

The Company's corporate governance supervisor

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 Hsu, Wen-Hung as the Company's corporate governance supervisor, which is the highest supervisor on the corporate governance related matters, and the stock affairs unit shall directly report to her. Senior Vice President Hsu, Wen-Hung 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. Other duties pursuant to the Articles of Incorporation or other contracts.

Training completed by corporate governance officers in current year:

Date	Organizer	Course Name	Hours
2022/06/11	Securities & Futures Institute	Promotion meeting for prevention of Insider Trading in 2022	3
2022/05/04	Taiwan Stock Exchange, Alliance Advisors and Taiwan Corporate Governance Association	International Twin Summit	2
2022/04/22	Taiwan Institute for Sustainable Energy	Taishin Financial Holdings 30th Anniversary Zero Carbon Sustainability Summit – 2030 Sustainability Achievement by Zero Carbon Practice	3
2022/03/10	Quantum International Corp., Georgeson, and Taiwan Stock Exchange	From international perspective to discuss independent directors and board of directors supervising	1

The concurrent unit for promoting sustainable developments

In response to the importance of current sustainable development issues, the Company established the "WT Microelectronics ESG Sustainable Development Team" in November 2021, after receiving approval from the Chairperson. The team is responsible for conducting risk assessments on environmental, social and corporate governance issues related to company operations. The ESG team is led by the Company's Applied Engineering Officer, Dr. Willie Sun.

The main tasks of the WT Microelectronics ESG Sustainable Development Team include the proposing and implementing sustainable development policies and systems, or related management directions and specific promotion plans, preparing the annual ESG report, 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 WT Microelectronics ESG Sustainable Development Team consists of PR, IR, HR, GA, Finance, Stock affairs, Audit, FAE, Warehouse, IT, WT Foundation, Welfare Committee personnel etc. The Team is supported by professional certification institutions, sustainable development guidance organizations, and ESG 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. It is reported to the Board of Directors annually to improve the internal maintenance of consensus and communication measures of the Company.

The Company has stipulated the "Sustainability Report Preparation and Verification Operating Procedures" according to the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" of TWSE. The Procedures have been reported to the Board of Directors for resolution on April 7, 2022, and shall be implemented by the Sustainable Development Team after approval.

The Company will publish the 2021 ESG Report in June 2022. The Company's ESG plans and results can be found on the company website.

ESG risks 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 passed the risk management policy on January 5, 2021. 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 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
Environment	Climate change	<p>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 and is expected to complete the disclosure of financial information related to climate change by 2023.</p> <p>The Company is an electronic parts distributor that is mainly in the business of electronic parts sale and R&D, and is not involved in manufacturing. Nevertheless, as a global citizen, the Company has a profound understanding of the importance of environmental sustainability, and implements an environmental management system to minimize the risk of environmental violations. The Company is actively implementing energy conservation and carbon reduction actions, raising the environmental protection awareness of its employees, and improving the efficiency of resource use.</p>
Community	Information security	<p>The legal compliance and voluntary standards implementation of customer information protection and customer privacy is primarily based on core system functions. The Company has adopted clustered and multi-point services to avoid primarily functions being implemented in a single point. The aim is to provide uninterrupted core services when problems occur. Important services shall not be affected by uncontrollable factors.</p> <p>Information security issues include junk mail protection and email threat protection, with the accuracy of</p>

Important Issue	Risk Assessment	Risk Management Policy
		<p>possible threat interception reaching 98.96%. The Company has implemented antivirus protection for the personal computers of employees and servers, updating the virus library and scanning for questionable programs in real time.</p> <p>Firewalls for the public website shall be equipped with application identification capability to enhance the defense capability against external attacks.</p>
Corporate Governance	Compliance with social and economic regulations	<p>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.</p>
	Anti-corruption	<p>The Company has adopted a zero-tolerance policy for corruption and has provided an official whistleblowing mechanism, establishing a free communication channel, such as the WT Microelectronics website reporting section.</p> <p>The Company requires the implementation of internal ethics and integrity training. Each year, the Company conducts "Ethical Values and Business Practice Principles" training for the employees. In 2021, 2,309 employees completed the training and passed the examination. The completion rate was 100%. Courses on important management regulations related to new employee training, including the Corporate Governance Best Practice Principles, Corporate Social Responsibility Best Practice Principles, Ethical Corporate Management Best Practice Principles, Code of Ethics, Procedures for Ethical Management and Guidelines for Conduct, and Supplier Code of Conduct.</p>