

Chief Corporate Governance Officer

In order to implement corporate governance, allow the Board of Directors to play its due role, and safeguard the rights and interests of investors, the Board of Directors on May 8, 2019 approved the appointment of Senior Vice President Kerry Hsu as the Company's Chief Corporate Governance Officer, which is the highest supervisor on the corporate governance related matters, and the stock affairs unit shall directly report to her. Senior Vice President Kerry Hsu is the Company's executive officer and has over 10 years of management experience in finance, stock affairs, or meeting agenda in public companies.

Key responsibilities:

1. Organize board of directors meetings and shareholders' meetings according to the law.
2. Compile board of directors meeting and shareholders' meeting minutes.
3. Assist directors take office and participate in continuing education.
4. Provide business information for directors as needed for performing their duties.
5. Assist directors in complying with the law.
6. Reporting the review results of whether the qualifications of the independent directors comply with relevant laws and regulations when nomination, election, and during their term of office to the Board of Directors.
7. Conducting matters related to the changes of directors.
8. Other duties pursuant to the Articles of Incorporation or other contracts.

In 2024, the Company once again achieved recognition in the 10th (2023) Corporate Governance Evaluation conducted by the Taiwan Stock Exchange, ranking among the top 5% of listed companies and the top 10% of the electronics category with a market value of over NT\$10 billion.

Training completed by Chief Corporate Governance Officer in 2024:

Date	Organizer	Course Name	Hours
Sep. 6, 2024	Securities & Futures Institute	Promotion meeting for prevention of Insider Trading in 2024	3
Aug. 9, 2024	Securities & Futures Institute	Global ICT Supply Chain and the Evolved Semiconductor Industry	3
July 3, 2024	Taiwan Stock Exchange	Cathay Sustainable Finance and Climate Change Summit in 2024	6
Feb. 23, 2024	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Regulations	3
			Total: 15 Hours

The concurrent unit for promoting sustainable developments

In response to the importance of current sustainable development issues, combined with functional considerations, strengthening the assessment and analysis of risks related to sustainable development, the Company established the “Sustainable Development Committee” with the approval of the Board of Directors in November 2023, headed by Ms. Kerry Hsu, the Company's corporate governance supervisor served as the convener and abolished the Risk Management Committee on the same day, and the governance mechanism of the Risk Management Committee merged into the Sustainable Development Committee for execution. The Sustainable Development Committee, under the authorization of the Board of Directors, shall exercise the due care of a good administrator and faithfully perform its powers and report to the Board of Directors. The “Sustainable Development Team” and the “Risk Management Team” are set under the Sustainable Development Committee. Chief Sustainability Officer, Mr. Willie Sun, and Accounting Officer, Ms. Cheryl Yang, serve as team leaders respectively to implement the promotion and execution of sustainable development work and continue to improve the risk management system to move towards the Company's sustainable development goals.

The responsibility of the Company's Sustainable Development Team includes proposing and implementing sustainable development policies and systems or related management directions and specific promotion plans, preparing the annual Sustainability report, promoting, implementing, developing plans of, and executing IFRS Sustainability Disclosure Standards, following and participating in sustainable development discussions related to the environmental, corporate governance, and giving back to society of the Task Force on Climate-related Financial Disclosures (TCFD) and Sustainability Accounting Standards Board (SASB). Through this, the Company aims to stay up to date with the trends.

The Sustainable Development Team consists of GA, IR, HR, Finance, Accounting, Audit, FAE, Warehouse, IT, Secretariat of the Board, WT Foundation, and Welfare Committee etc. The Team is supported by professional certification institutions, sustainable development guidance organizations, and Sustainability report editing units, in order to completely implement an ESG system in Taiwan and introduce international regulations. Domestic and foreign competent authorities and legal person investors have emphasized corporate governance related to the promotion and practical issues of sustainable development. To improve the internal maintenance of consensus and communication measures, the Company reports to the Board of Directors on the promotion of sustainable development at least once a year. The Chief Sustainability Officer had reported to the Sustainable Development Committee and the Board of Directors on August 6, 2024 for the implementation performance and key highlights of the Company's sustainable development in 2023, which includes (1) the goals of ESG project Goals, (2) achieve the goal of net-zero emissions by 2050, (3) 2023 Sustainability Report highlights; (4) the latest composition of the Sustainable Development Team. Meanwhile, the Board of Directors supervises the Sustainable Development Committee to review policy and strategy for sustainable development, and formulate review plans as necessary to implement the Company's sustainable development concept and promotion.

The scope of powers of the Company's Risk Management Team includes examining the results of risk identification and materiality assessment, reviewing execution plans for material risk issues and supervising the execution of related matters, examining management reports of material risk

issues and supervising improvement mechanisms, examining the appropriateness of the overall risk management framework for sustainable development, and reporting to the Board of Directors. The Committee proposed the “Financial Risk Management” item on August 6, 2024 to the Board of Directors for discussion to evaluate the financial risks associated with the increase in financial debts, and to propose mitigation measures and follow-up actions following the acquisition of Future Electronics Inc. in the second quarter of 2024. The item was approved by the Board of Directors for implementation.

The Company has stipulated the “Operational Procedure for Preparation and Validation of the Sustainability Report” according to the “Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.” The Procedures have been approved by the Board of Directors, serving as the basis for the Sustainable Development Team to execute related operational procedures.

The Company published both the Chinese and English version of 2023 Sustainability Report in August 2024. The Company's specific sustainable development promotion plans and implementation results can be found on the Company's website, [“Sustainability.”](#)

Risk assessment of Environment, Society, or Corporate Governance associated with the Company's operations

For the purpose of enforcing the Company's risk management mechanisms and strengthening corporate governance while reasonably assuring the Company's strategies, plans, and targets are achieved, the Board of Directors approved the "risk management policy." The policy provides the top principles for risk management. Based on business activities, the Company identifies and manages risks in operations, finance, compliance, information security, and environment, and follows closely the development of risk management in and outside the country and identification of new risks.

The Company discloses the performance of its Taiwan operational sites and subsidiaries in Hong Kong, Shanghai, Shenzhen, South Asia, South Korea, and Japan, etc., across economic, social, and environmental aspects, covering all entities under the consolidated financial statements.

The Company assess risks associated with important issues based on the CSR principle of materiality, and establish related risk management policies as follows:

Important Issue	Risk Assessment	Risk Management Policy or Strategy
Environment	Climate change	The Company supported the Paris Agreement, supporting and disclosing information related to the Task Force on Climate-related Financial Disclosures (TCFD) and Sustainability Accounting Standards Board (SASB). The Company is improving the transparency of sustainability information and performance year over year, the financial information related to climate change for 2023 has been disclosed and will continue to report to the Board of Directors, please refer to pages 119 to 122 of the 2023 Sustainability Report for details.
Society	Occupational safety	<ol style="list-style-type: none"> In order to fully implement employee health and safety protection, prevent occupational disease and injury, and reduce operational risks, the Company has established health and safety management personnel according to the law. The personnel reviews the environmental health and safety targets and management plans every year, which are implemented by the responsible units. The measures are managed and the results are reviewed to ensure continuous improvement. In 2024, no major occupational accidents occurred within the Company, occupational injuries occurred to contractors, either. The Taiwan and Hong Kong logistics centers have obtained–ISO14001 (environmental management system) certification.

Important Issue	Risk Assessment	Risk Management Policy or Strategy
		<ol style="list-style-type: none"> 3. The Company regularly organizes annual fire drills and occupational health and safety education and training to help employees prepare for emergencies and enhance their self-safety management abilities. 4. Implementation of prevention plans for various hazards: Human hazards, abnormal workload, illegal infringement, labor health services plan, and maternal health protection plan. 5. Health management offices and nursing rooms have been established, staffed by dedicated nursing personnel responsible for labor health services. Specialist doctors provide on-site services every month.
Corporate Governance	Compliance with social and economic regulations	The Company complies with the Fair Trade Act, Foreign Trade Act, Regulations Governing Export and Import Of Strategic High-tech Commodities, Export Administration Regulations of the United States of America, and Regulations Governing Permission of Trade Between Taiwan Area and Mainland Area, and all products comply with the international safety standards, international environmental regulations and import and export regulations. This ensures that the business activities are environmentally friendly and complies with ethics. Internal training courses are also organized to promote laws and regulations.
	Information security	<p>The key core services are structured as clustered and multi-point services to avoid main functions falling on a single point, so that when problems arise, the core services will not be interrupted, and the impact of uncontrollable factors on the system will be reduced.</p> <p>Information security protects assets from harm through various security management measures to achieve the CIA goals. The specific actions include:</p> <ol style="list-style-type: none"> 1. Implementing anti-virus endpoint protection software on personal computers and servers. 2. Internet firewall shall be equipped with application identification capability to enhance the defense capability against external attacks. 3. Intranet firewall should list explicitly allowed services. 4. The identification module automatically separates employees from visitors and segregates access paths. 5. An advanced threat protection module is added against junk mail, and prevents phishing emails from stealing sensitive data. 6. The active alert system automatically notifies threats occurred and configuration changed. 7. Implement multi factor authentication (MFA) to reduce the risk of account leakage. 8. Continuous social engineering rehearsal and training to enhance employee information security

Important Issue	Risk Assessment	Risk Management Policy or Strategy
		<p>awareness.</p> <p>9. Continuous providing professional training for security colleagues to ensure meet information security standards.</p> <p>10. WT obtained the ISO 27001 Information security management certification to reinforce information security of operations.</p> <p>For detailed information, please see the Company’s website (https://www.wtmec.com/corporate-governance/risk-management/information-risk/?lang=en ; https://esg.wtmec.com/en/article/post/deepened-information-security-2023)</p>
	Anti-corruption	<p>In 2023, WT released “Anti-corruption, Anti-bribery and Anti-money laundering Policies,” and revised the “Ethical Corporate Management Best Practice Principles” to in line with global corporate governance and anti-corruption concepts and frameworks. The Company has adopted a zero-tolerance policy for corruption and has provided an official whistleblowing mechanism, establishing free communication channels, such as the WT Microelectronics website professional ethics violation reporting section and internal reporting email.</p> <p>The Company requires the implementation of internal ethics and integrity training. The Group held "Ethical Values and Business Practice Principles" training for all employees from September 2 to September 30, 2024. A total of 3,202 employees completed the training and passed the examination (100% pass rate).</p> <p>Furthermore, new employees must complete courses on important management regulations, including the "Corporate Governance Best Practice Principles," "Sustainable Development Best Practice Principles" (originally the "Corporate Social Responsibility Best Practice Principles"), "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," "Procedures for Ethical Management," "Guidelines for Conduct," and "Supplier Code of Conduct." Additionally, new employees must complete online education and training and pass the examination for "Ethical Values and Business Practice Principles" within 7 days of orientation.</p> <p>The total ethical management training hours in 2024 was 3,434 hours and 3,434 employees were trained.</p>

Important Issue	Risk Assessment	Risk Management Policy or Strategy
	<p data-bbox="495 220 674 288">Financial Management</p>	<p data-bbox="748 220 2060 328">WT Group has finished the acquisition of Future Electronics Inc. in the second quarter of 2024, and based on the increase in financial debts, WT Group made relevant risk assessment and formulated strategy to achieve risk management.</p> <p data-bbox="748 336 2060 485">The procedures of risk assessment conducted by WT Group are making overview of financial metrics of the situation before and after the acquisition, evaluating the fulfillment of financial covenants, conducting peer benchmarking, and making liquidity risk assessment and sensitivity analysis based on the case scenario in the years before and after the acquisition.</p> <p data-bbox="748 493 2060 756">To response to the liquidity risk, the expected strategy are disposing financial assets like marketable securities, financing through equity or equity-linked instruments, and improving gross profit by focusing on profitable businesses to drive more working capital inflow and reduce the debts. To enhance the risk management, WT Group will establish Future’s financial forecasting system to timely identify potential risks, monitor industry inventory levels and working capital requirements to ensure sufficient liquidity, and track capital market dynamics to find suitable financing market window and reduce funding costs through diversified channels.</p>