 3.5 kg per person.				
3.			Consumer rights: The Company has internally established the “Customer Complaint Management Procedure” to provide customers with a channel to express their complaints, and signed contracts such as supply contracts and quality contracts with its customers, in order to fully ensure customer's rights and interests.	
4.			Human rights: The Company attaches great importance to human rights. Regardless of race, gender and age, employees enjoy the same right to work, and the Company also provides opportunities for free expression and development to standalone, in order to achieve respect for personal dignity.	
5.			Safety and health: With zero disaster as the goal, the Company is committed to the promotion of safety and health policy and the continuous improvement of process and working environment. Through the joint efforts of all staffs, we continuously improve the occupational safety and health performance.	
6.			Employee health care: The Company carries out health examination for employees each year to let them know their health status each ear, and then care for and strengthen their health. We also arrange professional medical specialists to visit our plant every month for consulting services. In the workplace, in order to grasp the status of employees' working environment and assess the exposure status of hazard factors, besides setting detection and alarm equipments at appropriate positions, work environment test is also done regularly as a basis for improving the workplace environment.	
7.			Human capital development: The Company identifies, cultivates, and rewards talented employees by adopting a sound performance-based reward system, fostering professionals who are still studying, subsidizing continuing education for in-house employees, or signing contracts with a cadre of key employees, so as to facilitate talent retention. In addition, we motivate employees to stay with the company by issuing employee stock ownership trust and awarding medals to senior employees.	
			(1) PhD and Masters scholarships: The Company has Rules on Applying for PhD and Masters Scholarships in place to continue to support the education of professionals and secure a pool of talents for the company after they graduate.	
			(2) Funding for on-the-job continuing education: The Company has “On-the-Job Continuing Education Rules” in place to fully subsidize the continuing education of in-house employees who demonstrate excellent performance and willingness to pursue further studies, thereby encouraging employees to advance their career.	
			(3) Signing contracts with a cadre of key employees: The Company enters a contractual relationship with a cadre of key employees in managerial roles who possess strategic planning capabilities or irreplaceable skills, so as to achieve talent retention and ensure the sustainable development of the Company’s human capitals.	

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8.	<p>Plant pandemic prevention: In 2022, the world has been still under the disturbance of COVID-19 pandemic, the Company monitored the pandemic evolution via the internal pandemic containment panel, and took the plant pandemic prevention measures. Under the side-by-side cooperation of various departments, pandemic prevention operations in the plant area were fully undertaken; the pandemic prevention strategies were formulated, and the management of hierarchical measures and inventory of resources for pandemic prevention were carried out. The Company has regularly held meetings to formulate pandemic prevention measures, to ensure healthy and safe workplace. The relevant pandemic prevention measures are as follows:</p> <p>(1) Pandemic prevention information: in order to enable employees to correctly grasp the real-time information of pandemic prevention, the health management center regularly issues global pandemic information and in-plant pandemic prevention measures, so that employees may quickly receive correct pandemic prevention information.</p> <p>(2) Health monitoring: Full body temperature monitoring is carried out at the accesses of each plant. If there is a fever or a history of suspected contact, entry into the plant is completely prohibited, and an internal electronic questionnaire survey will be conducted simultaneously with the central command center to track the confirmed case's footprint, as implementing the initiative of employees' report and voluntary health management.</p> <p>(3) Visitor management: use emails and paper fliers to advocate on-site epidemic prevention measures to supply chain manufacturers, require visitors to fill-in the health declaration form before entry, and wear masks to protect the safety of employees.</p> <p>(4) Office epidemic prevention: To prevent the infection risks due to crowd gathering, office workers have taken a number of contingency measures such as: crisscross seating, cabin separation, traffic flow diversion, and work from home in order to minimize crowd gathering and reduce the frequency of employee contact.</p> <p>(5) Safe dining environment: The Company has planned epidemic prevention dining lines, table plastic partitions, disposable lunch boxes, and divided the dining area by units to ensure worry-free meal dining safety in the plants.</p> <p>(6) Disinfection in the plants: The Company has formulated public area disinfection and cleaning measures, increase internal ventilation, encourage staff to open windows at confined spaces, affixed adhesive films on top of frequently used buttons, added partitions in restaurants, increased dry-cleaning equipment, and posted correct hand-washing instructions in all restrooms.</p> <p>(7) Employee care: For high-risk groups, tracking is taken and the temperature re-examination and follow-up control is conducted. The outpatient services of psychologists is provided when necessary to help employees resolve negative emotions and stress.</p>			