

CHIPBOND

2024 Sustainability Report

Chipbond Technology Corporation

Follow the elves...

Enter in to the Sustainable Planet,
Joint creation of a sustainable new life





I-CHIPS

I-CHIPS's Adventure on the Sustainable Planet

In a universe filled with happiness and a sense of achievement,
I-CHIPS was hatched, accompanied by three elves—
E, the Guardian of Environment; S, the Angel of Society;
and G, the Wise of Goverance.
They depicted chapters about sustainability based on integrity,
competency, honor, innovation, proactive and service.
Jointly protected the growth and prosperity of the planet.

What kind of story will happen on the Sustainable Planet?!
Please open this report, listen to the voices of the elves...
and witness a journey from commitment to action.

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About the Report

Boundary and Scope of the Report

Chipbond Technology Corporation (hereinafter referred to as Chipbond) has published a corporate sustainability report for 11 consecutive years since 2014 focusing on the management strategies for the sustainability topics of “corporate governance,” “environment,” and “society” , the measures that have been taken, and the results of the implementation. The Report is published to present the efforts that we have made in the sustainability topics and the results of these efforts to the stakeholders.

The scope of this report is mainly based on Chipbond, and the portion of the consolidated financial report that contains actual operating activities is disclosed. The scope of the information covered is consistent with the scope of the annual financial report. If the material Issues, boundaries, data scope of this report are adjusted or the information is reorganized, it will be explained in this chapter.

Principles and Quality Control of the Report Writing

This report was prepared by members of the functional groups under the Sustainability Committee, convened by the Sustainability Development Division, in compliance with the GRI Standards 2021 issued by the Global Reporting Initiative (GRI), the sustainability indicators of the Sustainability Accounting Standards Board (SASB), the framework of the "Task Force on Climate-Related Financial Disclosures (TCFD)", and the "Operational Measures for the Preparation and Submission of Sustainability Reports by OTC Companies". The content was thoroughly reviewed by the responsible unit supervisors, compiled by the Sustainability Development Division, and verified by a third-party organization. After necessary corrections, the report was submitted to the Board of Directors for review and approval before publication, ensuring the accuracy, quality, and relevance of its content.

Write	Compilation	Verify	Finalization
• Members of each functional team collect information and write the first draft of content. • The content will be reviewed by the supervisor of the relevant responsible unit.	• The Sustainability Development Division compiles and confirms the content. • After completion, it will be reviewed by the heads of each responsible unit.	• Verification by an external third-party agency.	• The responsible unit for content editing will make supplements and corrections based on the suggestions. After completion, it will be submitted to the board of directors for review and approval before issuance.

Report verification and assurance

- This report has been verified by SGS Taiwan Ltd. in accordance with GRI Standards (2021) and AA1000 Type 1 medium assurance level. The independent assurance statement is attached to Appendix 5 of this report.
- The financial data in this report adopts the financial annual report information that has been verified and certified by an accountant (Zicheng United Accounting Firm); the greenhouse gas emission data is based on the ISO 14064-1:2018 standard and the results verified by SGS Taiwan Inspection Technology.
- The management systems mentioned in the text, such as ISO 9001, IATF 16949, ISO 14001, ISO 45001, CNS 45001, ISO50001, IECQ-QC 080000, ISO/IEC 27001, etc., have been verified and issued certificates by third-party organizations.

Reporting Period and Publication

Chipbond publishes an ESG report on a regular basis every year, and provides it electronically and openly on the Company's official website (https://www.chipbond.com.tw/zh-tw/report/sustainability-report-download). The 2022 ESG report presents the implementation result and performance of Chipbond ESG issues from January 1 to December 31, 2024.

- Current version: August 2025 (published)
- Next version: August 2026 (expected)
- Last version: August 2024 (published)

Feedback and Contact

If you have any questions or comments about the ESG report or any suggestions on the sustainability issue of the Company, please don't hesitate to contact us using the following contact information:

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Sustainable Development Committee

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ESG Chipbond FB, IG

Words from the Chairman

To all those that care about Chipbond :

Thank you for your continued support and trust in Chipbond Technology! As we step into 2025, the world is confronted with multifaceted challenges and transformations, including climate change, net-zero emissions, geopolitical tensions, and technological governance. Chipbond's operating environment is evolving rapidly in response. With a proactive and forward-looking approach, we continue to craft our sustainability blueprint and take concrete actions to meet societal expectations, environmental demands, and the pressures of industrial transformation—moving toward a future driven by innovation and responsibility.

◆ Strengthening Sustainability Governance and Building a Foundation of Transparency and Accountability

Chipbond firmly believes that robust sustainability governance is the cornerstone of long-term corporate development. Over the years, we have continually enhanced the functions of our Board of Directors and governance mechanisms, earning top 5% recognition in the "Corporate Governance Evaluation" for eleven consecutive years and receiving the "OTC Leading Governance Award". At the end of 2024, we updated our internal controls to include "Sustainability Information Management", ensuring accurate and compliant disclosures. With rising cyber risks driven by AI, we enhanced employee awareness and achieved certification under the latest ISO 27001 standard to safeguard our information assets.

◆ Advancing Green Innovation and Committed to Energy Conservation and Carbon Reduction

In response to climate change, Chipbond actively promotes low-carbon transformation. We follow the TCFD framework to assess climate risks and identify opportunities, conduct GHG inventories and third-party verifications to pinpoint emission hotspots, and implement continual improvements. In 2024, we completed 29 energy-saving projects, achieving estimated savings of over 6.67 million kWh. We also expanded our investment in renewable energy and promoted the ISO 50001 energy management principles. By leveraging automation to optimize processes and improve energy efficiency, we demonstrate our commitment to green innovation.

◆ Empowering Digital Transformation and Reducing Resource Consumption

To minimize reliance on natural resources, we launched the "Paperless Revolution" initiative. By streamlining processes and adopting digital tools, we significantly reduced paper consumption while enhancing information delivery efficiency—demonstrating our dedication to environmental protection through concrete digital transformation efforts.

◆ Creating a Diverse, Inclusive, and Happy Workplace

Talent is the foundation of sustainable development. Chipbond is dedicated to cultivating a friendly, safe, and inclusive work environment, upholding gender equality and equal opportunity principles. We proactively exceed hiring quotas for persons with disabilities to promote social inclusion. By continuously improving communication mechanisms and training programs, we empower every employee to grow and thrive within a culture of mutual success.

◆ Deepening Social Engagement and Delivering Sustainable Value

We believe that corporate influence should extend into every corner of society. In 2024, we collaborated with various partners to promote education, environmental protection, and charitable initiatives: We organized the "Career Exploration Journey" program with Boyo Social Welfare Foundation and Xinfeng Junior High School to guide students in exploring career paths; co-hosted a Sustainability Market with National Tsing Hua University to stimulate local economic development; and arranged the "Exploring the Water World" environmental education course to raise awareness of water resource issues among employees and their families. In addition, we held a tree adoption activity for Arbor Day and participated in the Andrew Charity Association's "Food Bank Program" to care for underprivileged communities. Every effort reflects our commitment to social well-being and shared prosperity.

◆ Expanding Global Presence and Amplifying Sustainable Impact

At the end of 2024, we made a pivotal move and announced the establishment of a Malaysian subsidiary in the Southeast Asian market, opening up new horizons for our global layout. Through collaboration with global partners, we aim to unlock new growth momentum.

Looking ahead, we will continue to uphold our core values—integrity, competency, honor, innovation, proactive, and service—driving growth through innovation and implementing sound sustainability strategies to enhance our ESG performance. Together with our stakeholders, we will forge a resilient, hopeful, and sustainable future and write a brighter chapter in our sustainability journey.

Chairman Fei-Jain Wu



ESG Achievements in 2024







Achieved **NT$29,364,122** in Green Procurement

Held a Sustainability Market Event, generating **NT$45,635** in local economic momentum

Won the "Corporate Governance Evaluation" for the 11th consecutive year as an OTC company **TOP 5%**

Completed **3** **ISO 14067** Product Carbon Footprint Verifications

Completed **85** EHS improvement proposals with a **100%** implementation rate

Won **the OTC Leading Governance Award**

Completed **29** energy-saving and carbon reduction measures, saving an estimated **6,674,093** kWh of electricity consumption

NT$20.34 billion in consolidated revenue, with net profit after tax of **NT$4.13** billion, and dividends per share of **NT$3.75**

65.48% process water recycling rate, up **19.31%** from last year

A total of **34** "Career Exploration Journey" sessions were held, with a total of **811** participants

391.2 tons of silicon and copper sludge were commissioned for recycling through contractors

Workplace Employee Health Promotion Award Program received **Outstanding Group Award**

84.465% recovery rate for waste organic solvents

Passed the **ISO 27001** Information Security Management System **Transition** audit and obtained certification

"Paperless Revolution" Paperless Action

Paperless Transformation of Production lines - Digitalization of CP Run Card

Manpower Simplification | Efficiency Improvement | Space Release | Carbon Reduction

Wafer test process card (CP Run Card) is the key to ensure the accurate execution of test operations. However, traditional paper-based operations are not only cumbersome, but also lead to information transmission delays and resource waste. Therefore, the Test Operations Department began to import digital CP Run Card in 2016 to simplify and paperless operations through system integration and automated connections. By 2024, it completed the development of 12 system, adding approximately 6 pings of space per year, removing 32 printers, saving 358,200 sheets of paper, 2,579.04 kgCO_2e carbon emissions, 37.7 trees saved from being cut down, and 23,485.1 hours, equivalent to saving 13 manpower per year. This transformation is not just about reducing paper, but about turning the process around, driving innovation, and moving the semiconductor production line towards a new era of paperless, smart, and efficient production!

Simplify paper
2016~2017

- Significant reduction in paper usage on production lines
- Reduce paper filling time
- Reduce the manpower of RunCard sorting

Digital Transformation
2017~2022

- Continuous digitalization of R/C data
- Insufficient in-plant systems and automation resources
- Non-Driver process has many differences and restrictions compared to Devices

Development and Integration
2023~2024

- Reintegrate information that the system cannot directly replace or delete
- Automation team assisting in system development

13 people
Manpower saved per year

358,200 sheets
A4 paper saved per year

2,579.04 kgCO_2e
Carbon emissions saved per year

37.7 trees
Trees saved from being cut down

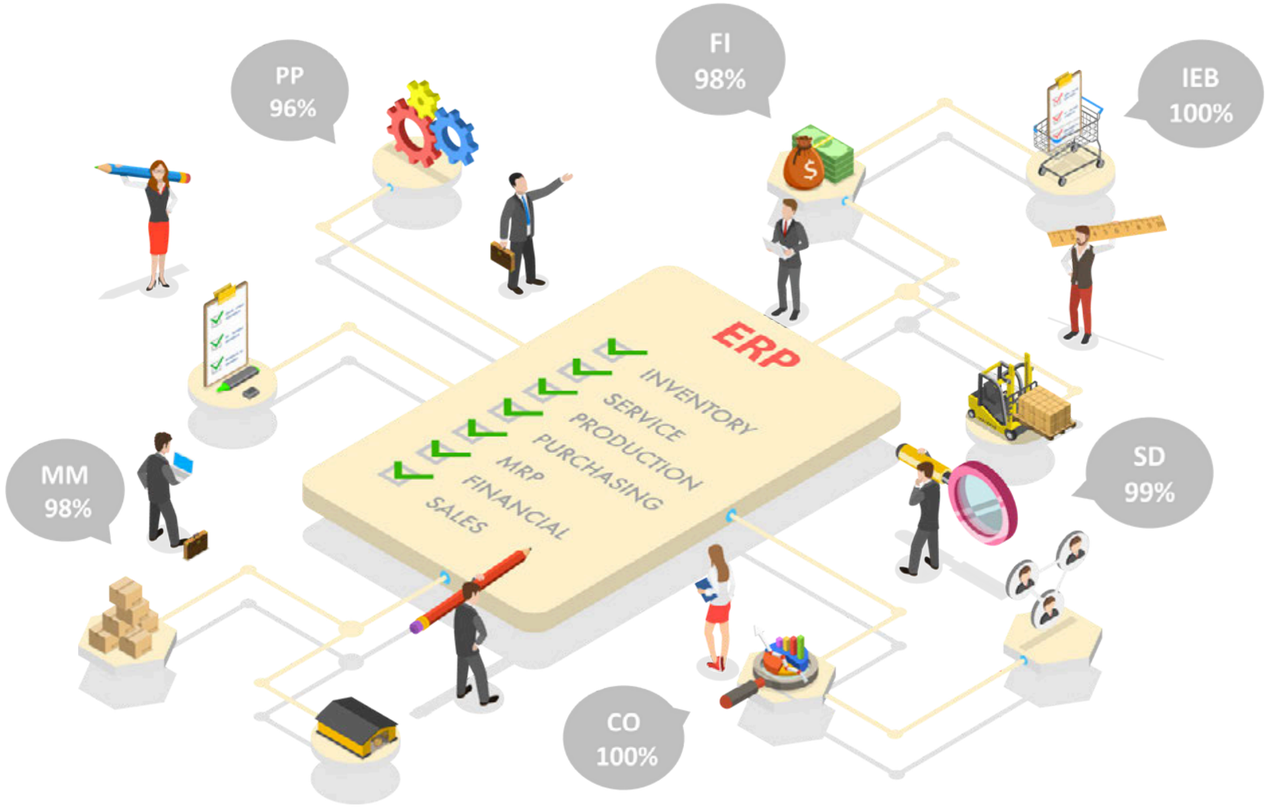
▲ References and Cited Sources: Environmental Quality Protection Foundation, National Land Management Agency Ministry of the Interior, and Taiwan Carbon Footprint Information Platform

Key benefits of introducing an ERP system

1. Paperless
2. Improve Productivity
3. Improve Communication Efficiency
4. Enhance Analytical Capability
5. Improve Accuracy

Paperless transformation of ERP system

Chipbond began to introduce the SAP ERP (Enterprise Resource Planning) system in 2006, integrating the Company's cost control module (CO), financial module (FI), import /export management module (IEB), material management module (MM), production management module (PP) and sales and distribution module (SD). To date, a total of 492 electronic forms have been developed to streamline operations through digital management, significantly enhancing operational efficiency and accuracy, thereby strengthening the company's core competitiveness. Among them, 484 electronic forms have gone paperless, with only 1.6% still requiring printing due to regulations or operational needs. The overall ERP paperless rate has reached 98.4%, which has greatly reduced the company's paper use. In 2024, approximately 25,168 sheets of paper were saved, reducing 181.2096 kgCO_2e carbon emissions and 2.65 trees from being cut down. This not only lessened the consumption of forest resources and environmental pollution, but also demonstrated Chipbond's commitment to environmental responsibility, reflecting significant improvements in ESG performance, operational efficiency, and responsiveness.



▲ The achievement rate of paperless electronic forms in each module of the ERP system.

484 items
Paperless Forms

25,168 sheets
A4 paper saved per year

181.2096 kgCO_2e
Carbon emissions saved per year

2.65 trees
Trees saved from being cut down

▲ The estimated savings are based on printing one paperless form per week for 484 items, for a total of 52 weeks in 2024. References and Cited Sources: Environmental Quality Protection Foundation, National Land Management Agency Ministry of the Interior, and Taiwan Carbon Footprint Information Platform

1 Operation Model

1.1 Introduction of Chipbond
1.2 Product R&D and Innovation
1.3 Operating Performance
1.4 Honor and Recognition

Consolidated Revenue: **NT$20.34 billion**

Total Accumulated Patents: **417**

R&D Expenditures: **NT$638.055 million**

1.1 Introduction of Chipbond

Chipbond Technology Corporation (hereinafter referred to as Chipbond) was founded in July 1997. As a downstream packaging and testing service provider in the semiconductor industry, Chipbond has its headquarters in Hsinchu Science Park. The paid-in capital is NTD 7,446,755,390. The Company was listed at Taipei Exchange (TPEx) for public trade in 2002 (Stock Code: 6147). Since then, we have expanded our operations to six locations, with 5,188 employees as of December 31, 2024. We are one of the few companies in the country that possesses a competitive advantage in the entire process of manufacturing, packaging and testing of driver ICs. Additionally, we are the world's largest packaging and testing facility for display driver ICs and hold a prominent position among the top ten semiconductor packaging and testing companies globally.

1.1.1 Manufacturing Base

Chipbond Technology is a leader in the field of display driver IC packaging and testing, with a total of 6 operating locations in Taiwan as operation and production bases. It includes the Lihsin Plant, the Yanfa Plant and the Yanfa Plant located in the Hsinchu Science Park (referred to as the Hsinchu Plant in this report); the Kuang-Fu Plant in the Hsinchu Industrial Park (Hukou Plant for short); and the Nanliu Plant and Nanyi Plant in Kaohsiung Qianzhen Science and Technology Industrial Park. (Kaohsiung Plant for short), which provides customers with various products and process-related services.

Hsinchu City - Hsinchu Science Park

- **Lihsin Plant (Headquarters)**



No.3, Lixing 5th Rd., Hsinchu Science Park, Hsinchu, 300094, Taiwan, R.O.C.

- **Zhanye Plant**



No. 10 & 10-1, Zhanye 1st Rd., Hsinchu Science Park, Hsinchu, 300091, Taiwan, R.O.C.

- **Yanfa Plant**



No. 15, Yanfa 1st Rd.,Hsinchu Science Park, Hsinchu, 300092, Taiwan, R.O.C.

Hsinchu County - Hsinchu Industrial Park

- **Kuangfu Plant**



No. 12, Guang-fu Rd., Hsinchu Industrial Park, Hukou Township, Hsinchu Country 303036, Taiwan R.O.C

- **Nanliu Plant**



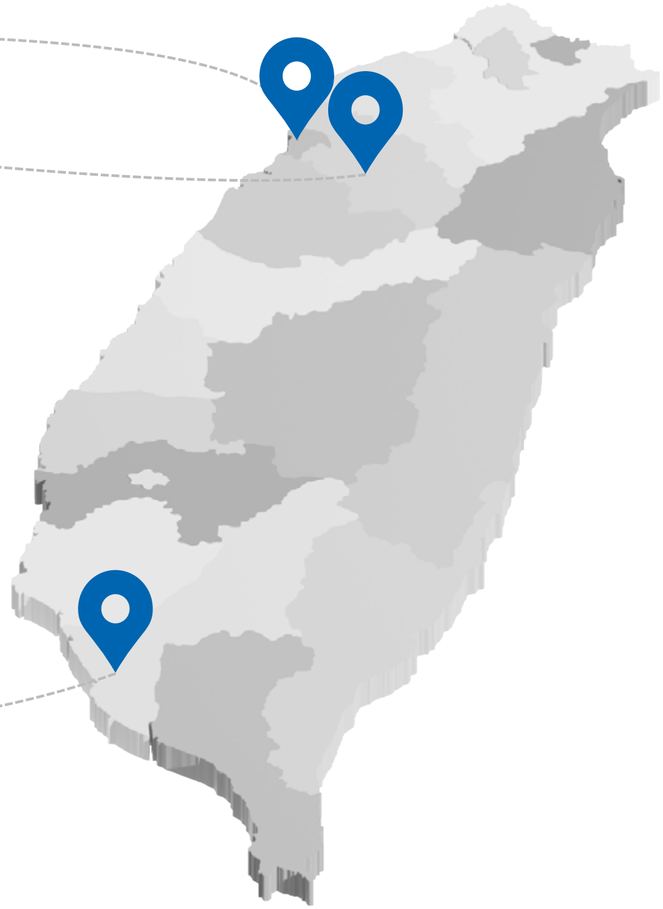
No.5, South 6th Rd., Qianzhen District, Kaohsiung City 806011, Taiwan, R.O.C.

- **Nanyi Plant**



No.11, South 1st Rd., Qianzhen District, Kaohsiung City 806011, Taiwan, R.O.C.

Kaohsiung City - Cianjhen Technology Industrial Park



1.1.2 Corporate Missions and Visions

The Company has a mission to create a life community filled with a sense of accomplishment and wellbeing. The members of the life community are employees and their family members, shareholders, customers, suppliers and even all the people who use the products of the Company. All of them form the life community.

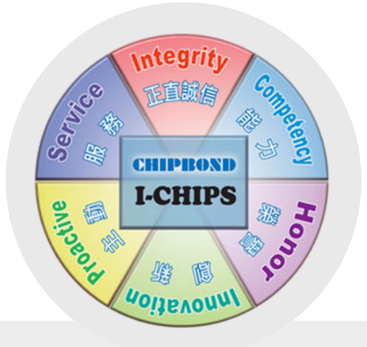
We undertake great responsibility to achieve this mission of the Company. For this, we explicitly set the development goals, build outstanding work teams, and provide premium services for customers with the efforts of every team member. By doing so, we establish good partnership with suppliers and create more value for our shareholders.

The Company has been extending the territory in the semiconductor industry in recent years with the efforts of the employees and the support of the stakeholders. In the future, we will keep endeavoring to become a leading manufacturer in the world-class advanced packaging manufacturing and service company.



1.1.3 Corporate Values

Sustainable development of a company requires constant values and beliefs among the employees. The Company values passing on of corporate culture and builds the corporate value system on an ongoing basis, hoping that the corporate values of “I-CHIPS” can be deepened into the DNA of every Chipbond folk at the workplace.



I	Integrity	**Honest operation and governance with integrity.**
C	Competency	Unique technology and development of niches.
H	Honor	Pursuit of excellence and joint creation of honor.
I	Innovation	Creating values through innovations.
P	Proactive	Optimism, enthusiasm, and conscientiousness.
S	Service	Respect for customers and satisfaction of requirements.

1.1.4 Company evolution and major milestones

1997.06	Chipbond Technology Corporation Founded. Initial capital NTD 300 million.
1997.07	Acquired the certificate of incorporation by Ministry of Economic Affairs.
1997.11	The gold bump product development has been completed, and the production line has been constructed.
1998.07	Solder bump product development has been completed.
1998.10	Expanded business to include flip chip and tape automated bonding (TAB) as additional service offerings.
2002.01	Listed on the OTC for public trade. Stock Code is 6147.
2003.08	Acquired the factory building, machinery, and equipment of the Lihsin Plant.
2004.12	Announced to merge with Aptos Corporation.
2005.11	Purchased Zhanye 1st Road plant from FICTA.
2006.04	Announced to merge with WSE Inc.
2007.12	The equipment from the Jinshan Plant has been relocated to the Zhanye Plant to streamline the production process.
2009.12	Announced to merge with International Semiconductor Technology (IST) Ltd.
2010.11	Investment Committee approved the acquisition of shares of Chipmore Technology Corp. Ltd. shares.
2013.10	Acquired 100% shares of SIMPAL Electronics Corporation Limited by share swap.
2014.05	Announced a simple merger with the subsidiary, SIMPAL.
2015.05	Acquired Cando's plant located at Kuangfu Road, Hsinchu Industrial Park.
2017.12	Completed indirect disposal of 43.0767% shares of Chipmore Technology Corp. Ltd.
2017.12	Announced the establishment of a Tape and Reel company in China through third-party investment and strategic investors.
2018.07	Completed indirect disposal of 43.0767% shares of Chipmore Technology Corp. Ltd.
2018.09	Invested in Hefei Chipmore Materials Technology Co., Ltd.
2020.03	Built the Kuangfu 2nd Plant in Hsinchu Industrial Park by the contractor on selfown land.
2020.10	Announced to engage in strategic alliance with OSE.
2021.09	Announced to engage in strategic alliance with UMC.
2024.11	Announced the establishment of a new subsidiary in Malaysia

1.1.5 Participation in External Organizations

We participate in different industry associations, societies and other organizations, and build communication mechanisms between the Company and other members of the industry through regular or occasional conferences of these organizations. In addition, the Company learns new knowledge on the industry and technology via the events organized by external organizations and conducts successful interaction with other institutions of the industry.



Participation in External Organizations	Participation situation
Taiwan Perovskite Research and Industry Association	member
Semiconductor Equipment and Materials Institute (SEMI)	member
The Allied Association for Science Park Industries	member
AI on Chip Taiwan Alliance (AITA)	member
Kaohsiung Personnel Representative Association	member
Association of Industrial Relations for Export Processing Enterprises, R.O.C.	member
Taiwan Technology Industrial Park Electrical And Electronic Manufacturer's Association	member
Hsinchu Industrial Park Manufacturers Association	member

1.2 Product R&D and Innovation

1.2.1 Main products and services

In addition to focusing on the process development and manufacturing of display driver IC packaging and testing, the Company has also been actively expanding packaging and testing services in the non-driver IC field in recent years. The services provided include: wafer bumping (Bump), wafer testing (Wafer Probe/Test), chip-on-film packaging (COF), chip-on-glass packaging (COG) and wafer-level chip size packaging (WLCSP) and other services, in addition to silicon-based material packaging process services, have also extended related bump process and wafer-level chip size packaging technology to II-VI and III-V compound semiconductor related fields, such as LiTaO (lithium titanium compound), GaAs (gallium arsenide), GaN (gallium nitride), SiC (silicon carbide), etc.; in addition, we also provide Flexible Tape-and-Reel Circuit Substrate and Chip tray (Wafer Pack) products, through full-process OEM services to meet customers' various needs in the fields of display technology, wireless communications, power management, automotive electronics, and biomedicine.

Bumping

Bumping involves using thin film, electroplating techniques or ball placement to fabricate bumps on the chip's solder pads. Subsequently, heat and pressure are applied to bond the bumps with the solder interface for packaging purposes. Types of bumps include gold bumps, lead-free bumps, tin-lead bumps, lead-free copper pillar bumps, and redistribution layers (RDL).

Chip-on-Reel Chip-on-Film Package (COF)	Large-size panel packaging field, small and medium-size panel packaging field.
Chip on Glass (COG)	Small and medium-sized panel packaging field.
Wafer Level Chip Scale Package (WLCSP)	Used in a variety of semiconductor products such as analog ICs, radio frequency modules (RF), mobile power amplifiers (PA), filter components (SAW/BAW Filters) and CMOS sensing components.
Tape	Super Fine Pitch tape material.
Fan-out System in Package (FOSiP)	Provides one-stop packaging and testing services for module products that require heterogeneous integration in mobile devices, such as RF modules and power management modules.
Flip-Chip System in Package (FCSiP)	Provides one-stop packaging and testing solutions for high-density heterogeneous integration module products, such as wireless communication modules and power management modules.

Display	Wireless Communication	Power	Connectivity	Others
• TFT TV • Computer • Cellular phone • Hand held • Wearables	• WIFI • BT • RFFE • Filters • Switch & LNA • PA	• PMIC • Discrete • Compound semiconductor	• IoT • RFID • µ-Controller • Security device	• Automotive • Industrial • Medical

1.2.2 R&D and Innovation

With the advancement of new technologies such as 5G mobile communications, the Internet of Things (IoT) , electric vehicles and artificial intelligence (AI) are growing demand for high-tech products. In addition to our existing packaging and testing services, Chipbond actively integrates upstream and downstream supply chain resources and collaborates with strategic partners to develop third-generation compound semiconductor process services and advanced packaging technologies. By positioning ourselves strategically within the industry value chain, we aim to provide customers with a more comprehensive and holistic service. This approach helps us create a competitive advantage for sustainable business operations and development. The company has been steadily cultivating in the field of packaging and testing turnkey foundry. The management team takes into account both technological development and market demand. In addition to actively introducing intelligent (AI) manufacturing to improve production efficiency and quality, it is also committed to the mass production of high-end driver ICs and the research and development of advanced packaging processes. It continues to invest in the improvement of FCSiP/FOSiP, thick copper, fine lines, wafer-level chip scale packaging (WLCSP) front-end and back-end process technologies and the development of high-end advanced packaging technologies. In response to the expected growth of the application of third-class compound semiconductors in the automotive industry and network communications, the Company has invested in the development of related turnkey process services required as follows:

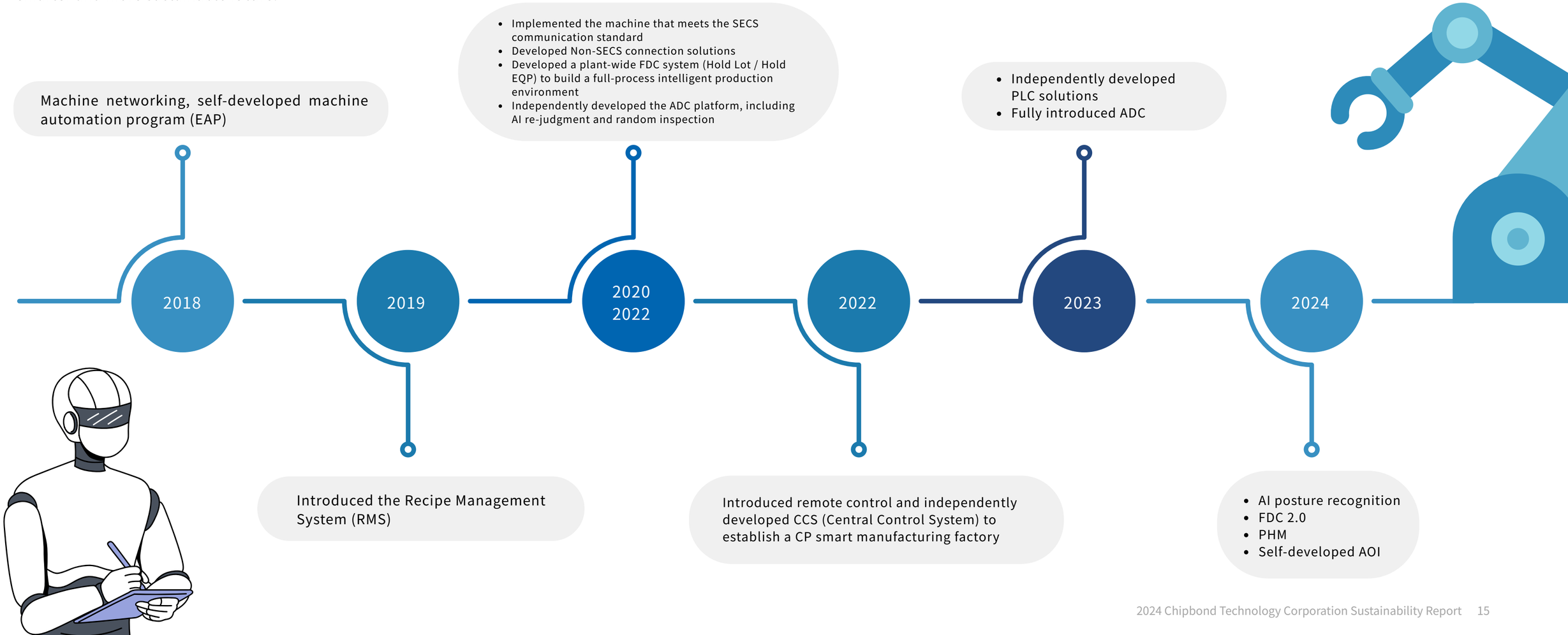
1	Development of composite gold bump products with low impedance, low power consumption and low gold usage for high-end driver ICs.
2	Research and development of Fan-Out System in Package (FOSiP) and Flip-Chip System in Package (FCSiP) to meet broad market demands.
3	Integration of thick copper, fine-line routing, composite Ag bumps, and copper pillar bumping processes to support applications such as RF modules and high-end power management ICs.
4	Investment in advanced WLCSP packaging technologies supports IC miniaturization and lightweight product trends.
5	Introduction of plasma dicing technology to meet customers' needs for circuit miniaturization, reduce dicing paths, and ensure dicing quality for improved reliability.
6	Development of third-class compound semiconductor bumping and thermal dissipation processes, offering full turnkey support for next-generation products.

R&D Investment over Last Five Years

Year (Unit: NTD thousands)	2020	2021	2022	2023	2024
Research and development expenses	525,666	659,756	762,041	586,914	638,055
Net operating income	22,275,284	27,082,040	24,010,157	20,056,388	20,337,566
Percentage of sales revenue	2.36%	2.44%	3.17%	2.93%	3.14%

1.2.3 Smart Factory

To embrace the era of 5G and the rapid advancement of artificial intelligence (AI) technology, the Company has actively progressed toward smart manufacturing. Since 2018, through the three major aspects of "data automation", "system platformization" and "intelligent decision-making", the Company has actively promoted automated intelligent manufacturing and expanded the development of related projects, including: (1) Production information visualization: real-time monitoring of production data to optimize production efficiency; (2) Automated parameter setting: through AI and big data analytics to precisely control process parameters and reduce human errors; (3) Automated equipment control and scheduling: enhancing production flexibility and efficiency; (4) Failure prediction and preventive maintenance: through machine learning analysis of equipment status to reduce unexpected downtime; (5) Intelligent robot application: iIntroducing automated transport and smart inspection robots to improve production efficiency and safety; (6) Smart manufacturing: improve automated production capabilities, etc., combining equipment information with manufacturing demands to achieve high-efficiency, low-consumption operations. In the era of Industry 4.0, the Company continues to upgrade its technologies and pursue internal optimization to maintain a competitive edge in a rapidly evolving market, advancing toward a smarter and more sustainable future.

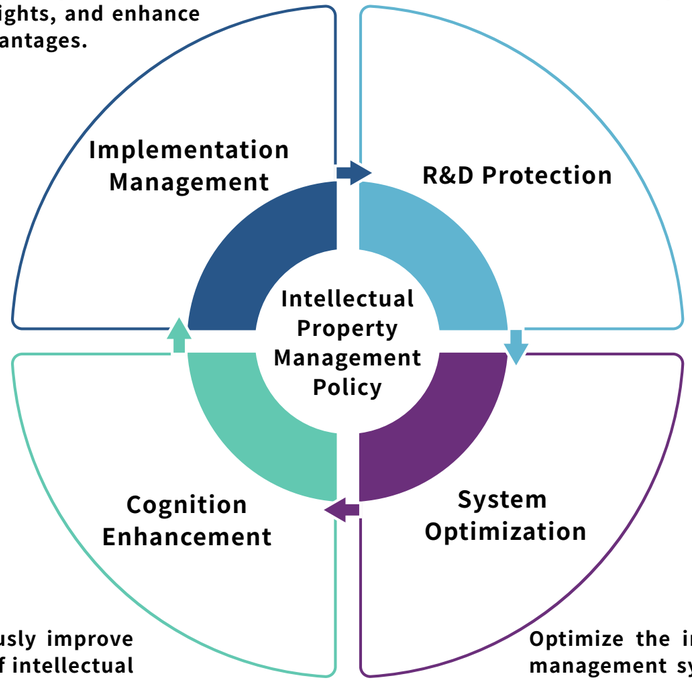


1.2.4 Intellectual Property Management

Intellectual property rights are one of the important results of R&D and are also a crucial part of innovation management. To protect technological innovations, the Company continues to invest in R&D and aligns Intellectual property management policies with operational goals, formulating strategies that support corporate development. We actively encourage employees to innovate, conduct independent research, and participate in various scientific and technological projects with academic institutions to enhance product quality, brand image, and promote the concept of a circular economy in the industry.

Implement patent management to improve both the quantity and quality of patents, protect the company's rights, and enhance product competitive advantages.

Strengthen and protect R&D results and reduce operational risks.



Reinforce and continuously improve employees' awareness of intellectual property management.

Optimize the intellectual property management systems and enhance patent database management.

Intellectual Property Management Strategies and Measures

Patent Management



The Company encourages innovation by establishing the “Intellectual Property Management Regulations,” offering incentives for employees to submit patent proposals. A structured internal patent review process ensures the quality of applications. Educational programs and awareness campaigns are regularly conducted to strengthen employees'understanding of intellectual property rights protection.

Trademark Management



Manage in line with the Company's global brand strategy, ensuring the necessity of trademark maintenance.

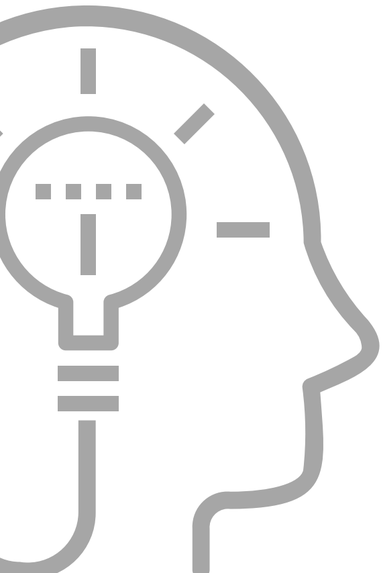
Trade Secret Management



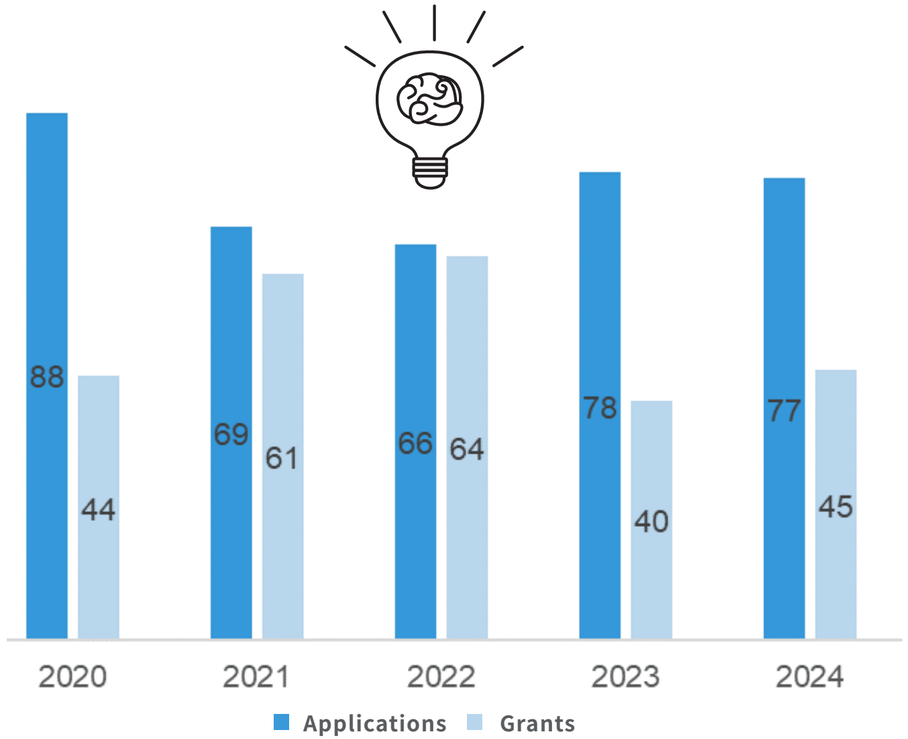
- Externally, projects or procurement cases involving technology development and technical cooperation, employees are required to sign confidentiality agreements with clients, suppliers, and co-developers, which must be reviewed by the "Contract Management System".
- Internally, employment contracts clearly stipulate confidentiality and non-compete obligations during and after employment. The Company has also implemented information security policies and related management practices to enhance information protection.

Intellectual Property Management Strategies and Measures

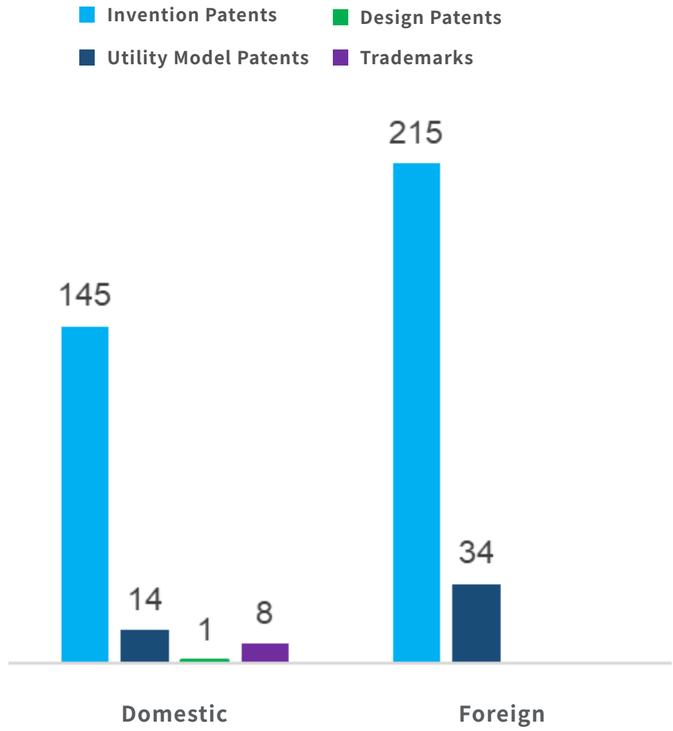
Our company continues to develop and innovate, and through the disclosure of intellectual property management reports, it allows customers and investors to obtain complete information, highlighting the Company's true intellectual property value and competitiveness. The cumulative number of patents of Chipbond Technology this year is 417, mainly in various packaging and testing technologies and electronic manufacturing service technologies, including 168 Taiwan patents and 249 foreign patents. We also regularly hold "Intellectual Property-Related Laws and Procedures" and "Confidential Information Protection Education and Training" to enhance colleagues' awareness of intellectual property management. In 2024, a total of 4,727 people participated, totaling 2,561.56 person-hours. We will continue to optimize the Company's intellectual property management system, improve the corporate governance structure, and enable the Company to gradually move towards high-value industries and gain a firm foothold in Taiwan's semiconductor industry.



Patent Application and Grant Performance



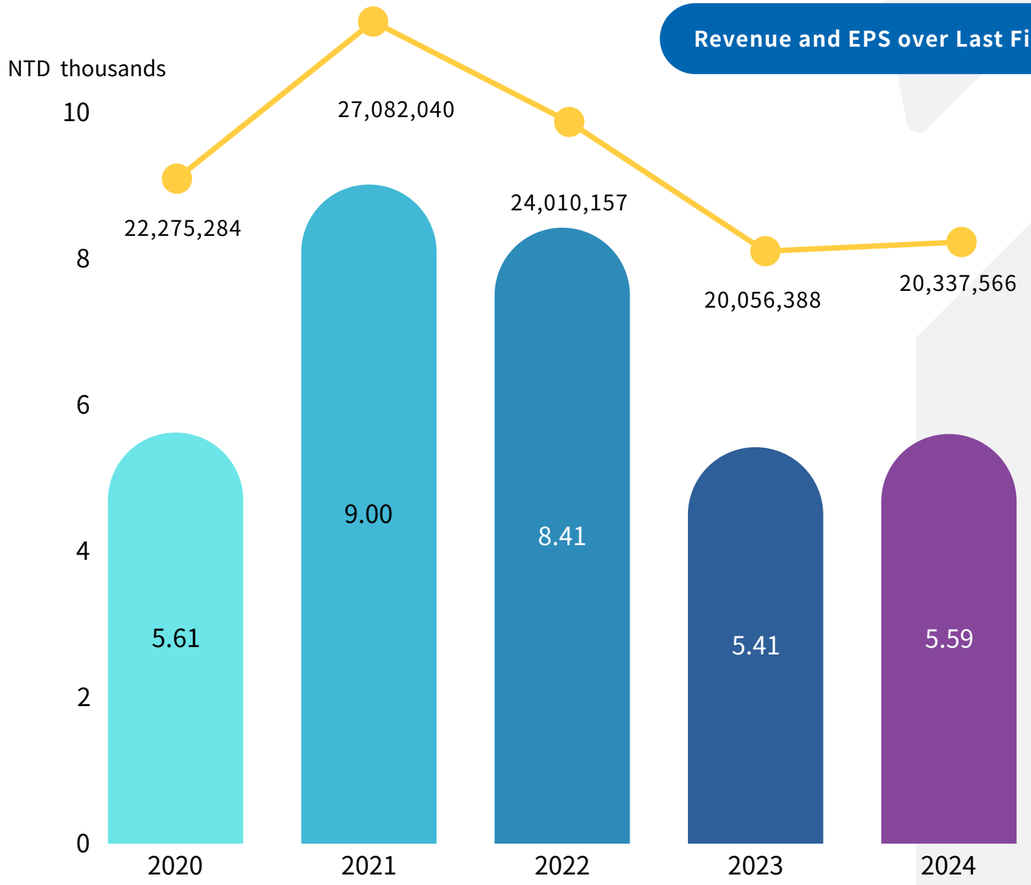
Cumulative Number of Patents in 2024



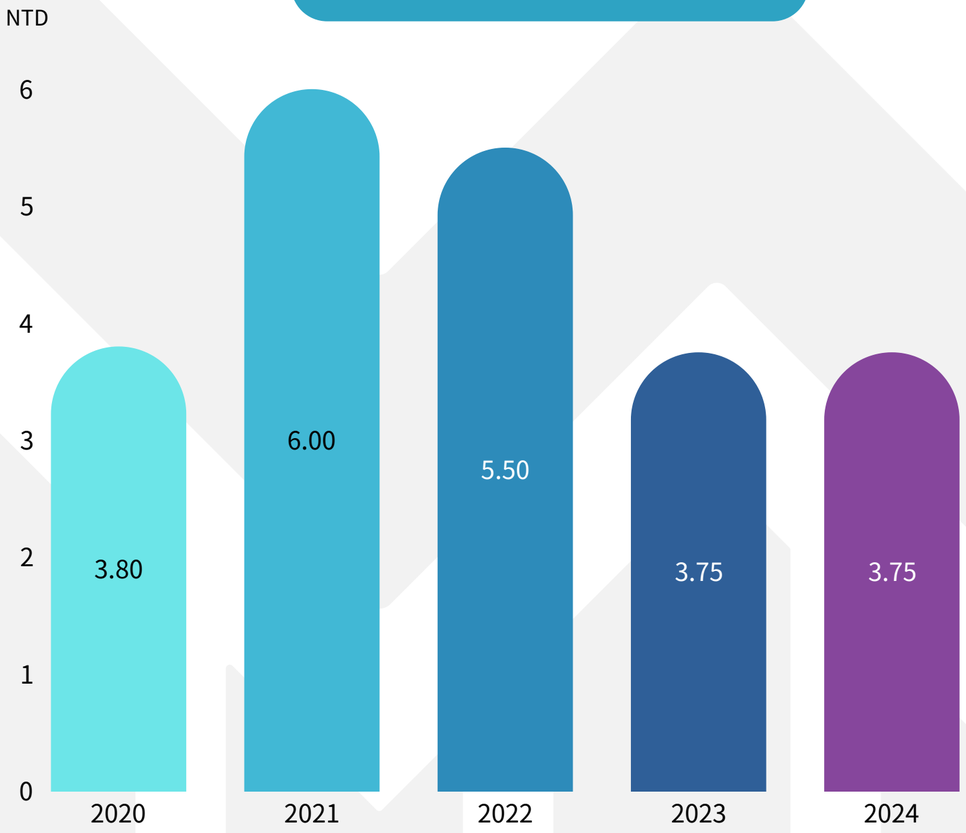
1.3 Business Performance

The Company created a consolidated revenue of NTD 20.34 billion, a gross profit of NTD 4.57 billion, operating profit of NTD 2.54 billion, consolidated after-tax of NTD 4.13 billion, an EPS of NTD 5.59, and total cash dividend distribution NTD 2.79 billion in 2024. For the above detailed financial information, please refer to the Company's 2024 Financial Report.

Revenue and EPS over Last Five Years



Dividends Per Share over Last Five Years



For more financial information, please refer to the Company's consolidated financial report: https://www.chipbond.com.tw/en/download/financial-reports

1.4 Honor and Recognition

While seeking excellent business operation, the Company is dedicated to outstanding performance in the issues related to corporate governance, environment, and society and has acquired recognition in various aspects over the past years:



Included in the TPEx Sustainable Index Series

- TPEx Corporate Governance Index
- TIP Customized TPEx ESG IT Elite Total Return Index
- TIP Customized TPEx ESG High Dividend Total Return Index
- TIP Customized TPEx ESG Growth Total Return Index
- TIP Customized TPEx ESG Market Leader Total Return Index
- TPEx Labor Employment 88 Index
- TPEx FactSet Climate Resilience Index
- TPEx FactSet Semiconductor Climate Resilience Index
- TPEx FactSet SC Climate NZ Elite TR Index

2024.12
Workplace Employee Health Promotion Award Program
- Outstanding Group Award



2024.11
OTC Leading Governance Award





2024.12
Green Procurement Excellent Supplier



2024.11
Excellent bonded factory (Kuangfu Plant)



2024.10
The top 500 excellent trading businesses in terms of export/import performance in 2024



2025 Awarded in the 11th as well

2024.06
The 10th "Corporate Governance Evaluation"
- Top 5% OTC Company



2024.04
An outstanding unit for exceeding the company in employment of people with disabilities



2023.11
TCSA Corporate Sustainability Report
- Silver Award

2 Marching Toward Sustainable Development

2.1 Sustainable Operation and Management
2.2 Stakeholder Engagement
2.3 Identification of Material Issues
2.4 Goals and Management of Sustainability
2.5 SDGs Supporting Practices

2.1 Sustainable Operation and Management

2.1.1 Sustainable Development Strategies

With the mission of "Creating a life community with both a sense of accomplishment and happiness", Chipbond hopes to create higher value and well-being for all stakeholders. In order to achieve sustainable management of the company and promote the development of human society, the company not only continues to strengthen its corporate competitiveness and creates higher economic value, but also hopes to contribute to environmental sustainability and social development by assuming corporate citizenship responsibilities., refer to the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", the "Responsible Business Alliance Code of Conduct (RBA CoC)" and other domestic and foreign norms and standards to formulate the "Chipbond Technology Sustainable Development Policy". After being submitted to the board of directors for approval, it was published internally and on the corporate website, implemented in daily operations, and communicated with business partners through documentation to ensure joint compliance, aiming to promote sustainable business operations and social prosperity.



Chipbond Technology Sustainable Development Policy :

https://www.chipbond.com.tw/en/esgpage/esg-policy-and-organization

Implement Corporate Governance

- Establish and maintain corporate governance mechanism.
- Comply with the laws and regulations to practice business integrity and ethics.
- Protect and improve the rights and interests of the stakeholders.
- Strengthen corporate information disclosure and enhance the communication with stakeholders.

Developing Sustainable Environment

- Actively respond to climate change and reduce greenhouse gas emissions.
- Promoting the development of the circular economy and continuously advocating for resource reuse.
- Emphasis on water resource management, waste management and air pollution control, implement appropriate pollution prevention strategies.
- Make every effort to save energy and reduce waste, and promote the sustainable use of natural resources.

Uphold Social Public Welfare

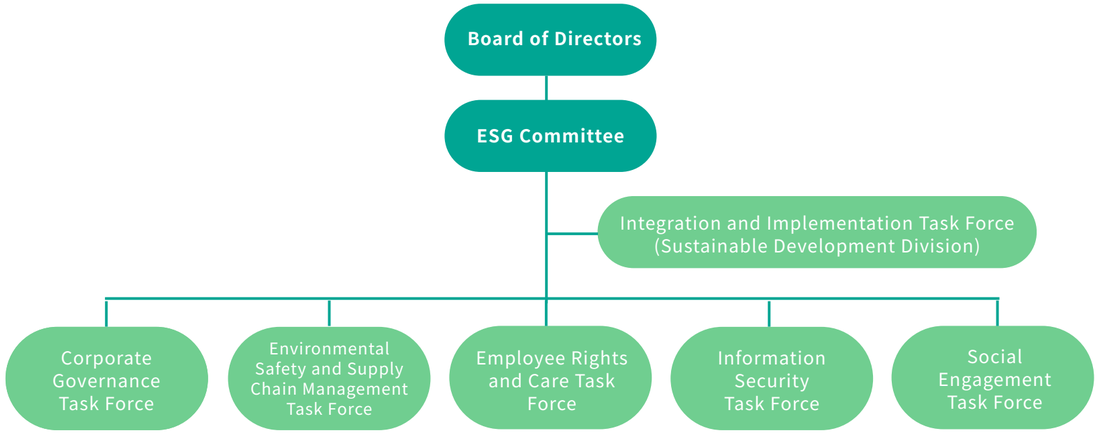
- Value the human rights of workers and create a healthy and safe workplace.
- Create a good environment for employees' career development.
- Caring for the society and promote community development.
- Encourage business partners to fulfill corporate social responsibility.

2.1.2 Organizational Structure of Sustainability Management

To achieve sustainable corporate operations and fulfill our mission of "Creating a community of shared future filled with both a sense of accomplishment and happiness." The company established the Corporate Social Responsibility (CSR) Promotion Committee in 2014. In February 2022, it was renamed the "Sustainable Development Committee," (hereinafter called the ESG Committee) which serves as the highest decision-making body for promoting sustainability-related initiatives. The committee is chaired by the Chairman of the Board, with the President authorized as the Management Representative, responsible for leading, planning, executing, tracking, and supervising the effective implementation of sustainability initiatives.

The ESG Committee acts as an interdepartmental communication platform for sustainable issues within the company. It consists of several specialized task forces, including Corporate Governance, Environmental Safety and Supply Chain Management, Employee Rights and Care, Information Security, Risk Management (The Risk Management Task Force was reassigned under the Audit Committee in October 2024 with the approval of the Board of Directors.), and Social Engagement. Committee members are drawn from relevant department heads, who are responsible for planning, executing, and periodically reviewing the Company's material issues. Additionally, an Integration and Implementation Task Force is responsible for the Committee's operations and the advancement of sustainability-related initiatives.

To enhance sustainability management, the company established the "Sustainable Development Division" in 2022 as a dedicated unit for advancing corporate sustainability initiatives. This department is responsible for analyzing global and domestic ESG trends, understanding the needs and expectations of stakeholders, identifying material sustainability issues relevant to the Company's operations, formulating response strategies, and guiding relevant departments in planning and tracking execution outcomes to ensure that sustainability efforts are integrated into daily business operations. The organizational structure of the ESG Committee is as follows:



The Sustainable Development Committee reports to the Board of Directors quarterly. The report includes: (1) Identification of material sustainability issues and the planning of annual goals and initiatives. (2) Stakeholder communication status. (3) Greenhouse gas inventory and third-party verification progress. (4) Implementation status of various sustainability targets and initiatives. In addition to reviewing the Sustainability Report, the Board of Directors monitors the progress of sustainability initiatives through meetings, providing timely recommendations and feedback to ensure the effective implementation of sustainability policies and action plans. The final report for 2024 was presented on October 31, 2024.

2.1.3 The Sustainable Development History of Chipbond

2014
- Published the first Chipbond Technology Corporation Report.
- Formulated “Chipbond Technology Corporation Corporate Governance Best Practice Principles”.

2015
- Formulated “Chipbond Technology Corporation Sustainable Development Best Practice Principles” and “Chipbond Technology Corporation Ethical Corporate Management Best Practice Principles”.
- Established the Corporate Social Responsibility Committee.
- Sustainability report issuance and introduction of GRI guidelines.

2018
- Develop a Corporate Social Responsibility (Sustainable Development) management manual.

2020
- Published the first English version of the sustainability report.
- Listed on TIP Taiwan TPEx ESG Index for the first time.
- Started planning and introducing solar power generation equipment.

2022
- Established the Sustainability Development Division as a dedicated unit to promote ESG.
- Conducted a greenhouse gas inventory according to ISO 14064-1 and completed third-party verification for the first time.
- The 2021 sustainability report underwent third-party verification for the first time.
- Introduction of ISO 27001:2013 information security management system.
- Participated in TCSA Taiwan Corporate Sustainability Awards for the first time - Silver Award for Corporate Sustainability Report.

2023
- Introduction of ISO 50001 energy management system.
- Completed ISO 14067 product carbon footprint verifications of 2 products.

2024
- Completed ISO 27001:2022 revision upgrade and verification.
- Completed ISO 14067 product carbon footprint verification for 3 products.

2.2 Stakeholder Engagement

Seeking profit is not the only consideration for a truly successful enterprise. It shall take into account the rights and interests of the stakeholders and the responsibility to the society. As a responsible corporate citizen, the Company maintains smooth communication and mutual trust with stakeholders through various channels. Reasonable and conducive to sustainable development expectations and feedback comments are incorporated into its operating strategies and plans to continue to promote the sustainable process.

2.2.1 Identification of Stakeholders

The company values the needs and expectations of its stakeholders. The Sustainable Development Division convened a team of members responsible for editing the sustainability report. In accordance with the principles outlined in the "AA1000 Stakeholder Engagement Standard (SES)," based on five facets of "dependency", "responsibility", "influence", "tension", and "diverse perspectives" to identify the primary stakeholders. The result of the identification showed the primary stakeholders of Chipbond were "customers", "shareholders/investors", "employees", "government agency", and "suppliers/contractors".

Customer

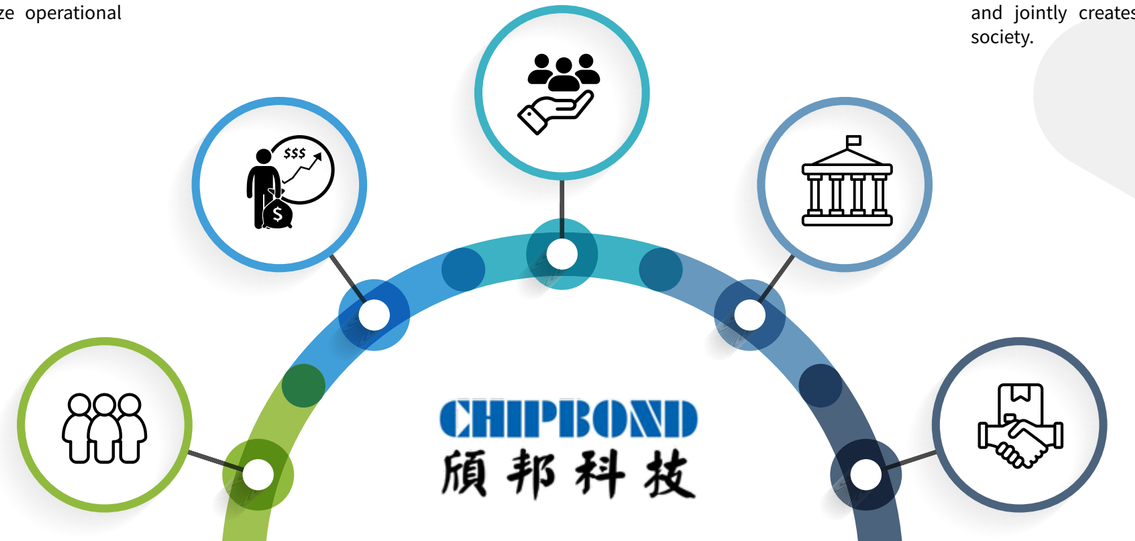
Customers are the main source of economic value created by the company. Chipbond provides professional services to promote the mutual growth of both parties and is an important partner in achieving sustainable operation and development of the enterprise.

Shareholder/Investor

Shareholders and investors are important sources of funding for the company. Treating shareholders equally, enhancing the transparency of operational information, and fostering investor support can stabilize operational funds and create higher corporate value.

Government Agency

As a responsible corporate citizen, Chipbond follows various legal norms and policy requirements of the government and competent authorities, fulfills its corporate responsibilities, and jointly creates a better future for the country and society.



Employee

Employees are important assets for Chipbond. Establishing harmonious labor relations, providing competitive salaries and benefits, and a high-quality working environment can attract outstanding talents to join, making employees willing to grow with the company and create higher operating performance.

Supplier/Contractor

Suppliers/contractors provide the raw materials and services required for Chipbond's production and are important partners in maintaining the company's normal operations and implementing a sustainable supply chain.

2.1.2 Stakeholder Communication and Response

Chipbond Technology's communication with stakeholders is handled by corresponding responsible units or contact windows according to different topics. We interact with stakeholders through multiple communication channels to understand their needs and expectations. We also evaluate the issues of concern to all parties through stakeholder questionnaires and summarize the relevant information in this report for appropriate responses, so that they can have a clearer understanding of the actions and practices taken by the company on sustainable development issues. The sections on stakeholders' concerns, communication channels, outcomes and responses are as follows:

Stakeholders	Concern Issues	Communication Channel (Frequency)	Communication Result	Corresponding Section
 Shareholder / Investor	• Product Quality • Sustainable Development Strategy • Operational Performance • Regulatory Compliance • Energy Management • Risk Management	• Regular shareholders'meeting (annually) • Investor conference (quarterly) • Quarterly financial report and annual report (quarterly/annually) • Investor hotline and investor mailbox (permanent) • Company's website and Market Observation Post System (permanent) • Chipbond Technology Corporation Sustainability Report (annually) • Contact: Management Center Mr. Cheng alancheng@chipbond.com.tw	• Regularly announce the annual financial report and quarterly financial report audited and certified by accountants. • 32 pieces of material information in both Chinese and English on MOPS. • The shareholders' meeting was held on April 30, 2024. The Chinese and English versions of the shareholders' meeting manual and annual report were uploaded to the Market Observation Post System 30 days and 18 days before the meeting respectively. • Invited to 4 investor conferences.	• Words from the Chairman • 5.1 Product Quality Management • 2.1 Sustainable Operation and Management • 1.3 Operating Performance • 3.2 Ethical Business and Legal Compliance • 6.2 Climate Change and Carbon Management • 3.3 Risk Management
 Employee	• Labor Rights • Customer Relationship Management • Occupational Health and Safety • Labor-Management Relations • Product quality	• Labor-management meeting (quarterly) • Employee Welfare Committee (quarterly) • Knowledge Development Committee (quarterly) • ESH Management Committee (quarterly) • Portal for the employees and company's website (permanent) • Welfare Committee APP (permanent) • Learning Development Newsletter, HR Bulletin, and Chipbond Welfare Newsletter (monthly) • Sustainable Development Newsletter (quarterly) • Happy communication network, employee opinion/complaint mailbox (permanent) • Contact: HR Management Dept. Miss. Wu nicolewu@chipbond.com.tw	• 4 labor-management meetings were held to reach 73 agreements with an achievement rate of 100%. • 4 Knowledge Development Committee meetings and 7 Welfare Committee meetings were held. • 4 ESH Management Committee meetings were held. • 4 issues of Sustainable Development Newsletter were published. • 11 articles were published on HR Bulletin. • 12 issues of Learning Development Newsletter and 12 issues of Chipbond Welfare Newsletter were published. • 28 cases reflected in employee opinion and complaint mailbox were solved. • Completed occupational health and safety training courses and drills, with a total of 12,377 participants. • Completed courses on ESG related issues, with a total of 4,963 participants.	• 4.1 Overview of Human Resources • 4.2 Remuneration and Welfare • 4.3 Cultivation and Development of the Talents • 4.4 Friendly Working Environment • 4.5 Occupational Safety and Health • 5.1 Product Quality Management • 5.2 Excellent Customer Service

Stakeholders	Concern Issues	Communication Channel (Frequency)	Communication Result	Corresponding Section
Customer	• Climate change • Energy Management • Waste Management • Labor Rights • Occupational Safety and Health • Sustainable Supply Chain	• Customer satisfaction survey (every year) • Marketing business, customer service, QA • Department contact (permanent) • Customer questionnaire, Customer audit (occasional) • Official website of the Company, customer service email (permanent) • Contact: Customer Service Dept. Miss. Chang junec@chipbond.com.tw	• The annual customer satisfaction survey was completed and the result showed an overallsatisfaction of 9.08 points, remaining at the level of "satisfaction". • The ESG questionnaires from 55 customers were responded. • The Supplier Code of Conduct from 14 customers were signed. • 5 regular ESG meetings were held. • 2 ESG audits were conducted.	• 6.2 Climate Change and Carbon Management • 6.4 Waste Management and Circular Reuse • 4.4 Friendly Working Environment • 4.5 Occupational Safety and Health • 5.3 Supplier Management • 5.4 Hazardous Substance Management
Supplier / Contractor	• Procurement Practices • Sustainable Supply Chain • Climate change • Waste Management • Sustainable Development Strategy • Water Resource Management	• Procurement, QA, Safe and Health Officer contact (permanent) • Issue-related documentation (irregular) • Supplier audit (irregular) • Consultative organization meeting (regular) • Company's website (permanent) • Contact: Procurement Dept. Miss. Chang JessyChang@chipbond.com.tw	• 139 suppliers signed Chipbond's Supplier Code of Conduct Declaration and the Supplier Integrity Commitment Letter. • The written conflict mineral investigation of 17 related material suppliers were completed. • Completed audits for 35 suppliers, with 92% of identified deficiencies corrected; the remaining are under follow-up.	• 6.2 Climate Change and Carbon Management • 6.4 Waste Management and Circular Reuse • 4.4 Friendly Working Environment • 4.5 Occupational Safety and Health • 5.3 Supplier Management • 5.4 Hazardous Substance Management
Government Agency	• Climate change • Waste Management • Water Resource Management • Energy Management • Air Pollution Prevention • Occupational Safety and Health	• Workshops, disseminations, courses, etc., from government authorities (irregular) • Official documents (occasional) • Regulatory audit conducted by competent authorities (irregular) • Visit to competent authorities for exchange of opinions (irregular) • Contact: General Administration Dept. Miss. Liu PatriciaL@chipbond.com.tw	• The 11th "Corporate Governance Evaluation" by Financial Supervisory Commission - Top 5% OTC Company. • Recognized by the Taipei Exchange as "OTC Leading Governance Award". • Commended by the Hsinchu City Government in the "Green Procurement Evaluation". • Recognized by the Hsinchu City Government as "An outstanding unit for exceeding the company in employment of people with disabilities". • Recognized by the TITA as "The top 500 excellent trading businesses in terms of export/import performance". • Kuangfu Plant recognized as a"Excellent bonded factory"by Customs Administration, MOF.	• 1.4 Honor and Recognition • 5.3 Supplier Management • 6.2 Climate Change and Carbon Management • 6.3 Water Resources Management • 6.4 Waste Management and Circular Reuse • 6.5 Air Pollution Management • 4.5 Occupational Safety and Health

2.3 Identification of Material Issues

To understand the impact of the company's operations on the economy, environment and society, Chipbond collects the needs and expectations of stakeholders through multiple communication channels in its daily operations. The Company conducts a material issues assessment every two years, and refers to the GRI Standards (2021) method process and AA1000 Accountability Principles (2018). Through a systematic process, it identifies, evaluates and determines material issues that stakeholders are concerned about and have significant impacts. Insights gathered through diverse communication channels inform the development of management approaches and action plans to prevent or mitigate potential negative impacts, supporting long-term sustainable development.

2.3.1 Material Issues Identification Process

Step 01

Understand the Organizational Context

- To understand the sustainability context of the company's operating activities, members of the Sustainability Department collected sustainability issues, referring to the GRI Sustainability Reporting Guidelines, RBA (Responsible Business Alliance) Code, UN Sustainable Development Goals (SDGs), the SASB Standards for the semiconductor industry, and significant topics identified by our industry peers. The Company reviewed sustainability trends and daily interactions with stakeholders on sustainability topics of concern, screened and summarized 26 sustainability topics after integrating multi-faceted information.

Identified **26** sustainable topics

Step 02

Identification and Evaluation of Sustainability Topics

- All Chipbond managers were invited to fill out the "Sustainable Topics-Impact Assessment Questionnaire". With the participation of 298 managers, the impact of various sustainability issues on the company's operations was assessed from different perspectives of corporate operations.
- 76 valid questionnaires were collected through the "Sustainable Topics-Stakeholder Concerns Questionnaire". Through the evaluation of multiple perspectives of internal and external stakeholders, the impact of the company's operations on the economy, environment and society was understood.

Collected **374** questionnaires

Step 03

Analysis and Prioritization of Material Issues

- Chipbond's sustainable development team conducted statistical analysis on the returned questionnaires, evaluating them from three aspects: stakeholder concern, significant impact on company operations, and impact on sustainable development. The influence of different stakeholders and the degree of impact of various factors on operations were also considered through weighted statistical analysis. As a result, a total of 9 material issues were identified and presented in the materiality matrix.

Selected **9** material issues

Step 04

Confirmation of Topics Goal Setting and Response

- After confirming the 9 material issues, relevant departments collaborated to develop management indicators and annual action plans. These were reviewed and approved by the ESG Committee and the Board of Directors. Execution results are disclosed in this report to demonstrate the company's response to material sustainability issues.

Formulated/Implemented management plans, disclosed the achievements in the report.

2.3.2 Analysis Results of Material Issues

To confirm the material issues, the Chipbond Sustainable Development team summarized 26 sustainable themes after understanding the Company's sustainability context. Through the questionnaire survey of "Sustainable Topics-Impact Assessment Questionnaire" and "Sustainable Topics-Stakeholder Concerns Questionnaire", the influence of different stakeholders and the impact of different factors on operations are considered and weighted statistics are performed. Topics with stakeholder concern scores above 5 and operational impact scores above 6 were identified, and the "impact on sustainable development" of each topic are included in the analysis after discussion with external experts. Based on these results, 9 material issues were identified and mapped in the materiality matrix. In 2024, compared to the previous year, two new topics—"Air Pollution Prevention" and "Recruitment and Retention of Talents"—were added. Meanwhile, "Sustainable Supply Chain", "Operational Performance", and " Quality and Customer Service" were excluded. Topics such as "Corporate Governance" and "Sustainability Strategy" are categorized under GRI 2 General Disclosures and thus were not listed as separate material topics. The results of the materiality assessment are presented below.

3 Key Principles for Assessing Material Issues

Category	Issue	High Stakeholder Concern Note 1	Significant Operational Impact Note 2	Sustainability Impact Note 3
General	1.Sustainable Development Strategy	▲	■	
	2.Regulatory compliance	▲	■	
	3.Risk Management	▲	■	●
	4.Information Security	▲	■	
	5.Intellectual Property		■	
	6.Product Quality	▲	■	
	7.Customer Relationship Management	▲	■	
	8.Sustainable Supply Chain	▲	■	
Economic	9.Corporate Governance	▲	■	
	10.Operational Performance	▲	■	
	11.Anti-Competitive Behavior		■	
	12.Tax		■	
	13.Business Ethics	▲	■	
	14.Procurement Practices	▲	■	
		>5	>6	

3 Key Principles for Assessing Material Issues

Category	Issue	High Stakeholder Concern Note 1	Significant Operational Impact Note 2	Sustainability Impact Note 3
Environmental	15.Climate change	▲	■	●
	16.Energy Management	▲	■	●
	17.Water Resources Management	▲	■	●
	18.Air Pollution Prevention	▲	■	●
	19.Waste Management	▲	■	●
	20.Biodiversity	▲		
	21.Labor Rights	▲	■	●
	22.Labor-Management Relations	▲	■	
Social	23.Recruitment and Retention of Talents		■	●
	24.Cultivation and Development of Talents		■	
	25.Occupational Safety and Health	▲	■	●
	26.Social Participation			
		>5	>6	

Note 1: High Stakeholder Concern: Issues of concern to internal and external stakeholders are the impact on the economy, environment and society.
Note 2: Significant Operational Impact: Significant impact on company operational risks, customer satisfaction and employee loyalty.
Note 3: Sustainability Impact: Impact on company value and competitive position, and creation of long-term corporate and social value; excludes results-oriented and corporate governance (GRI 2: General Disclosures) issues.

2024 Material Issues and Materiality Matrix

Governance

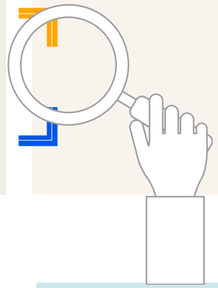
1. Sustainable Development Strategy
2. Regulatory Compliance
3. Risk Management
4. Information Security
5. Intellectual Property
6. Product Quality
7. Customer Relationship Management
9. Corporate Governance
10. Operational Performance
11. Anti-Competitive Behavior
12. Tax
13. Business Ethics
14. Procurement Practices

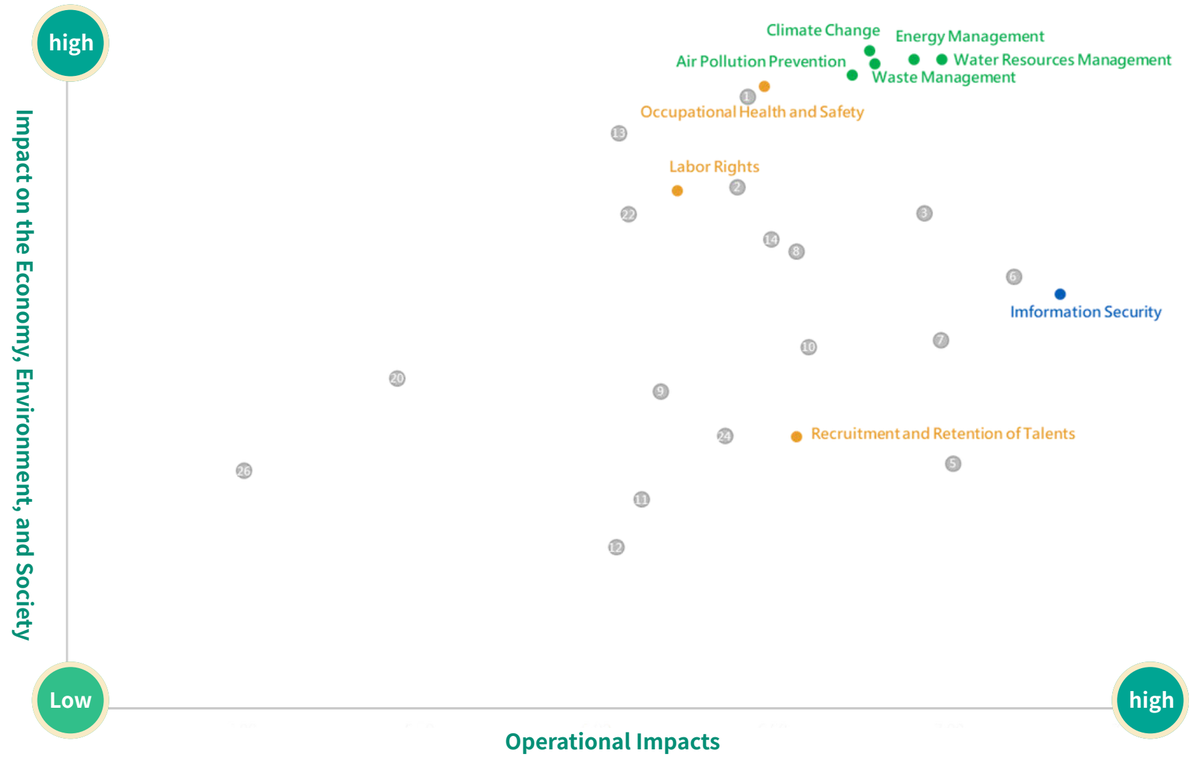
Environmental

15. Climate Change
16. Energy Management
17. Water Resources Management
18. Air Pollution Prevention
19. Waste Management
20. Biodiversity

Social

8. Sustainable Supply Chain
21. Labor Rights
22. Labor-Management Relations
23. Recruitment and Retention of Talents
24. Cultivation and Development of Talents
25. Occupational Safety and Health
26. Social Participation





2023 Material Sustainability Issues	
Sustainable Development Strategy	Water Resources Management
Corporate Governance	Waste Management
Sustainable Supply Chain	Human Rights Protection
Information Security	Occupational Safety and Health
Operational Performance	Climate Change and Energy Management
Quality and Customer Services	

2024 Material Sustainability Issues					
~~Sustainable Development Strategy~~	▶ Deleted	~~Quality and Customer Services~~	▶ Deleted	Climate Change and Energy Management	▶ Climate Change (Revised)
~~Corporate Governance~~	▶ Deleted	Water Resources Management	= Water Resources Management		▶ Energy Management (Revised)
~~Sustainable Supply Chain~~	▶ Deleted	Waste Management	= Waste Management		NEW! Air Pollution Prevention
Information Security	= Information Security	Human Rights Protection	▶ Labor Rights (Revised)		NEW! Recruitment and Retention of Talents
~~Operational Performance~~	▶ Deleted	Occupational Safety and Health	= Occupational Safety and Health		

2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain

Material Issues	Significance to Business	Corresponding GRI Standard	Impact Boundary			Corresponding Section
			Supplier/ Contractor	Chipbond	Customer	
Information Security	Potential ⊖ : Disclosure of the confidential information of the company or customer may bring about loss of competitive advantages and the trust relations with the customer. Actual ⊕ : Establishing a complete information security management mechanism can reduce the chance of infringement of intellectual property rights and private data.	• GRI 3: Material Topics 2021 • GRI 418: Customer Privacy	○	●	◎	3.4 Management of Information Security 5.2.1 Customer Privacy and Confidentiality Mechanism
Climate Change	Actual ⊖ : Stakeholders are increasingly concerned about climate change issues, and the pricing of carbon emissions and government energy policies have increased corporate operating costs. Actual ⊕ : Reducing a product's carbon emissions can improve its competitiveness and even create new business opportunities.	• GRI 305: Emissions		●	◎	6.2 Climate Change and Carbon Management
Energy Management	Actual ⊖ : Energy prices and electricity tariffs have gradually increased due to government policies and market mechanisms. Without effective energy management, operating costs may rise. Actual ⊕ : Optimizing energy management can reduce production costs and enhance product competitiveness.	• GRI 302: Energy		●	◎	6.2 Climate Change and Carbon Management
Water Resources Management	Potential ⊖ : Unstable water supply may have an impact on production operations, and handling errors or non-compliance may result in fines from the competent authorities. Actual ⊕ : Strengthening water resources management capabilities can enhance climate resilience and reduce the impact that extreme weather may have on operations.	• GRI 303: Water and Effluents		●		6.3 Water Resources Management
Air Pollution Prevention	Actual ⊖ : Failure to properly manage air pollution control equipment may result in excessive emissions of air pollutants, which will have an impact on the environment and human health and may result in penalties from the competent authorities.	• GRI 305: Emissions		●		6.5 Air Pollution Management

● Direct impact ◎ Indirect impact ○ Business relationship ⊖ Positive impact ⊕ Negative impact

2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain

Material Issues	Significance to Business	Corresponding GRI Standard	Impact Boundary			Corresponding Section
			Supplier/ Contractor	Chipbond	Customer	
Waste Management	Actual ⊖: Improper waste management may have an impact on the environment and may even result in fines from the competent authorities. Actual ⊕: Implementing resource recycling and reuse can reduce waste output and indirectly reduce waste treatment costs and greenhouse gas emissions.	• GRI 306: Waste	○	●	◎	6.4 Waste Management and Circular Reuse
Labor Rights	Actual ⊖: Employees are important assets of a company. Failure to respect human rights may result in the loss of talent, and violation of labor laws will result in penalties. Actual ⊕: Establishing a friendly workplace environment and labor-management relations can improve retention rates and build employee loyalty to the company.	• GRI 401: Employment • GRI 402: Labor/Management Relations • GRI 405: Diversity and Equal Opportunity • GRI 406: Non-discrimination • GRI 407: Freedom of Association and Collective Bargaining • GRI 409: Forced or Compulsory Labor	○	●	◎	4.4 Friendly Working Environment
Recruitment and Retention of Talents	Potential ⊖: Talent loss causes companies to bear huge hidden costs and may even lead to reduced productivity and damaged team morale. Actual ⊕: Attracting top talent, maintaining a stable workforce, and retaining high-performing employees are key to sustaining strong business competitiveness.	• GRI 401: Employment • GRI 404: Training and Education		●		4.1 Overview of Human Resources 4.2 Remuneration and Welfare 4.3 Cultivation and Development of the Talents
Occupational Safety and Health	Actual ⊖: An unhealthy and unsafe working environment may reduce work efficiency and even cause harm or loss to life and property. Actual ⊕: Fostering a safe and healthy work environment and promoting employee well-being help enhance morale and increase overall job satisfaction.	• GRI 403: Occupational Health and Safety	○	●	◎	4.5 Occupational Safety and Health

● Direct impact ◎ Indirect impact ○ Business relationship ⊖ Positive impact ⊕ Negative impact

2.4 Goals and Management of Sustainability

Material Issue	Strategy to Manage Impact	2024 Goals	Status	Implementation Results in 2024	2025~2030 Goals	Evaluation Mechanism
Information Security	By establishing an Information Security Management System based on ISO 27001, we develop management policies, provide education and training, and raise awareness to ensure the effective operation of our critical information systems. We conduct regular risk assessments to identify potential information security risks and implement continuous improvement measures to mitigate them. This ensures the robust functioning of our important information systems.	• 0 major information security incidents • Passed ISO 27001: 2022 transition certification	★	• 0 major information security incidents • Complete the formulation of SOC key indicators • Completed cross-machine redundancy for key systems • Strengthening software development security processes • Completed ISO 27001 transition audit and obtained certificate	• 0 major information security incidents • Maintain ISO 27001: 2022 certification validity	• ISO 27001 Information Security Management System.
Climate Change	Managed climate-related risks and opportunities under the TCFD framework. Completed GHG inventory in accordance with ISO 14064-1, identified emission hotspots, and implemented reduction and adaptation measures to gradually lower emissions and enhance climate resilience.	• Complete ISO 14064-1 greenhouse gas inventory, verification and declaration within the government-specified deadline • Completed carbon footprint inspection and verification of 3 products	★	• Complete greenhouse gas inventory, verification and reporting within the the government-specified deadline • Greenhouse gas (Scope 1 and 2) emissions decreased by 9.77% compared to the base year (2021) • Completed carbon footprint inspection and verification of 3 products • Completed the installation of etching machine exhaust gas treatment equipment	• Greenhouse gas emissions reduction (scope 1 and 2): 2025: 10% reduction compared to the base year (2021) • 2030: 23% reduction compared to the base year (2021)	• ISO 14064-1 Greenhouse Gas Inventory. • Management review.
Energy Management	Established an ISO 50001 energy management system and obtained third-party certification. Actively promoted energy-saving and carbon reduction projects and increased the use of renewable energy to lower product carbon emissions. Managed climate-related risks and opportunities to enhance operational resilience and product competitiveness.	• Power saving ≧1% • Renewable energy usage ≧700,000 kWh • The ISO 50001 management system spirit is implemented in all plants in parallel, with a coverage rate of 100%	★	• Completed 29 key energy-saving projects, estimated to save about 6,674,092.979 kWh of electricity (about 2.13% of electricity saving rate) • Renewable energy usage reached 787,726kWh (obtained 660 renewable energy certificates) • ISO 50001 management system was deployed in parallel to each factory	• Power saving ≧1% • Renewable energy usage: 2025: usage ≧ 750,000 kWh • 2030: usage ≧43 million kWh	• ISO 50001 Energy Management System.

★ Achieved ☆ Keep working hard

Material Issue	Strategy to Manage Impact	2024 Goals	Status	Implementation Results in 2024	2025~2030 Goals	Evaluation Mechanism
Water Resources Management	Enhance water resource efficiency and climate resilience by integrating water use, improving recycling efficiency, and optimizing wastewater treatment processes. Monitor water quality and consumption regularly, and promote water-saving initiatives continuously to support water conservation goals.	• Cutting and grinding process water recovery rate reached 80%	★	• The water recovery rate of the cutting and grinding process reached 81.11%	Cutting and grinding process water recovery rate: • 2025: Recycling rate ≥ 82% • 2030: Recycling rate ≥ 85%	• Management review.
Air Pollution Prevention	Install air pollution control equipment to ensure exhaust gases are treated to meet regulatory standards before discharge. Conduct regular sampling and emission tests to ensure compliance with legal requirements.	• VOCs emissions reduction by 30% compared to the base year (2022)	★	• Lihsin Plant added zeolite rotor VOC treatment equipment (installation completed, application pending) • VOC emissions were reduced by 43.51% compared to the base year	VOC emission reduction: • 2025: 30% reduction from the base year (2022) • 2030: 40% reduction from the base year (2022)	• Management review.
Waste Management	Select raw materials and suppliers carefully, and continue improving technologies or adopting environmentally friendly materials. Prioritize waste reduction at the source, consider reuse, and lastly, address treatment or disposal. Choose qualified waste disposal and recycling vendors based on strict criteria, and audit the entire waste handling process periodically to ensure proper and compliant management.	• Waste disposal company audit ≧90% • Strengthening organic solvent recovery • Strengthen the recycling and reuse of process waste.	★	• Audited 48 waste disposal companies, with a 100% achievement rate. • Organic solvent recovery rate: 84.67% • Hazardous industrial waste recycling rate: 73.07%; overall waste recycling rate: 65.59%	• Reduce waste solvent storage volume by 40% • Increase waste plastic recycling rate from 50% to 90%	• Management review. • ISO 14001 Environmental Management System.
Labor Rights	The "Chipbond Human Right Policy" is formulated with reference to international norms and establishes personnel management standards through personnel rules and regulations. Implement gender equality in human rights protection practices, conduct regular human rights risk assessments and establish smooth communication channels to reduce the chances of human rights risks occurring.	• Employee opinions/reports and grievance channels are handled and the case closure rate is 100%. • The ratio of weighted headcount for posts with physical and mental disabilities to the total headcount ≥1%. • 100% completion of setting religious policy	★	• The handling and closure rate of employee opinions/reporting and complaints channels was 100% • The religious management regulations have been completed and announced • The weighted ratio of employees with disabilities to total employees was 1.18%.	• 100% handling and closing rate of employee opinions/reporting and complaints channels • The weighted ratio of employees with disabilities to total employees is ≥ 1%	• Management review.

★ Achieved ☆ Keep working hard



Material Issue	Strategy to Manage Impact	2024 Goals	Status	Implementation Results in 2024	2025~2030 Goals	Evaluation Mechanism
Recruitment and Retention of Talents	Conduct annual employee satisfaction surveys to gather feedback on work, management, and institutional aspects. Use the results to guide continuous improvement efforts, enhance a stable and fulfilling career environment, retain competitive talent, and support the Company's long-term development.	• Employees'participation rate in the questionnaire survey on their recognition of the company and their work is ≥ 80%	☆	• The questionnaire participation rate was 41.1%, and there is still room for improvement. In the future, we will evaluate extending the survey period and strengthening publicity to increase the participation rate year by year.	• Employees'recognition of the company and their work questionnaire participation rate: 2025: Participation rate ≧50% 2030: Participation rate ≧80%	• Management review.
Occupational Safety and Health	Through the operation, risk assessment and continuous improvement of the ISO 45001 occupational safety and health management system, we can prevent the occurrence of occupational injuries and diseases and maintain the health and safety of colleagues.	• Continue improving the safety at the factory to avoid injuries. • Frequency-Severity Indicator (FSI) < 0.07	★	• The Environmental Safety and Health Management Committee submitted 85 improvement proposals in total. • The actual implementation results of the total damage index (FSI) is 0.04	• Frequency-Severity Indicator (FSI) 2025: FSI <0.06 2030: FSI <0.04	• ISO 45001 Occupational Safety and Health Management System.

★ Achieved ☆ Keep working hard

2.5 SDGs Supporting Practices

The 193 UN member states adopted the 2030 Agenda for Sustainable Development and set 17 Sustainable Development Goals (SDGs) in 2015 in the hope of leading the international community to take actions toward these concrete goals and ensure sustainable living and development for human beings. Starting from the routine operating activities, we check our business to find out the start point of positive actions for contribution to the common value and sustainable development of mankind and for joint endeavor to achieve the sustainable development goals by 2030.

Chipbond's SDGs Supporting Practices



- Extended a helping hand to children from disadvantaged families, created equal and diverse learning opportunities through organizing learning activities or providing resources, and helped them turn their future around.
- Participated in programs or activities of social welfare organizations to help disadvantaged groups improved their quality of life through the provision of resources or volunteer participation.
- The Mid-Autumn Festival employee diversified welfare project was combined with social welfare to provide warmth and care to disadvantaged groups in society through charity donations or subscriptions.

7.1 Education and Cultural Support
7.3 Social Care



- Promoted employee physical and mental well-being through measures and activities related to health management and health promotion.
- Promoted maternal health protection measures in the workplace to ensure that pregnant colleagues receive proper care.



4.5 Occupational Safety and Health



- Built a comprehensive employee educational training system to improve the competitiveness of the employees.
- Helped students narrow the gap of learning and application through collaboration between the industrial and academic sectors to ensure seamless connection to the workplace.
- Cooperated with NGOs or schools to use Chipbond's core capabilities to help junior high school students explored their future careers.



4.3 Cultivation and Development of the Talents
7.1 Education and Cultural Support



- Through communication and training courses, colleagues could gain a deeper understanding of human rights issues.
- Implemented the relevant provisions of the Labor Standards Law and Act of Gender Equality in Employment, and implemented maternity protection actions and the parental-leave-withoutpay system.
- There would be no unequal treatment on the basis of gender in personnel recruitment, salary setting, training, promotion or other matters.
- Established a complete sexual harassment prevention mechanisms and appeal channels.

4.2 Remuneration and Welfare
4.3 Cultivation and Development of the Talents
4.4 Friendly Working Environment



- Through the improvement of process water use, water consumption per unit product was reduced.
- Improve the efficiency of water resource utilization through process water recycling equipment and graded reuse.
- Used water-saving touch or sensor faucets at wash basins to reduce water waste.
- Cooperate with the Hsinchu Science Park Bureau's waste water treatment plant to organize environmental education activities to cultivate good water resource usage concepts among colleagues and relatives.

6.3 Water Resources Managemen
7.2 Environmental Sustainability Actionst



Chipbond's SDGs Supporting Practices

- Eliminated and replaced old energy consumption equipment to improve energy efficiency.
- Increased the proportion of the energy-saving lighting equipment to reduce the consumption of the energy.
- Set up solar power equipment and gradually increase the use of renewable energy.



6.2 Climate Change and Carbon Management

- Establish an occupational safety and health management system that complies with international standards and provide employees with a healthy and safe working environment through risk prevention, management system establishment, education, training and promotion, and continuous improvement.
- Conduct industry-university cooperation with universities to help students shorten the academic-application gap and seamlessly integrate with the workplace.
- Hired those with disabilities more than the statutory number of people with disabilities employed to help these people start their career.
- Implement human rights of workers and provide employees with a working environment full of dignity.

4.1.2 Recruitment of Talents
4.4 Friendly Working Environment
4.5 Occupational Safety and Health
7.1 Education and Cultural Support

- Established a Hazardous Substance Process Management System to prevent hazardous substances from posing threats to the environment and the health and safety of product users.
- Continuously review waste classification, recycling and reuse processes to reduce waste generation, promote resource circularity through recycling and reuse methods.



5.4 Hazardous Substance Management
6.4 Waste Management and Circular Reuse

- Conducted climate risk assessments following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and have senior management supervise the implementation of action plans.
- Conducted greenhouse gas emissions inventories on a regular basis to find out carbon emission hotspots and reduced greenhouse gas production through carbon reduction action plans.
- Implemented the ISO 50001 Energy Management System to enhance energy performance.
- Organized a sapling adoption event and called on colleagues to adopt saplings for natural carbon reduction.

6.2 Climate Change and Carbon Management
7.2 Environmental Sustainability Actions

- Implement conflict mineral investigation on relevant suppliers to ensure no raw materials from conflict mining areas are used.



5.5 Conflict Minerals Management

3 Corporate Governance

3.1 Governance Organizational Structure
3.2 Ethical Business and Legal Compliance
3.3 Risk Management
3.4 Management of Information Security



100% board attendance by all directors

Independent director seats **>50%**

2024 **Risk management oversight approved by the Audit Committee**

TOP 5% in Corporate Governance Evaluation for **11** consecutive years

0 cybersecurity incidents

With the principle of "honest operation and governance with integrity" in mind, Chipbond observes the Company Act and other relevant laws and regulations of the Republic of China to implement cooperate governance. The Company establishes the functional committees of Audit Committee and Compensation Committee. Both are responsible for reporting to the Board of Directors and submit proposals for resolution at the Board of Directors meeting. The Company hopes to build a sound corporate governance structure in order to improve the operating performance of the organization and fulfills its ethical operation responsibility effectively.

3.1 Governance Organizational Structure

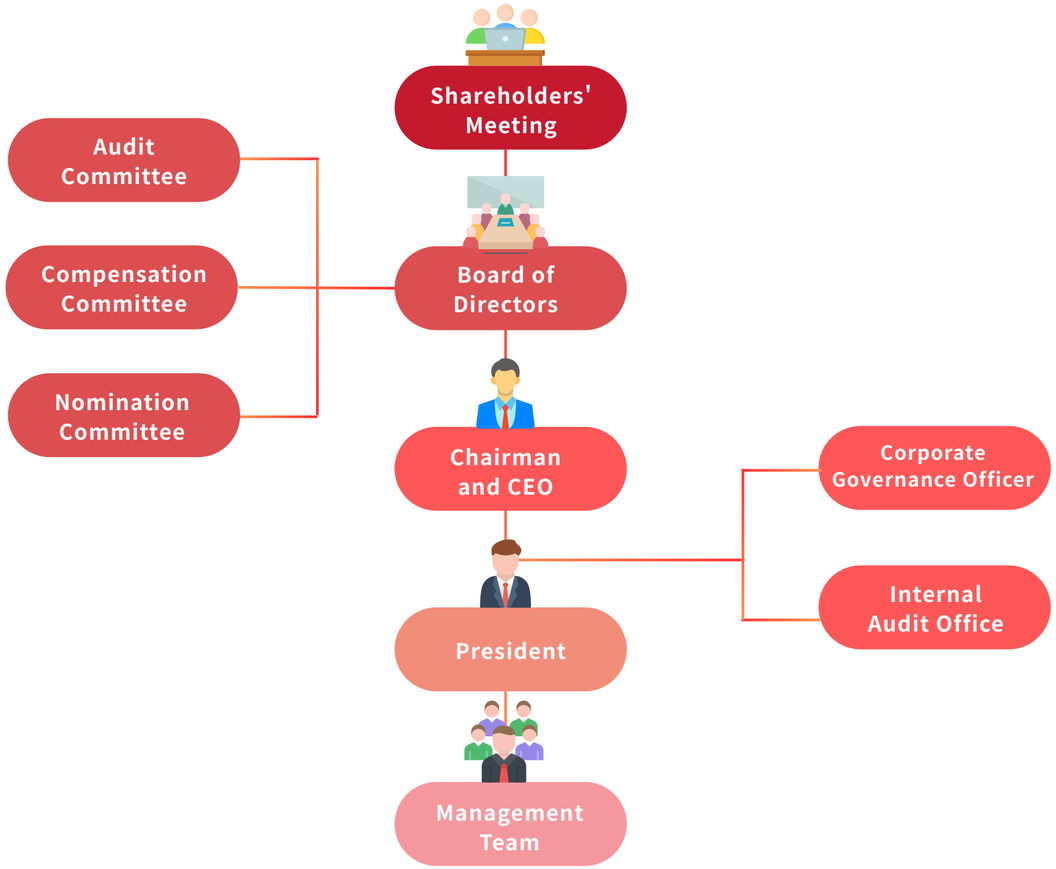
In the governance organization structure, the Chairman Office is the central unit managing all the outward business operations. The Audit Committee, Compensation Committee and Nominating Committee are set up to assist the Board of Directors in fulfilling its supervision responsibility. The Corporate Governance Officer is responsible for dealing with corporate governance related matters. The Internal Audit Office is responsible for internal audit and management of all the operation processes of the Company. The President Office is in charge of the overall operation of the departments, coordination, and establishment of the Company's business operation strategies.

3.1.1 Board of Directors

The Board of Directors is the Company's highest governance unit and decision-making center of important business operation matters. It is mainly in charge of supervising the achievement of the Company's business goals and improvement of the operating performance, preventing conflict of interests, ensuring legal compliance, and maximizing the rights and interests of the shareholders. The following functions and authorities of the Board of Directors are explicitly specified in the Articles of Incorporation:

1. Determine business operation strategies and supervise implementation of the business.
2. Raise surplus earnings distribution or loss make-up proposal.
3. Raise capital increase/reduction proposal.
4. Establish important rules and the Company's Articles of Incorporation.
5. Appoint and dismiss managerial officers of the Company at all levels.
6. Setup and closing of branches.
7. Review and approval of budget and account settlement.
8. Approval of acquisition and disposition of vital assets.
9. Duties and responsibilities performed in accordance with the Company Act or authorized by the General Meeting of the shareholders.



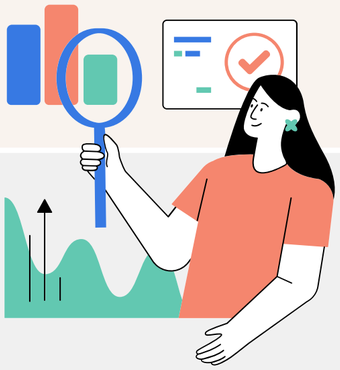


The candidates nomination system adopted for election of directors according to the "Articles of Incorporation" and the "Directors Election Regulation". The shareholders shall elect the directors from among the nominees listed in the roster of director candidates at the shareholders'meeting. The director has a term of office for 3 years. The Board members are diversified and have different professional backgrounds, genders, and specialties. Independent directors are appointed to neutrally provide professional advice on the business operation, technique, and finance of the Company. All the directors take joint responsibilities for the strategy, business operation, and supervision of the Company. An reelection was conducted at the shareholders'meeting in April 2024, Mr. Wu, Fei-Jain was elected as the Chairman again. The Board of Directors is currently comprised of 5 directors, 3 of whom are independent directors, having professional knowledge and extensive management experience. The Board of Directors holds at least one meeting every quarter according to the Rules of Procedure for Board of Directors Meetings. 8 meetings were held in 2024.

To implement the corporate governance and improve the function of the Board of Directors and functional committees, internal performance evaluation of the Board of Directors must be conducted at lease once a year; external performance evaluation of the Board of Directors shall be conducted by an external professional third-party institution at least once every three years. In 2024, the Board of Directors has completed the internal and external performance evaluations. The external performance evaluation was commissioned to be conducted by the "Taiwan Institute of Ethical Business". For the evaluation results and recommendations, please refer to Chipbond Technology's 2024 Annual Report - Corporate Governance / The Performance Evaluation of the Board. (Website:https://www.chipbond.com.tw/en/ir_page/board-of-directors). Internal performance evaluation process and results:



Evaluated Units	Evaluation Aspects	Evaluation Results
Board of Directors 	A. Professional competencies of the board B. Effectiveness of board decision-making C. Emphasis on and supervision of internal control D. Attitude toward sustainable operations	1. Improve board diversity and pay attention to the term limits of independent directors 2. Strengthen tracking of resolution execution results and include summaries in board meeting minutes 3. Continue to improve talent development and recruitment to build a talent pool
Individual Board Members 	A. Understanding of company goals and missions B. Awareness of directors'responsibilities C. Level of participation in company operations D. Internal relationship management and communication E. Professional expertise and continued education of directors F. Internal control	Internal Self-Evaluation Results for 2024: Excellent
Functional Committees 	A. Participation in company operations B. Awareness of the responsibilities of the functional committees C. Enhancement of decision-making quality of the functional committees D. Composition and selection of functional committee members E. Internal control	Internal Self-Evaluation Results for 2024: Excellent



The Company's reporting topics to the Board of Directors cover all aspects of ESG, totaling 55 items, such as financial status reports, internal audit reports, intellectual property and risk management, board performance evaluations, communication with stakeholders and other topic reports. Each responsible unit communicates with the Board of Directors on the following major matters, including: quarterly consolidated financial reports, effectiveness of internal control systems, independence assessment of certified public accountants, election of directors and independent directors, amendments to rules and regulations, overseas investment cases, etc. Relevant information may also be referenced from Chipbond's material information disclosures on the Market Observation Post System (MOPS) or the 2024 Annual Report – Board Meeting Major Resolutions.

◆ Board Members

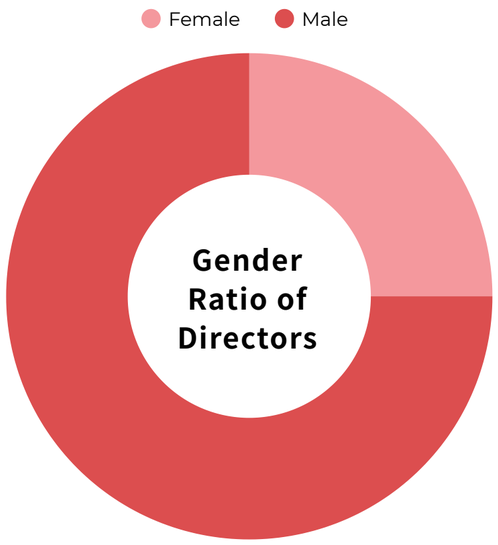
The "Corporate Governance Best Practice Principles" of the Company require diversification of the Board members. In general, the Board members are professionals in the fields of operations management, accounting and financing analysis, legal affairs, risk management, industrial knowledge, decision-making ability, crisis management ability, and international market perspective. All the members have the required experience in corporate finance and business for more than five years, and the information on the directors'experience, academic background, position and status as a board member held concurrently in other companies, professional knowledge, and independence is fully disclosed on the annual report of the Company and accessible on the Market Observation Post System and the website of the Company (https://www.chipbond.com.tw/en/ir_page/board-of-directors).

◆ The Information and Diversity of the Board Members

Title	Name	Gender	Age	Positions Held Concurrently in the Company	Concurrent Positions at Other Companies	Work Field and Professional Background	Attendance in Person	By Proxy	Attendance Rate (%)
Chairman	Fei-Jain Wu	Male	61-70	Note 1 Director of R&D	• Chairman, Chipmore Holding Co., Ltd. (Cayman) • Chairman, Chipmore Hoding Co., Ltd. (H.K.) • Representative Director, Hefei Chipfilm Materials Technology Co., Ltd. • Director, Qicheng Investment Co., Ltd.	• Experience in the Electronics Industries • Risk Management and International Market Outlook	8	0	100%
Director	UMC Representative: Shyh-Tsang Chang	Male	61-70	None	• Senior Vice President, United Microelectronics Corp.	• Experience in the Electronics Industries • Industrial Knowledge and Operations Management	8	0	100%
Independent Director	Wen-Feng Cheng	Male	71-80	None	• Independent Director, Systex Co., Ltd.	• Electronics related industry experience • Industry knowledge and operations management	8	0	100%
Independent Director	Dang-Hsing Yiu	Male	71-80	None	• Senior Vice President & Chief Marketing Ofiicer, Macronix International Co., Ltd. • Director, Macronix International Co., Ltd. • Director, Macronix America, Inc. • Director, SiTime Corp. • Representative Director, Mxtran Inc.	• Experience in the Electronics Industries • Leadership and Decision-Making Skills	8	0	100%

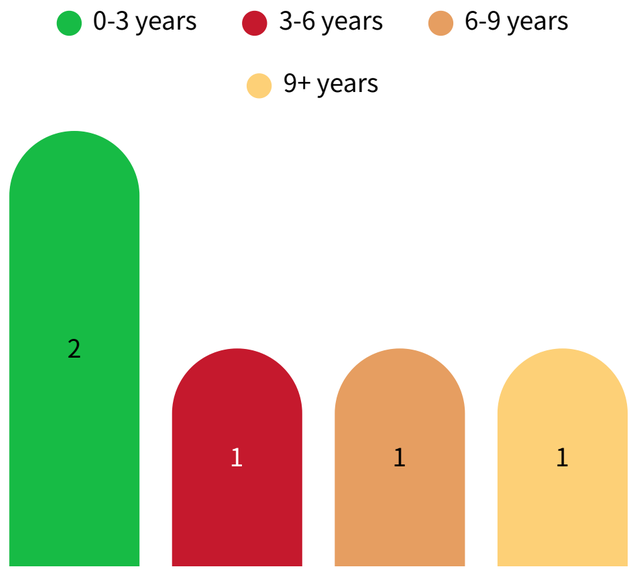
Title	Name	Gender	Age	Positions Held Concurrently in the Company	Concurrent Positions at Other Companies	Work Field and Professional Background	Attendance in Person	By Proxy	Attendance Rate (%)
Independent Director	Chung-I Lin	Female	51-60	None	• B.S. Business Administration with Emphasis in Accounting and Finance, University of California, Berkeley • Financial Advisory Services Manager, PricewaterhouseCoopers • Head of Local Statutory Reporting & Financial Control/Finance Project Manager, American Express International Taiwan Inc. • Country CFO Taiwan, American Express Global Business Travel	• Accounting and financial analysis skills • Industry knowledge and leadership	5 Note 2	0	100%

Note 1: Directors who also hold management positions have rich professional experience and can accelerate the formulation and implementation of important decisions, effectively respond to the fierce competition and rapid changes in the packaging and testing market, and reduce possible adverse effects through rigorous corporate governance and internal control systems.
Note 2: Independent Director Chung-I Lin was newly appointed on April 30, 2024.

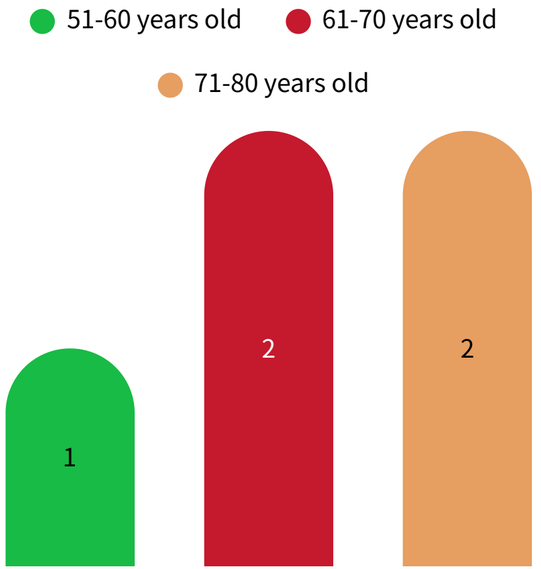




◆ Number of Directors by Term Duration



◆ Number of Directors by Age Group

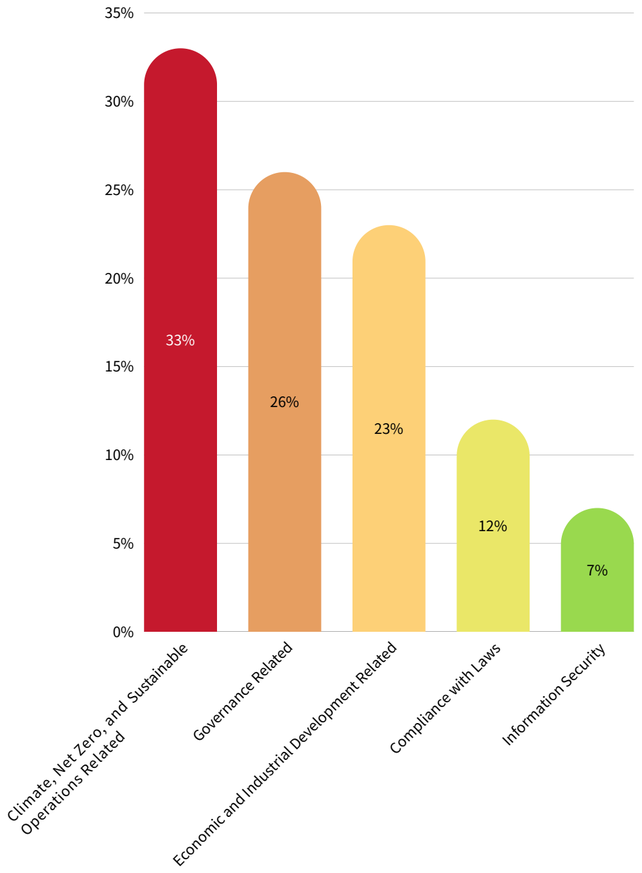


◆ Continuing Training of Directors in 2024:

In order to improve the training channels for directors, the company has dedicated personnel to regularly send training courses on major topics such as Corporate Governance, Sustainable Development, Integrity Management, and regulatory updates to directors for their reference, and provides assistance with registration for further training. From 2022 to 2024, the Board of Directors received a total of 129 hours of training, with the highest proportion of courses related to climate, net zero and sustainability. In 2024, the total hours of sustainability-related courses reached 15 hours. In the past two years, the directors' training hours have been in compliance with regulatory requirements. For director refresher courses and hours in 2024, please refer to the table below:

Title	Name	Date	Host by	Training Title	Duration
Chairman	Fei-Jain Wu	2024.11.22	Taiwan Corporate Governance Association	An introduction to Carbon Management and Energy Management from the Perspective of Sustainale Environment for Publicy Listed Companies	3 hours
		2024.12.24	Taiwan Corporate Governance Association	The Net-Zero Path with Unlimited Business Opportunities - Analyzing Strategic Directions from an Industrial Perspective	3 hours
Director	Shyh-Tsang Chang	2024.01.19	China Corporate Governance Association	Senior managers'compensation and ESG performance system design	3 hours
		2024.05.10	China Corporate Governance Association	Nomination and Compensation Committees in U.S. Law: Case Analysis	3 hours
Independent Director	Dang-Hsing Yiu	2024.02.27	Taiwan Institute of Directors	Global Economic Outlook	3 hours
		2024.10.29	Taiwan Institute of Directors	Trends in disclosure of sustainability information and financial reporting	3 hours
Independent Director	Wen-Feng Cheng	2024.05.08	Taiwan Corporate Governance Association	An introduction to generative AI and its applications in Industries	3 hours
		2024.11.06	Taiwan Corporate Governance Association	Strategies in hostile takeovers and related legal compliance	3 hours
Independent Director	Chung-I Lin	2024.08.02	Taiwan Corporate Governance Association	Corporate Governance Supervisor Compliance Work Practice	3 hours
		2024.08.23	Taiwan Corporate Governance Association	Labor Dispute Prevention and Corporate Governance	3 hours
		2024.12.20	Taiwan Corporate Governance Association	Essential Knowledge for Directors and Supervisors to Protect Themselves: Understanding How Perpetrators Exploit Irregular Transactions and Related-Party Transactions	3 hours
		2024.12.24	Taiwan Corporate Governance Association	The Net-Zero Path with Unlimited Business Opportunities - Analyzing Strategic Directions from an Industry Perspective	3 hours

◆ Categories of Directors' Training Courses in the Past Three Years



◆ Functional Committee Operation:



Audit Committee

Convener: Mr. Dang-Hsing Yiu Independent Directors

Audit Committee convened **6** meetings in 2024

Actual Attendance Rate **100%**

Compensation Committee

Convener: Mr. Dang-Hsing Yiu **3** Independent Directors

Compensation Committee convened **3** meetings in 2024

Actual Attendance Rate **100%**

Nominating Committee

Convener: Mr. Dang-Hsing Yiu **3** Independent Directors

Nominating Committee convened **3** meetings in 2024

Actual Attendance Rate **100%**



3.1.2 Audit Committee

Chipbond established the Audit Committee in June 2011 to make the Board of Directors more robust in fulfillment of its supervision responsibility and enhance its management function. The Audit Committee is responsible for assisting the Board of Directors in performing its supervision duties, including adequate expression of the Company’ s financial statements, hiring (dismissal) of CPAs as well as their independence an performance, effective implementation of the Company's internal control, compliance with relevant laws, regulations, and rules, control of existing or potential risks, review of acquisition matters, and examination of the audit reports submitted by the internal auditors.

The Organizational Regulations of Audit Committee specifies the following responsibilities and authorities of the Audit Committee:

1. Establishment or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Assessment of the validity of internal control.
3. Establishment or amendment of the regulations governing the significant financial business behaviors, including acquisition and disposal of assets, trading of financial derivatives, loaning of funds, and handling endorsements/guarantees in accordance with Article 36-1 of the Securities and Exchange Act.
4. Matters bearing on the personal interest of a director.
5. Transactions of material assets or derivatives.
6. Material monetary loans, endorsements, or guarantees.
7. Offering, issuance, or private placement of equity-type securities.
8. Annual and semi-annual financial reports.
9. Any other material matters so required by the Company or competent authorities.
10. Appointment or discharge of any financial, accounting, or internal auditing officer.
11. Hiring or dismissal of CPAs, or the compensation given thereto.

◆ Organization of the Audit Committee

The Chipbond Audit Committee is composed of all the independent directors, and at least one of them shall have accounting or financial expertise. The independent directors of the Audit Committee have a term of three years and can be renewed if elected. Chipbond held a shareholders'meeting on April 30, 2024 to fully re-elect directors and independent directors. 3 independent directors - Dang-Hsing Yiu, Wen-Feng Cheng, Chung-I Lin were elected as the members of Audit Committee and Mr. Dang-Hsing Yiu was elected from among the members as the convener of the Audit Committee.

3.1.3 Compensation Committee

The Compensation Committee is responsible for giving assistance in the assessment of the remuneration for the directors and managerial officers. Committee members shall exercise the due care of a good administrator to faithfully perform the following duties, and to submit the suggestions for discussion to the Board of Directors.

1. Set up and periodically review the policy, system, standard and structure of the performance evaluation and remuneration of the directors and managerial officers.
2. Regularly review and determine the remuneration for the directors and managerial officers.

The remuneration referred to in the previous paragraphs includes cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive actions.

◆ Organization of the Compensation Committee

According to the laws of the Republic of China, the members of the compensation committee shall be appointed by resolution of the board of directors. The committee shall have at least three members and one convener shall be elected from among the committee members. The term of the compensation committee members shall end at the same time as that of the board of directors that appointed the members. If a committee member is dismissed for any reason and the number of members thus falls below three, a substitute shall be appointed at the board of directors meeting convened within three months of the occurrence of that fact.

The Company held a shareholders'meeting on April 30, 2024 to fully re-elect directors and independent directors, and on May 8, 2024, the Board of Directors appointed three new independent directors as members of the Compensation Committee. Mr. Dang-Hsing Yiu was elected from among the members as the convener of the Compensation Committee.

1. Remuneration to directors : According to Article 27-1 of the Articles of Incorporation, up to 1% of the profit may be distributed as the remuneration to directors depending on the profitability of the Company in the current period. The remuneration to directors shall be determined with reference to the annual performance evaluation and contribution of individual directors (e.g., the extent of involvement in the operation of the Company) and in consideration of the operating results in the current year and the risks in the future. Independent directors do not participate in the distribution of director's remuneration. The Compensation Committee shall review the remuneration to directors and submit it to the Board of Directors for approval.
2. Remuneration to managerial officers : The remuneration to the managerial offices of the Company is determined reasonably based on his/her title, grade and responsibility with reference to the remuneration level on the market and among other companies in the industry as well as the remuneration policy of the Company. According to Article 27-1 of the Articles of Incorporation, no more than 15% and no less than 10% of the profit may be distributed as the remuneration to managerial officers depending on the profitability of the Company in the current period. The result of the performance evaluation is taken into account as a reference for the bonus to managerial officers.

The performance evaluation items set for the managerial officers include personal performance (e.g., the achievement rate of the Company's revenue and net profit) and the overall contribution to the operation of the Company (e.g., the contribution of each profit center to the profit of the Company). The remuneration system is reviewed in a timely manner depending on the actual business status, the risk in the future, and relevant laws and regulations. The Compensation Committee shall review the remuneration to managerial officers and submit it to the Board of Directors for approval. (For more information on remuneration, refer to the 2024 Annual Report of the Company : Remuneration for Directors, CEO, President and Vice Presidents.
(https://www.chipbond.com.tw/en/ir_page/shareholders-meeting)



3.1.4 Nominating Committee

The Board of Directors resolved to set up the Nominating Committee in October 2021 to make the functions of the Board of Directors more complete and enhance the management mechanism and strengthen the diversity and independence of the board of directors. The Nominating Committee shall exercise the due care of a good administrator to faithfully perform the following duties under the authorization of the Board of Directors, and shall submit the proposals to the Board of Directors for discussion:

1. Establish a standard specifying the diverse background and independence needed by Board members with respect to their expertise, technique, experience and gender, and find, review and nominate director candidates accordingly.
2. Establish and development the organizational structure for the Board of Directors and each committee; evaluate the performance of the Board of Directors and each committee.
3. Establish a succession plan for directors and review it regularly.

The Committee is comprised of three independent directors. The members of the 2nd Committee are independent directors Dang-Hsing Yiu, Wen-Feng Cheng, Chung-I Lin. Their professional capabilities described below meet the requirements of the Committee.

3.1.5 Corporate Governance Officer

As resolved by the Board of Directors at its meeting on July 31, 2019, the Senior Vice President, Lo, Shyh-Wey, of the Management Center was appointed as the Corporate Governance Office of the Company pursuant to the "Taipei Exchange Directions for Compliance Requirements for the Appointment and Exercise of Powers of the Boards of Directors of TPEx Listed Companies". Mr. Lo has acquired the CPA qualification and experienced in the field of financial management and other relevant areas for more than ten years.

The Corporate Governance Officer is mainly responsible for dealing with the matters related to Board of Directors and shareholders'meetings according to laws and regulations, preparing Board of Directors and shareholders'meeting minutes, giving assistance in onboarding and continuing education of the directors, providing directors with required documents for execution of their duties, and assisting them in legal compliance.

◆ Implementation Status of Duties in 2024:

1. Handling of matters related to Board of Directors and shareholders'meetings according to laws and regulation.
2. Preparation of Board of Directors and shareholders'meeting minutes.
3. Assistance in onboarding and continuing education of the directors.
4. Provision of required documents for directors to execute their duties.
5. Provision of assistance to directors in legal compliance.
6. Other matters specified in the Articles of Incorporation or under contract.

◆ Continuing Training of Corporate Governance Officer in 2024:

Date	Host by	Training Title	Hours
2024.06.21	Taiwan Corporate Governance Association	Legacy Project Launched - Employee reward plan and equity inheritance	3 hours
2024.07.05	Taiwan Corporate Governance Association	Examining the Latest Trends in Corporate Governance through Corporate Governance Evaluation Indicators	3 hours
2024.07.09	Taiwan Corporate Governance Association	Corporate Total Reward Strategy for Talent Retention	3 hours
2024.08.13	Taiwan Corporate Governance Association	How to take into account intelligence, security, and risks in the digital transformation of enterprises to create a win-win situation?	3 hours

3.1.6 Internal Audit Office

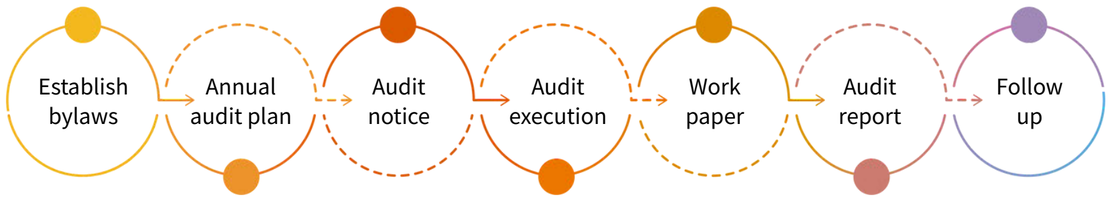
The Internal Audit Office is an independent unit in charge of internal audit of the Company. It is directly subordinate to the Chairman and mainly responsible for assisting the management in establishment and implementation of the internal control system to ensure robust operation of the Company and achievement of the following goals:

1. Effectiveness and efficiency of 1. business operation.
2. Reliability, timeliness, transparency, and regulatory compliance of reporting.
3. Compliance with applicable laws, regulations, and bylaws.

The internal audit unit shall prepare annual audit plans based on the risk assessment results. Internal auditors shall implement the audit pursuant to the audit plan approved by the Board of Directors, engage in examination of the operating performance and implementation neutrally, and prepare audit reports with the findings and conclusions of the audit. Internal auditors shall submit the implementation results to the Board of Directors and Audit Committee every month. The Audit Officer shall make routine report at the Board of Directors meeting and, if necessary, raise improvement proposals for the identified deficiencies and abnormalities and take follow-up actions until the improvement is completed.

The internal audit unit shall reexamine the self-assessment of internal control conducted by each department, including implementation of the self-assessment, and confirmation of documents to ensure the quality of the implementation. The internal audit unit shall also summarize the selfassessment results and submit them to the Board of Directors and Audit Committee.

◆ Internal Audit Implementation Procedure :



3.2 Ethical Business and Legal Compliance

3.2.1 Ethical Business

◆ Policies and Regulations

"Integrity" is one of the important core values of the Company. To create a corporate culture of integrity and accountability to avoid unethical conduct, the Company establishes the "Practice Procedure for Code of Integrity and Behavior Guidelines of Chipbond" and "Codes of Ethical Conduct" in accordance with the "Code of Integrity of Chipbond" and relevant local laws and regulations. After these procedures and guidelines are approved by the Board of Directors, the Human Resource Division is responsible for promotion and implementation of related matters, and shall report at least once to the Board of Directors every year so that the management personnel understand the implementation status of the issues related to integrity and ethics.

◆ Preventive Measures:

To help employees realize how the Company values ethical business practices and the ethical conduct, the terms of integrity are added to the"Chipbond Employee Agreement" so that employees can understand the code of conduct to the observed with respect to these issues. Externally, we disclose the "Code of Integrity" and other documents on our website and request suppliers to sign the "Supplier Code of Conduct Declaration of Chipbond" and "Supplier Integrity Commitment Letter".

We provide employees with training courses on ethical business practices and the ethical conduct (including training on Corporate Social Responsibility and Employee Ethics Norms, Employee Ethics Guidelines, and protection awareness of confidential information) every year to explain the business integrity, legal compliance, prevention of insider trading, no improper advantage, intellectual property, and confidential information, prevention of conflict interests, fair business, and other significant concepts and regulations. 5,101 employees to the amount of 2,995.8 man-hours participated in the training in 2024.

As for prevention of conflict of interests, the "Practice procedure for code of integrity and behavior guidelines" provides that when a proposal at a given Board of Directors meeting concerns the personal interests of, or the interests of the juristic person represented by, any of the Company's directors, managers, and other stakeholders attending or present at Board meetings, the concerned person shall state the important details of the interests at the given Board meeting. If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as a proxy for another director. For more information on the recuse that any director was involved with respect to any case of interests in 2024, refer to the 2024 Annual Report of the Company- Corporate Governance / The recusals of independent directors due to conflicts of interests during discussions (https://www.chipbond.com.tw/en/ir_page/shareholders-meeting).

The company has established the "Insider Trading Prevention and Management Procedure" and "Internal Material Information Processing Procedure" to prevent insider trading, prohibit insiders from making use of the information not disclosed to the market for the transaction of securities, and provide a basis for the Company to process and disclose material information.

Education and training on the prevention and management of insider trading are provided for new directors and managerial officers before they assume office to ensure they understand the requirements of relevant laws and regulations. After scheduling the board of directors for the next year, the company notifies insiders of quarterly financial report announcements During the closed period during which trading is prohibited, and strengthen reminders before the board of directors approving the financial report to prevent directors from accidentally violating the regulations; at least once a year, conduct relevant "Insider Trading Prevention Management Procedures", "Insider Trading Prevention Management Procedures" and "Internal Major Information Processing Operation Procedures" and education and promotion of relevant laws to specifically implement the prevention of insider trading.

◆ Violation of Ethics and Reporting Mechanism:

To ensure implementation of ethics, we provide a "ethics violation mailbox" (HRD@chipbond.com.tw) under the "About Chipbond / Contact us" section on our official website. If any employee acts in violation of laws or ethics, internal and external stakeholders may report the violation using this whistleblowing channel. All the cases are processed in an appropriately confidential manner and the Company undertake that the whistleblower will not be punished inappropriately because of the reporting. Any violation of the ethical conduct that is investigated and confirmed will be dealt with pursuant to laws and regulations or the employee reward and punishment regulations of the Company. No reported cases were received via the ethics violation mailbox in 2024.

◆ Ethics Violation Case Handling Procedure



3.2.2 Legal Compliance

Compliance with laws and regulations is the basic condition to fulfill corporate social responsibility and achieve sustainable business operations. Chipbond pays close attention to the trends of related laws and regulations at home and abroad. When the laws and regulations are changed, the responsible department must make sure whether the current methods are conformed to the requirements and amend bylaws and systems in a timely manner to comply with the requirements so that loss and impact on finance or reputation are avoided. Legal requirements relevant to a given issue are added to related courses to enhance the awareness of legal compliance among the employees. To strengthen sustainability information management and enhance data accuracy and regulatory compliance, the Company, in alignment with the amended "Regulations Governing Establishment of Internal Control Systems by Public Companies" and "Criteria for Evaluating the Effectiveness of Internal Control Systems of Public Companies," approved the addition of "Sustainability Information Management" to its internal control system at the Board of Directors meeting on October 31, 2024. This measure incorporates sustainability information management into the internal control system and designates it as a key audit item in the annual audit plan, effective from January 1, 2025.

In 2024, the Company did not have any major violations of laws and regulations (fines exceeding NT$1 million), but there were several violations of labor laws and environmental laws. In terms of air pollution prevention and control management, due to the negligence of the dedicated personnel, the operation permit of the decommissioned equipment for fixed pollution sources was not changed in time, and the airtightness of the prevention equipment was not discovered during the inspection. As for waste management, it was caused by differences in the understanding of the nature of waste and the dedicated personnel's failure to change the waste disposal plan in a timely manner. In response to the aforementioned violations, the relevant internal operating procedures were revised and implemented accordingly after being pointed out by the competent authorities. All penalties and fines this year were paid within the reporting period and met the requirements of the competent authorities. The detailed reasons and improvement measures are shown in the following table:

Date of Disposition	Government Letter No.	Violated Regulation	Description of Violation	Penalty Amount (NTD)	Improvement Measures
2024.09.23	• No. 1130102518	• Article 32, Paragraph 2 of the Labor Standards Act	• Extended working time was longer than regulated working time.	50,000	• Strengthen legal publicity and control, and cooperate with the overtime hours statistics and early warning mechanism to provide supervisors with appropriate overtime management arrangements.
2024.06.11	• No. 1130101504	• Article 24, Paragraph 2 of the Labor Standards Act	• Failure to pay wages for rest day work in accordance with the law.	50,000	• Regularly send employee personal attendance record notifications (including clock-in and clock-out times, overtime, leave, etc.) to employees for attendance confirmation and overtime reporting reminders.
2024.12.20	• 20-113-110003	• Article 23, Paragraph 2 of the Air Pollution Control Act • Article 24, Paragraph 2 of the Air Pollution Control Act • Article 34, Paragraph 4 of the Air Pollution Control Act • Article 13, Paragraph 1, Item 4 of the Regulations on the Establishment and Management of Air Pollution Control Specialized Units or Personnel • Article 20, Paragraph 1, Item 20 of the Regulations on the Establishment and Management of Air Pollution Control Responsible Units or Personnel	• The control equipment was not operated in accordance with the permit. • The control equipment was not collected in closed manner. • Failure of designated personnel to perform duties as required.	400,000	• Application for change of operating license for stationary pollution source. • Improve the airtightness of prevention and control equipment. • Revise the SOP to standardize reporting process for designated personnel.
2024.02.19	• 40-113-020004 • 40-113-020005 • 40-113-020006	• Article 31, Paragraph 1, Clause 1 of the Waste Disposal Act • Article 6 of the Regulations on the Review and Management of Industrial Waste Disposal Plans • Article 31, Paragraph 1, Clause 2 of the Waste Disposal Act • Article 36, Paragraph 1 of the Waste Disposal Act • Article 6, Paragraph 1, Item 4 of the Standards for the Storage, Removal and Treatment of Industrial Waste and Facilities	• Changed physicochemical nature of waste wiping cloth (waste code from Class C to Class D) • E-0217 storage location inconsistent with waste disposal plan • D-2625 storage location inconsistent with waste disposal plan and the Chinese name of the waste was not marked.	132,000	• Revised the waste disposal plan to add a storage location for used wipes and outsourced the disposal of hazardous industrial waste. • Revised the waste disposal plan to add new storage location. • Revised the waste disposal plan to add new storage location.

3.3 Risk Management

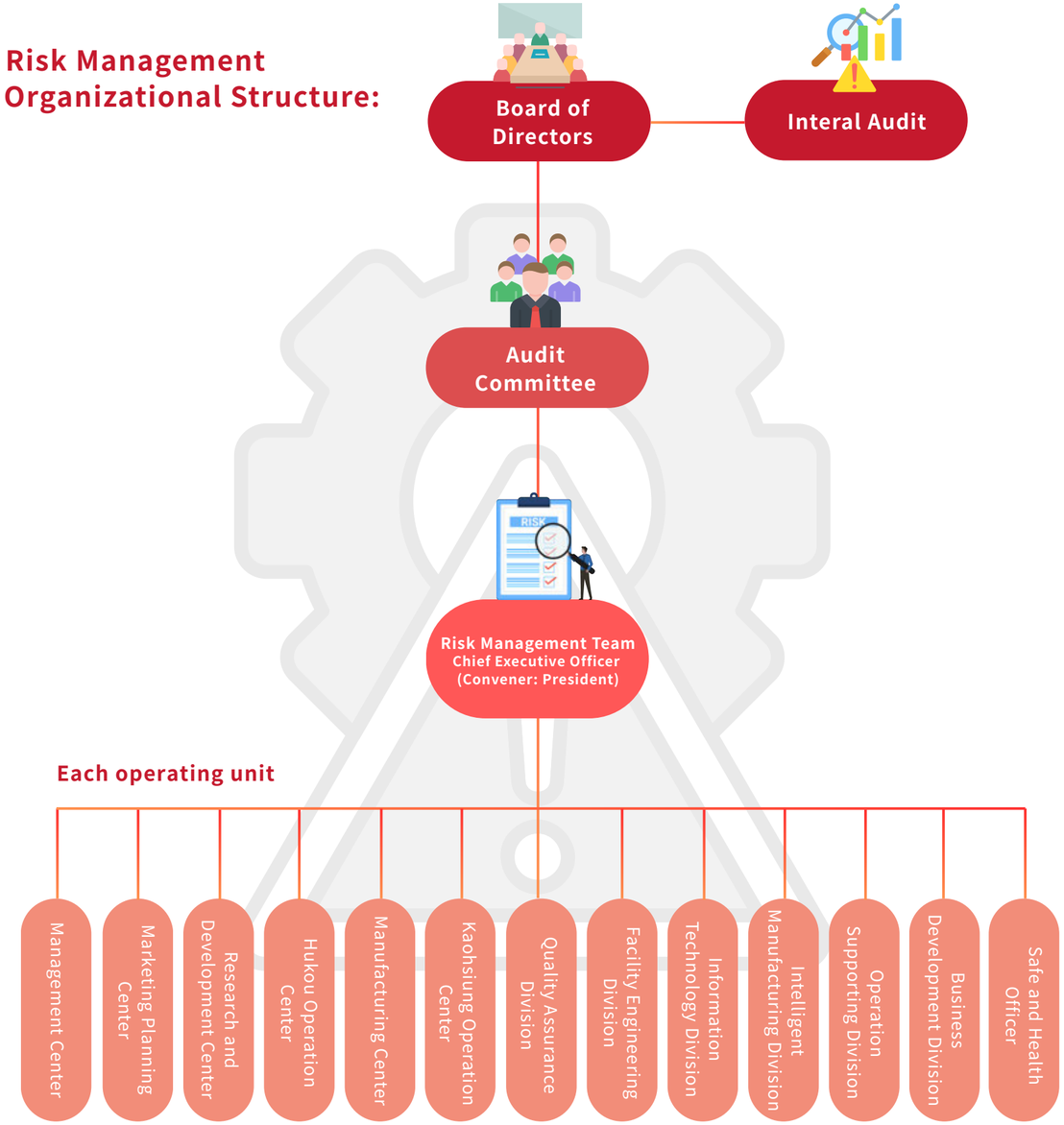
3.3.1 Risk Management Policies, Procedures and Organization

The Company established the "Risk Management Policies and Procedures Regulations" , which have been adopted by the Board of Directors, in 2020 to cope with the rapidly changing environment, reduce the impact on the business when risk occurs, and improve the resilience of the Company against the risk. A "Risk Management Team" was formed under the Sustainable Development Committee in the same year for promotion and implementation of the risk management system. The regulations were amended in October 2024 and approved by the Board of Directors to transfer the Risk Management Group of the Sustainability Committee to the Audit Committee, which will be responsible for the company's overall risk assessment.

3.3.2 Risk Management Operations

The scope of the Company's risk assessment primarily focuses on Chipbond Technology and coveres entities with actual operational activities included in the consolidated financial statements. The assessment encompasses six operational and manufacturing sites located in Hsinchu and Kaohsiung, Taiwan. In accordance with the materiality principle of the Sustainability Report, risk analysis is conducted by reviewing relevant domestic and international regulations, standards, and research reports, as well as through surveys and communications with internal and external stakeholders. Based on the findings, material sustainability issues are identified, and risk assessments are performed on topics that may significantly impact operations. Corresponding response strategies and action plans are developed, regularly monitored, and managed to ensure risks remain within acceptable levels. The Company's risk management framework includes, but is not limited to, the following categories: "operational risk", "environmental and safety and health risk", "information security risk" and "climate change risk". Relevant responsible departments submit their risk assessment results to the Risk Management Team for consolidation. The Task Force reports the results and corresponding management plans to the Audit Committee and the Board of Directors at least once per year. Upon approval, the items are incorporated into the Sustainability Development Committee's annual target plans for ongoing tracking. The report date for 2024 is February 1.

◆ **Risk Management Organizational Structure:**



The risks with respect to the ESG issues and the establishment of the management policies or strategies are described below :

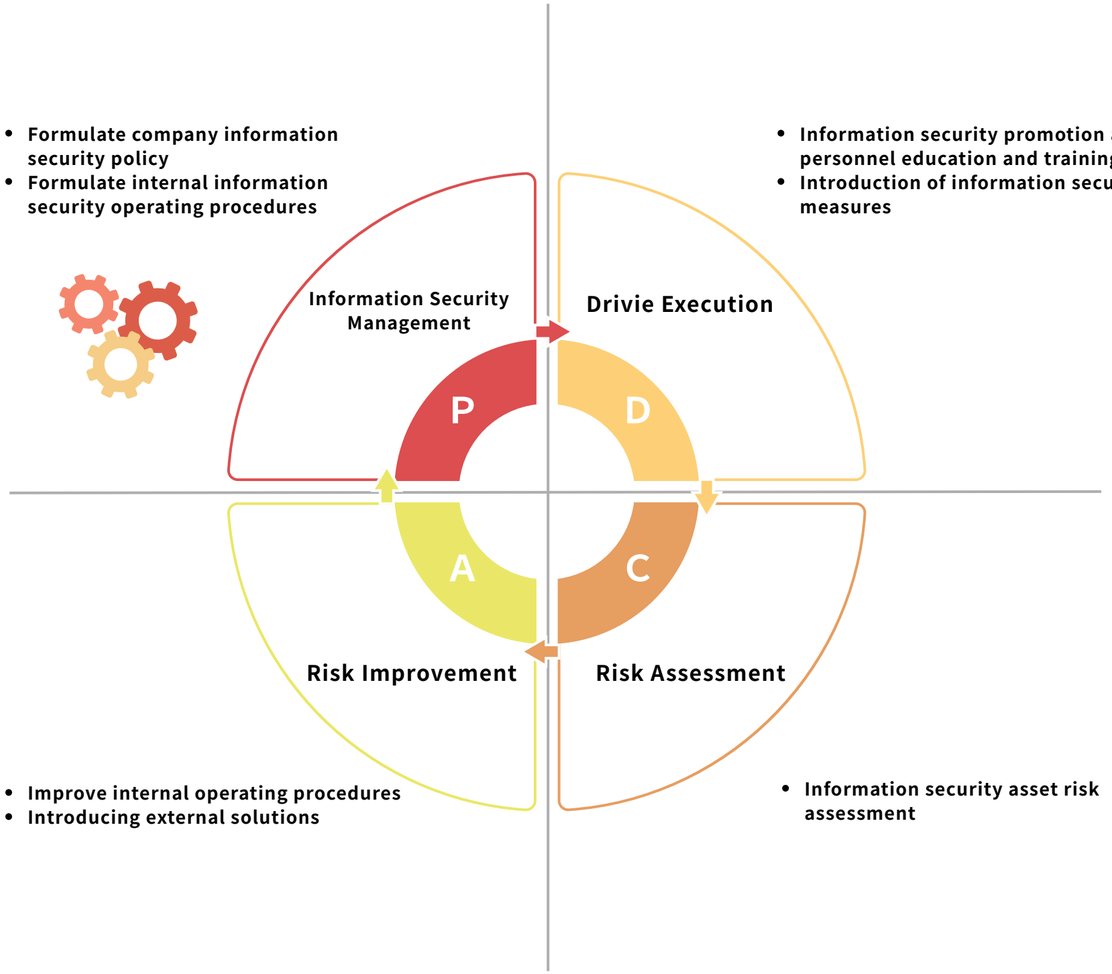
Risk Items	Material Topic	Management Policy or Strategy
Operational Risks	Governance and Social Aspects	1. We have established the "Provision for Supplier Management" to create long-term and stable partnership in the hope that, through definite process management, suppliers can satisfy the requirements and expectations of the Company and our customers. As for selection of suppliers, assessment is performed in different facets to ensure normal supply of materials and satisfaction of requirements in quality and delivery time. 2. Real-time tracking of international information and raw material price trends, analyze the impact on raw material prices and proactively raise prices, and use appropriate procurement strategies to reduce the impact of price fluctuations. 3. For non-exclusive important raw materials, establish a second supplier to reduce the risk of supply interruption due to natural disasters or force majeure. 4. In view of the impact of natural disasters, earthquakes, emerging diseases or force majeure events on raw materials, the company adopts the following measures: (1)Distinguish supplier risk levels according to the impact of events and formulate material preparation plans. (2) Investigate the production/supply situation, improve inventory and material preparation, and stabilize the supply plan. (3)Timely report material preparation and supply status information to relevant departments to ensure the normal supply of raw materials. (4)Establish a key raw material map for risk management. When an incident occurs, the impact and scope can be immediately understood, and a response strategy can be quickly developed to reduce the impact on operations. (5)Establish continuity management plan guidelines to ensure that continuity mechanisms and disaster recovery capabilities can be activated when disasters or incidents occur. 5. We continue acquiring the IECQ-QC 080000 Hazardous Substance Process Management System certificate, and entrust third-party inspection agencies to test samples produced by each process every year to confirm that they meet customer and regulatory requirements. 6. Suppliers of raw materials containing "gold", "tungsten" and "tin" are subject to conflict mineral investigation to ensure that Chipbond products do not contain conflict minerals. For detailed methods, please refer to the instructions in "5.3 Supply Management ~ 5.5 Conflict Minerals Management" in this report.
Environmental and Safety and Health Risks	Social and Environmental Aspects	1. In order to comply with laws and regulations and customer market needs, we have established ISO 45001: 2018 and CNS 45001: 2018 Occupational Health and Safety Management Systems and ISO 14001: 2015 Environmental Management Systems, and continuously verifies them every year to ensure their effectiveness. 2. The ESH Management Committee discusses issues related to the environment, safety and health every quarter and continuously improves identified problems. 3. Regularly conduct environmental monitoring and safety inspections at the workplace to reduce factors that may cause workplace safety or health hazards. 4. There are relevant safety management regulations and clear handling procedures for the purchase, storage, use and disposal of chemicals. 5. The Company provides employees with free physical examination every year. Appropriate PPEs are provided for the personnel engaging in special work and special items are arranged for the annual physical examination to eliminate the opportunity of occupational disease. 6. We regularly conduct safety and health education training, fire drills and emergency response drills to enhance our employees' awareness of factory safety and risk management. For detailed procedures, please refer to "4.5 Occupational Safety and Health" in this report.
Information Security Risks	Corporate Governance Aspects	As the Internet and technological tools develop rapidly, the network, information and communication security are facing more serious threats than ever. We have established a complete information security risk management organization and system within the ISO 27001 framework and identify potential information security risks by formulating risk management policies, developing management regulations, providing information security education and training, and conducting regular risk assessment based on risk assessment methods. Then, we establish the improvement goals and develop action plans to ensure the effective operation of the business, financial, accounting and other important systems. For detailed management policies and management actions, please refer to "3.4 Management of Information Security".

Risk Items	Material Topic	Management Policy or Strategy
Climate Change Risks	Environment Aspects	• The Company refers to the "Task Force on Climate- Related Financial Disclosure; TCFD" to identify possible risks and opportunities to the Company in the circumstance of climate change by risk assessment tables and discussions, and formulates the following mitigation and adaptation strategies: 1. Conduct greenhouse gas (GHG) inventory in accordance with ISO 14064-1 to identify major carbon emission sources and develop energy-saving and carbon reduction initiatives to minimize GHG emissions from production processes and electricity consumption. 2. Implement the ISO 50001 Energy Management System to enhance energy efficiency through systematic and data-driven management. 3. Expand solar power generation facilities and increase the use of renewable energy to reduce reliance on purchased electricity. 4. Establish a Business Continuity Plan (BCP) with contingency guidelines to ensure operational resilience and minimize business disruptions in the event of emergencies. For information on climate change risks and opportunities, please refer to "6.2 Climate Change and Carbon Management" in this report.



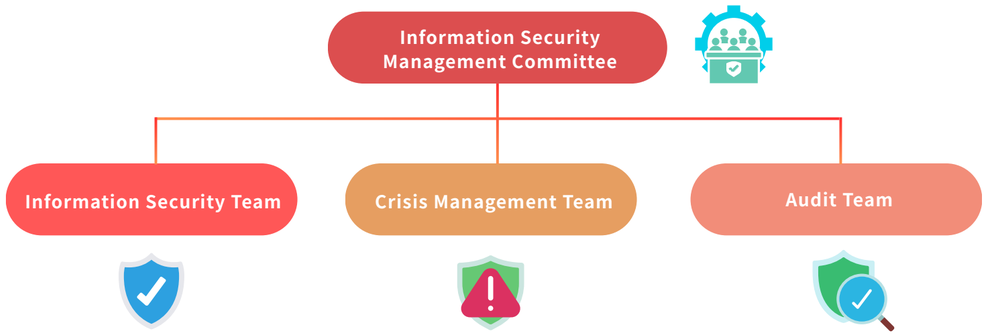
3.4 Information Security Management

With the development of information technology, the information security become more and more challenging. In order to reduce the risks of information security, the Company establishes the framework of risk management of information security, sets up the policy of information security, and takes specific measures to protect important assets and information of the Company.



3.4.1 Information Security Risk Management Framework:

- To enhance information security management, our company established the Information Security Management Committee in 2022. This committee is responsible for implementing information operation security management planning, establishing and maintaining an information security management system, coordinating the development and implementation of information security and protection policies, conducting risk management, and ensuring compliance with established standards.
- The Information Security Management Committee is chaired by the Director of the Information Technology Division. The heads of various units within the Information Technology Division, including Infrastructure, Information Systems, and Software Development, are members of the committee. The committee is further divided into the Information Security Team, Crisis Management Team, and Audit Team, each responsible for specific information security tasks. Regular management review meetings are held annually to ensure the continuous operation of the information security management system.



- Frequency of Information Security Governance Meetings:
  1. Information Security Committee Meeting: Held at least once a year, the meeting aims to collect reports, discuss and decide on subsequent information security policies, annual improvement goals and risk management progress in order to prevent virus attacks, hacking, leaks, and damage to information security and strengthen control mechanisms. 2024 Meeting Date: October 17.
  2. Board reporting frequency: Report to the board of directors on the effectiveness of information security governance and future plans at least once a year. 2024 Report Date: February 1.
  3. Employee information security education and training meeting: held at least once a year to strengthen the information security awareness and operating guidelines of all employees.
  4. Cross-departmental information security working group: Reports to senior executives through the internal special committee every quarter, and coordinates and summarizes the information security cooperation and implementation status of various departments such as information manufacturing, information technology, legal affairs and human resources.
  5. Major information security incident response meeting: convened temporarily based on actual circumstances to ensure immediate handling and reduce risk impact. In 2024, no incidents affecting operations or related complaints were reported.

3.4.2 Information Security Policy:

Information Security Policy

- To implement the Information Security Management System (ISMS), we adopt the Plan-Do-Check-Act (PDCA) cycle as the decision-making and continuous improvement methodology.
- Ensure the proper protection of information assets to maintain their confidentiality (C), integrity (I), and availability (A).
- Follow the requirements of strategy, risk, regulations, contracts, and quality assurance in protecting trade secrets.



Passed ISO 27001 security transition audit

3.4.3 Specific Management Program and Actions:

- Completed in 2024: ISO27001:2022: All applicability requirements of the ISO control measures were upgraded and successfully passed independent third-party verification.
- Information security intelligence joint defense: Through the real-time information security intelligence provided by TW-CERT and information security SOC supplier, it is automatically integrated into the factory intrusion detection and defense system. Block all kinds of information security attacks instantly to achieve the effect of joint defense.
- To protect the data of stakeholders such as employees, customers, suppliers, and shareholders, the Company established Regulation Governing Information Security and management system. Management matters are based on ISO 27001:2022 Information Security Appendix A Information Security Control Measures Guidelines for Management Systems, The four terms and 93 control measures of organization, personnel, entity, and technology are clearly defined, and five new control attributes, including control category, information security characteristics, network security concept, operational capability, and security field, are added to identify and formulate and implement information security related management standards, forms and work processes.
- The Company established "Procedures of Documents Management" to define the confidential level of the document and the rights to access, and also set the management center of document and management system of document. The important document should be protected by encryption software.
- To strengthen the management of employees according to "Regulation Governing Non-Disclosure Agreement (NDA)", the new employees should sign the agreement including confidentially Clauses. If the job description or position involved confidentiality, the employees should sign another agreement such as "Specific Employee NDA" or "Specific Project Employee NDA". After the agreement is completed, it will be record and stored in the management system of NDA.
- The information security promotion and training courses in 2024 include "New employee training and information security promotion", "Information Security Management Mechanism" and "external training for cyber security professionals ", a total of 564 people participated, with totaled 541 man-hour. Besides, the Company executed three times of social engineering (Internet fishing) irregularly without the warning and reinforce employees'concepts of social engineering. In these events, the Company released at least 7,771 person time of fishing emails to enhance employees'recognition capability from fishing emails. The Company also executes information security promotion and internal and external audit examination periodically every year to enhance the acknowledgement of information security.

3.4.4 The Resources for Information Security Management:

- Dedicated employees: Arranging at least two dedicated enterprise information security technology employees who are responsible for the planning and carry out of the information policy, information system security management and the implementation of the information technology to ensure the constant enhancement of information and communication security management.
- International Accreditation: Certified by ISO27001:2022 in 2024 and no significant deficiency in related information security audit. The certification remains valid until December 14, 2025.
- Information security announcement: More than 6 information security announcements were made to communicate important regulations and precautions such as information protection, information security, information security management mechanisms, and intellectual property protection concepts to colleagues in the company.
- Given that the information security is the new kind of insurance and given to the issue of appraisal on asset of information security insurance and the way the insurance insures and claims, the Company does not cover the insurance temporarily, but still keeps the actions of improvement of information security, such as annual examination of the IT security, privileged account management(PAM), endpoint detection response(EDR), security information event management (SIEM), email sandbox, rehearsal of social phishing attack, practice of the recovery of disaster, trainings of information security to strengthen employees'concepts of information security and the their reaction to the information security events to reduce the probability and risks of information security harm.



4 Workplace of Well-being

4.1 Overview of Human Resources
4.2 Remuneration and Welfare
4.3 Cultivation and Development of the Talents
4.4 Friendly Working Environment
4.5 Occupational Safety and Health



Awarded the 1111 Job Bank **Happy Enterprise Award**

"Explore CB Territory" event with **5,601** participants

Six plants have all obtained the **Health Promotion Certification**

ESH improvement proposals with a **100%** completion rate

(FSI)= **0.04**

4.1 Overview of Human Resources

4.1.1 Staff structure and diversity

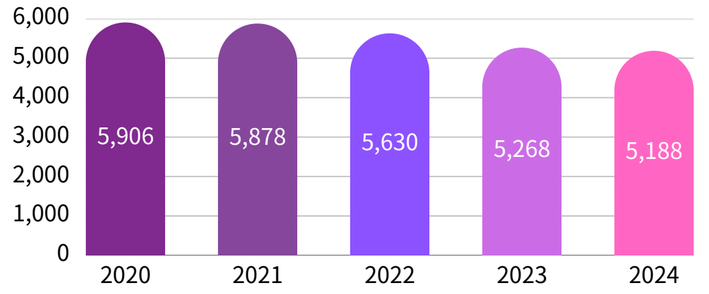
Healthy labor structure is an important base for the Company to develop rapidly on an ongoing basis and improve the competitiveness continuously in the rapidly changing technology industry. The Company has a total of 5,188 employees up to the end of 2024, the number of the employees decreased by 80(-1.52%) from 5,268 compared to the previous year. This was due to the slowdown in the market climate and natural attrition caused by employees leaving due to personal factors. Including 2,023 employees working at the Hsinchu Plant, 1,433 employees working at the Hukou Plant, and 1,732 employees working at the Kaohsiung Plant, of which indirect and direct labors occupied 49.50% and 50.50%, respectively, of the total employees. If categorized by employment type, the Company had 4,115 (79.32%) regular employees, 1,072(20.66%) foreign employees, and 1 (0.02%) employees under fixed term contracts. Most of the employees were 31 to 50 at age, occupying 72.28% of the employees. In addition, there were 203 laborers who were not hired by Chipbond, including security guards, personnel in charge of catering service, cleaning personnel, switchboard staffs, convenience store staffs hired by respective contractors, excluding temporary construction contractors. The number of these laborers occupied about 3.77% of Chipbond's total employees and is negligible.

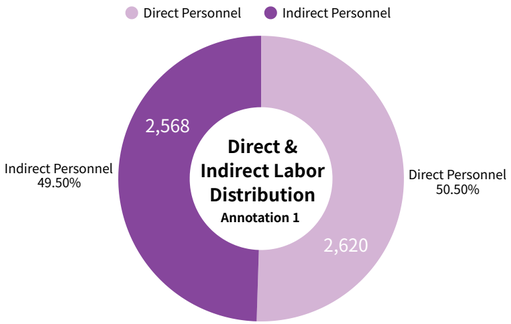
Employee category statistics

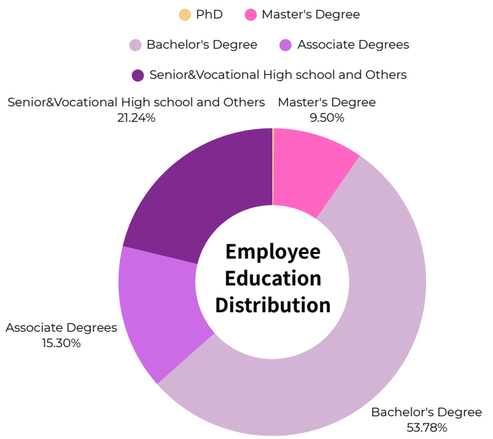
Employment Type			Hsinchu Plant		Hukou Plant		Kaohsiung Plant		Total
			Male	Female	Male	Female	Male	Female	
Full-time Worker	Full-time Employees	Regular Employees	985	559	691	301	788	791	4,115
	Temporary Employees	Foreign Employees	214	264	196	245	70	83	1,072
		Contract Employees	0	1	0	0	0	0	1
Part-time Worker			0	0	0	0	0	0	0
Total			2,023		1,433		1,732		5,188

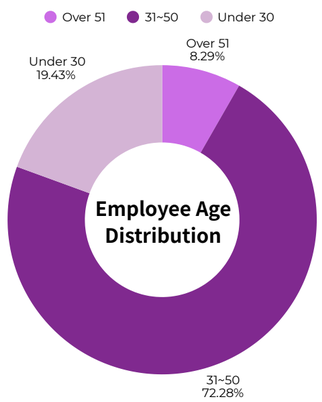
▲ Note:
1. The employees taking leave without pay are not counted in the number.
2. Full-time employees/regular employees refer to employees with indefinite contracts (i.e. permanent employees).
3. The temporary employees mean the personnel under an employment contract including those with a fixed or temporary term in nature; Foreign employees mean foreign blue-collar workers.
4. The number of staff without hourly guarantee is 0.
5. Annotation 1: "Direct personnel" refers to those who are directly involved in production, such as technicians/station managers/foremen; "indirect personnel" refers to personnel other than direct personnel.

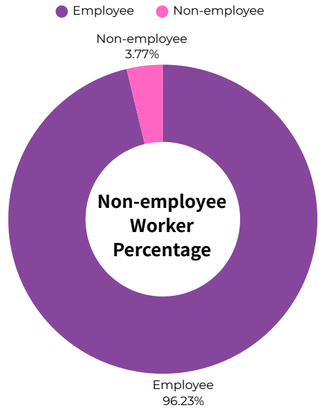
▲ Total number of employees over the years











If categorized by function, the Company had 424 supervisors, 1,803 engineers, 341administrative employees, 292 front-line production operators, and 2,328 technical production employees. From the viewpoint of diversity, the number of male employees was slightly more than that of female employees, reflecting the characteristics of the semi-conductor industry. The employees that the Company needs are mostly specialized in the manufacturing process and equipment, and males studying in the fields of science and engineering with respect to the process and equipment have a higher percentage in Taiwan, a factor that influences the distribution of genders in different types of functions. For example, male managerial officers (male: 75.76%; female: 25.24%) and engineers (male: 76.32%; female: 23.68%) had a higher percentage. Generally, however, the distribution of genders was relatively even among the employees (male: 56.75%; female: 43.25%). To help the Company understand local demands and create local economic interests, most of the personnel at the management level are local professionals in different fields.

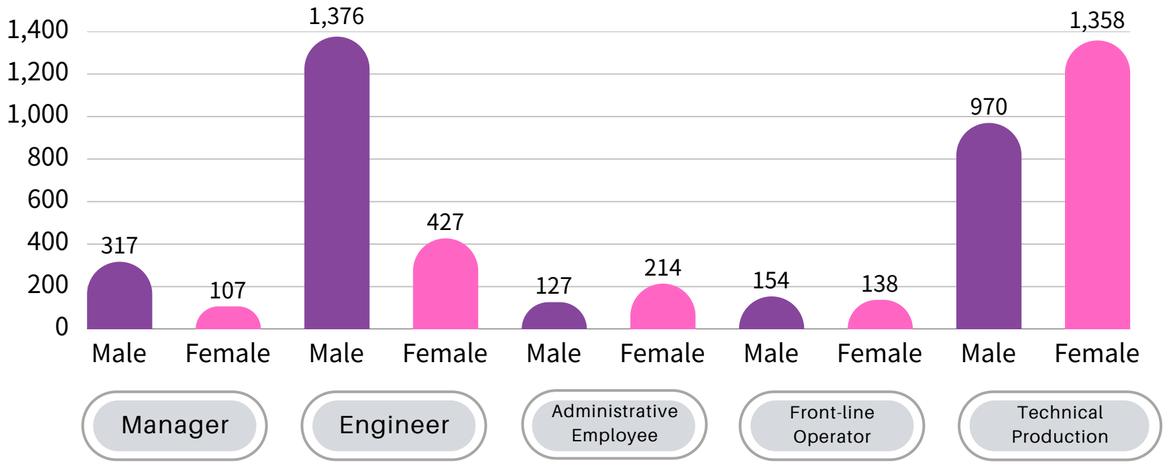
Employee Statistics by Function Category

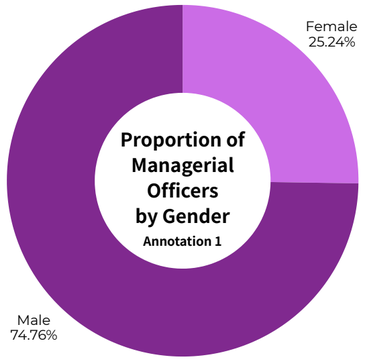
Category	Manager		Engineer		Administrative Employee		Front-line Operator		Technical Production Employee		Total
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
Below 30	3	2	311	83	3	30	11	3	255	307	1,008
31~50	205	78	985	320	121	160	137	108	689	947	3,750
Over 51	109	27	80	24	3	24	6	27	26	104	430
Total	424		1,803		341		292		2,328		5,188

Note

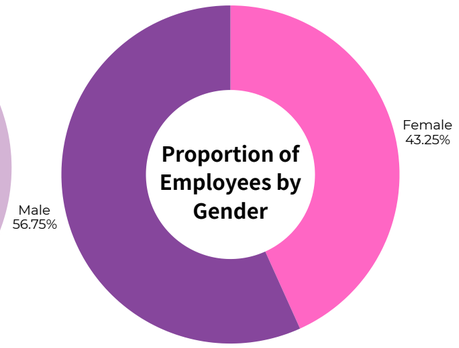
- Annotation 1: "Managerial officer" means the supervisor at the level of higher than assistant manager. Proportion of Employees by Gender reflecting the characteristics of the semi-conductor industry. The employees that the Company needs are mostly specialized in the manufacturing process and equipment, and males studying in the fields of science and engineering with respect to the process and equipment have a higher percentage in Taiwan.
- Annotation 2: "Top management" means the supervisor at the level of higher than division; "local" means the employee whose nationality is the Republic of China.

▲ Gender Statistics by Function Category









4.1.2 Recruitment of Talents



1. Diversity, Equality and Inclusion

"Bring the talent into full play" is the principle of the Company for recruitment of employees. Talented persons are selected depending on the actual requirements of the business. When the unit needs more manpower shall draw up a professional training plan for the position and then file a manpower request application to the HR department, and new employees may be transferred internally from other departments or recruited externally after the application is approved. After joining the job, the ability will be carried out according to the professional training plan. Cultivate and assist newcomers to familiarize themselves with their job abilities and take charge of their duties as early as possible. Recruitment of employees are subject to the requirements of the Labor Standards Act, Act of Gender Equality in Employment, and Employment Service Act. The employment opportunity is provided equally via a fair and open mechanism. The employee whose appointment is approved according to the recruitment procedure shall enter into an employment contract to protect his/her rights and interests for work.

Chipbond Diversity, Equity& Inclusion Policy

Chipbond Technology takes "Creating a community of shared future filled with both a sense of accomplishment and happiness" as its mission, and there are no differential treatments due to factors such as nationality, gender, sexual orientation, marital status, physical and mental disabilities, and religion, and etc. Provide fair “remuneration, adaptive learning and career development space”. Be people-oriented, fully respect employees, and dedicate to establishing a diverse, equitable and inclusive (DEI) workplace.

To meet the requirements for talents, the Company recruits professional employees through different channels including the Internet, print media, social media, employment services stations, and campus employment fairs. By doing so, the Company developed multiple recruitment sources to identify more employees of potential talent.









Chipbond Recruitment FB

Chipbond Recruitment IG

Chipbond Recruitment LINE@



In 2024, there were 428 new employees. The employment rate of the male and female employees was 8.12% and 8.46%, respectively. Overall, the new employees under 30 occupied the highest percentage and they did not show significant difference in gender in terms of percentage.

2024 New Employees Structure

Gender	Age	Hsinchu Plant		Hukou Plant		Kaohsiung Plant		Total Count	Employment Rate
		Headcount	Ratio	Headcount	Ratio	Headcount	Ratio		
Male	Below 30	41	2.03%	115	8.03%	29	1.67%	239	8.12%
	31~50	17	0.84%	31	2.16%	6	0.35%		
	Over 51	0	0.00%	0	0.00%	0	0.00%		
Female	Below 30	32	1.58%	91	6.35%	26	1.50%	189	8.42%
	31~50	13	0.64%	19	1.33%	7	0.40%		
	Over 51	1	0.05%	0	0.00%	0	0.00%		
Total		104	5.14%	256	17.86%	68	3.93%	428	8.25%

Note:
1. Employment rate = total count/the total number of existing employees under the category at the end of the year*100%
2. New employees include full-time employees and contracted employees (including foreign employees).

2. Industry-Academia Cooperation creates a win-win-win situation

The low birth rate is a challenge for companies to recruit employees. In 2024, the Company continuously performed industrial and academic cooperation with Cheng Shiu University and Minth University of Science and Technology, and plan an internship program with Tsing Hua University for the first time. We hope to recruit potential talents from different nationalities to strengthen the company. The first summer internship and pre-employment program were also planned, incorporating elements such as workplace experience, career mentors, supervisor encouragement, human resources guidance writing, etc., to guide students to understand the status of the industry, understand the work type, preview and make an appointment to start the next stage point. The Company participated in many projects of the government such as the Reshaping Technological-Vocational Education - Realize off-campus Internship Programs for Students organized by the Ministry of Education, the Dual System of Vocational Training Project of the Ministry of Labor, and the Industry-Academia Cooperation Project of the Ministry of Education, etc. Through a progressive approach, students are provided with more career nutrients in addition to workplace internship opportunities by tripartite guidance from schools, employers, and human resources. Hope to help them creating unlimited possibilities for the future.





3. Employment of People with Disabilities

To protect the basic living requirements of the people with disabilities and their rights and interests of work, the Company has employed people with disabilities in compliance with the requirements of laws and regulations over the past few years. The Company hired 53 people with disabilities (including 8 people with severe disability) in 2024. According to Article 38 of the People with Disabilities Rights Protection Act, if a person with severe disabilities is hired, that person shall be calculated as two. Hence, the weighted total number was 61 in 2024, exceeding the standard specified by the law. In addition to meeting the required total number of employees, we also engage in job redesign based on individual circumstances and the company's manpower needs. Apart from providing support in work and daily care, we establish family connections to enhance communication and transparency during the initial employment period. By fostering a collaborative approach among the employer, family, and HR department, we aim to create a workplace environment that offers peace of mind to employees' families, demonstrates care from the company, and instills confidence in the personnel. Furthermore, we enhance education and training programs and provide daily assistance to ensure that employees are equipped to handle their assigned job tasks effectively. As for employment of people with disabilities, we have received praise from the Ministry of Labor (Golden Wingspan Award - Outstanding Performance Award) and Hsinchu City Government many times. Chipbond is a company of good performance in employment of people with disabilities.


獎狀

頎邦科技股份有限公司

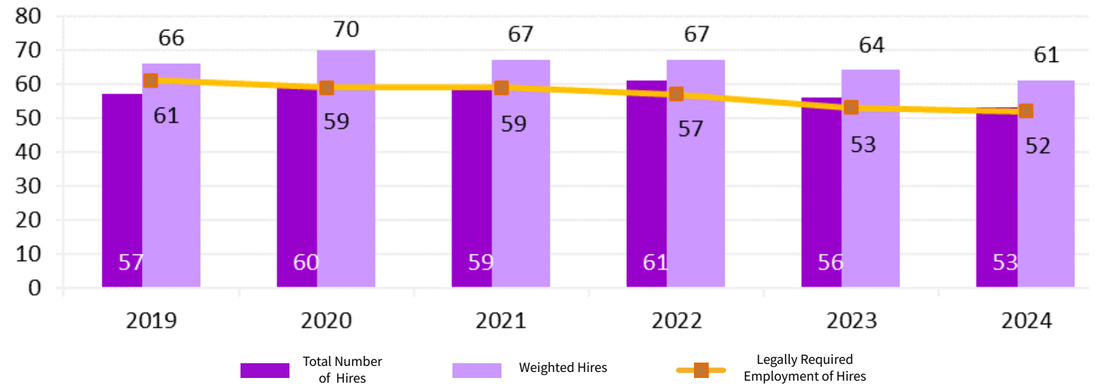
榮獲本市113年超額進用身心障礙者績優單位

優異表現，足堪楷模

特頒此狀，以資鼓勵

市長 高虹安

▲ Number of Employees with Disabilities





4.1.3 Resignation Management

When an employee applies for resignation, the heads of the department and HR unit perform resignation interview respectively to understand the reason of the employee to resign and persuade him/her to stay or give care to him/her appropriately. The turnover of employees is higher because of the industry to which the Company belongs, the work environment of the clean room, the work style, and the adaptation of new employees to the work environment (e.g., clothing, personal equipment, and the nature of the work). The Company takes following measures to reduce the turnover: provision of allowance for the employees working at the electroplating and visual inspection stations and establishment of the assistant and consultant system in the hope to help new employees adapt themselves to the new environment more quickly. In addition, the Company provide retention bonuses to direct personnel upon completion of their term of office and set up a new employee service hotline with dedicated personnel to help new employees solve problems in adapting to the environment.

The overall employee average monthly turnover rate in 2024 was 0.84%, of which the average monthly turnover rate of regular employees was 0.55%. Compared with the average monthly turnover rate of full-time employees in 2023, which was 0.63%, it dropped by 0.08%. In general, the turnover remained a relatively stable state.

2024 Resigned Employees Structure Statistics

Gender	Age	Hsinchu Plant		Hukou Plant		Kaohsiung Plant		Total Count	Average monthly turnover rate
		Headcount	Ratio	Headcount	Ratio	Headcount	Ratio		
Male	Below 30	36	1.78%	38	2.65%	19	1.10%	263	0.74%
	31~50	72	3.56%	46	3.21%	36	2.08%		
	Over 51	7	0.35%	1	0.07%	8	0.46%		
Female	Below 30	29	1.43%	28	1.95%	17	0.98%	263	0.98%
	31~50	86	4.25%	49	3.42%	47	2.71%		
	Over 51	3	0.15%	1	0.07%	3	0.17%		
Total		233	11.52%	163	11.37%	130	7.51%	562	0.84%

Note:
1. Average monthly turnover rate = (total count of resigned employees/the total number of existing employees under the category at the end of the year) /12 months*100%
2. Resigned employees exclude 26 staffs who stayed on and were suspended without pay.
3. Resigned employees include 182 contracted staffs (e.g., foreign blue-collar workers), who had a monthly average turnover of 0.29%.
4. Resigned employees include both voluntary and involuntary.



4.2 Remuneration and Welfare

Employees are the important assets of the Company. Providing reasonable remuneration and welfare is favorable to create good economic conditions for the employees, retain outstanding talents, and improve the competitiveness of the Company. The Company refers to the laws and regulations of the government as well as the market remuneration level to provide employees with competitive remuneration and good welfare, so that they can have premium living quality and demonstrate their competence and value in the work without any concern about their living.

4.2.1 Remuneration and Employee Welfare

The overall remuneration that the Company provides include basic compensation, allowance, bonus and remuneration for employees. The pay for new employees is higher than the regulatory standard and reviewed and determined reasonably in consideration of the requirements of the position, complexity and difficulty of the work, professional knowledge, experience, technique, and the remuneration level of other companies in the industry without any preference or discrimination with respect to gender, age, race, religion, and political stance.

Employee Remuneration

Salary

■ Salary Setting: The salary is higher than the regulatory standard and reviewed and determined reasonably in consideration of the requirements of the position, complexity and difficulty of the work, professional knowledge, experience, technique, and the remuneration level of other companies in the industry.
■ Salary Adjustment: Every year, we review the competitiveness of the Company's salary conditions through market salary surveys, refer to overall economic indicators and price indices, and consider the Company's operating performance, employee performance appraisals and contributions to adjust salaries.

Bonus

■ Festival Bonuses (Mid-Autumn Festival/Dragon Boat Festival/year-end bonuses)
■ Incentive Bonuses: In order to motivate employees to work towards common operating goals, quarterly incentive bonuses are issued based on the achievement of quarterly operating indicators.



Compensation

■ Every year, according to the Company's articles of association, 10% to 15% of the profit for that year is distributed as employee remuneration. However, if the company still has accumulated losses, they should be made up.



In 2024, according to the job category, the monthly base salary ratios of male/female for supervisors, general indirect labor, and direct labor are 1.18:1, 1.14:1, and 1.04:1 respectively, and the annual remuneration ratios of male/female for supervisors, general indirect labor, and direct labor are 1.33:1, 1.13:1, and 0.98:1 respectively.

Ratio of Male to Female Employees in Terms of Pay in 2024

Employee Category	Annual Remuneration		Monthly Base Salary		Note
	Male	Female	Male	Female	
Supervisors	1.33	1	1.18	1	Supervisory personnel (including project supervisors, excluding section managers)
Indirect Labor (IDL)	1.13	1	1.14	1	Engineering and administrative personnel
Direct Labor (DL)	0.98	1	1.04	1	Front-line operator and production technician

Note：
1. Monthly Base Salary: Refers to the approved monthly salary, including base salary and all allowances.
2. Annual Remuneration : Includes fixed monthly salary, allowances, various bonuses, employee compensation, etc.
3. The male/female annual remuneration ratio among supervisory personnel is 1.33:1, primarily due to male employees holding key executive positions such as Vice President, General Manager, CEO, and Chairman.

To encourage the employees and show our appreciation to them for their endeavor and toil, the Company sets aside 10%-15% as remuneration for employees every year depending on the current profitability pursuant to the Articles of Incorporation. The Company participates in the market remuneration investigation and adjusts the pay based on the market remuneration level and business operating trend. In 2024, the salary adjustment ranged from 2% to 4.5%. The following is the number of full-time employees in non-supervisory positions, their average and median salaries, and the difference from the previous year:

Full-time Non-supervisory Employee Salary

Items	2023	2024	Difference
Average Annual Employees (people)	5,272	5,031	-241
Average Salary (NTD thousands)	912	1,001	89
Median Salary (NTD thousands)	781	870	89

Note: The difference is 2024 minus 2023

In addition to the remuneration, the Company provides various welfare benefits for employees and effects labor insurance and national health insurance for new employees on the date when they report for duty so that they can acquire the assurance they shall have. The Company also provides many welfare actions better than what the law requires. For example, group insurance is taken out for employees without deductible. Employees may select to incorporate their family members into the insurance at a preferential rate and have their family members acquire more complete assurance. When colleagues ask for leave for weddings or funerals, we proactively start caring for employees'rights and interests, provide various subsidy information and forms to colleagues, and notify the windows of various undertaking units to assist in operations, providing immediate care services and protecting employees'rights and interests. Other welfare actions better than regulatory requirements are described below.

1. **Take a leave by a Leave Management System**
   Marriage leave, bereavement leave, maternity leave, paternity leave, and official injury leave.
2. **HR Startup【Employee Rights Care】**
   1. Proactively provide various subsidy information and forms to colleagues.
   2. Notify various subsidy handling windows to assist with applications.
3. **Various Subsidies**
   Company funeral fund subsidies, labor insurance subsidies, group insurance claims, and various welfare subsidies from the Welfare Committee.

◆ Welfare Actions Better Than Regulatory Requirements

Multiple Care Plans

- Employees have free group insurance. The coverage includes term insurance, injury insurance, injury medical insurance, surgical treatment, health insurance and cancer prevention health insurance.
- Free annual checkups for employees.
- There are 7 more memorial days for leave, except 12 national holidays.
- Full-time employees who have serviced for a period of three full years may participate in the employee stock ownership trust.
- Special leaves are given starting from the first day of work.

Multiple Welfare Measures

- The restaurants provide employees with a variety of food and the Company subsidizes two-third of meal expenses.
- There are convenience stores, gyms, recreation areas, and ATM in the Company.
- Employees from other cities/counties can apply the dormitory with air-conditioners and complete facilities.
- Parking lots for employees.
- We are considerate of employees'needs such as traffic congestion or picking up and dropping off family members during peak hours, and implement flexible commuting and provide employees with multiple time periods to choose from.

4.2.2 The Employee Welfare Committee

The Company establishes the Employee Welfare Committee (or Welfare Committee in short) to facilitate the relations among the employees, consolidate their strength, promote the health and balance of body, mind and spirit, and encourage the employees to engage in legal recreation and entertainment activities. The Welfare Committee is responsible for planning employee welfare matters, allocation and use of funds, and reporting and audit of the income and expenditure. The Welfare Committee holds a regular meeting every two months and the Committee members representing their respective departments approve the employee welfare policies and relevant activities that the Welfare Committee establishes and plans. The meeting minutes are posted on the company bulletin board and published on the website of the Welfare Committee and Welfare Committee APP for the employees to read. The Welfare Committee also promote and implement the welfare actions applicable to all the employees in accordance with the resolution of the Committee members.

The Company sets aside NTD 30,328,390 as the employee welfare fund in 2024 pursuant to relevant regulations. The Welfare Committee planned many activities and provided employees with different welfare options, allowances, information communication channels, and club promotion and event planning projects.

◆ Welfare and Allowance Items

These include holiday (Labor Day, Dragon Boat Festival, Moon Festival) gifts, vouchers or benefit points, birthday vouchers or benefit points, scholarship, employee tour allowance, marriage allowance, childbirth allowance, medical allowances for employees in hospitalization, funeral allowance.

◆ Employee Emergency Relief Fund

The Welfare Committee establishes the Employee Emergency Relief Regulations and sets aside emergency relief funds. The employee or his/her lineal relative who urgently needs external financial support due to occurrence of a serious incident or natural disaster may apply for the funds. A total of 3 emergency assistance was provided in 2024.

◆ Chipbond Welfare Net

The Welfare Committee cooperates with a famous online shopping platform in Taiwan to set up the "Chipbond Welfare Net" . The employees of the Company and their family members can show the ID card or the webpage to enjoy a discount for their consumption at more than 10 thousand contracted shops selling clothing, food, housing, transport, education, and entertainment commodities.

◆ Welfare Committee APP

The Welfare Committee provides an app for the employees to inquire/modify welfare at any time and any place. In addition to the information on prize drawing activities, the pandemic prevention policies of the Company/pandemic investigation, contracted shops, and employee clubs, it provides a dedicated section for questions, comments and feedback. Employees can ask and answer questions in a real-time manner.

◆ Welfare Committee e-Webpage

The Welfare Committee sets up the "Welfare Committee e-Platform" . Employees can inquire the operation information, income and expenditure status, and event clips of the Committee on the platform at any time. A feedback mailbox and a Q&A area are available on the webpage to answer the questions of the employees to the Welfare Committee.

◆ Welfare Committee Newsletter

The Welfare Committee Newsletter is issued regularly every month so that the employees can acquire the monthly activity information of the Welfare Committee, discount projects of the contracted shops, and information on recreation and entertainment.

◆ Club Promotion

To encourage the employees to develop their body, mind, and spirit for their health, the Welfare Committee provides club activity allowance and gives guidance to the clubs. These are favorable for the employees to establish or join a club freely with other employees having the same hobby and create a premium and balanced living style after work. The Welfare Committee has supported the establishment of 23 autonomic clubs including sports, (Basketball Club, Softball Club, Badminton Club, Volleyball Club, Table Tennis Club, Golf Club, Bowling Club), outdoor activities (Jogging Club, Cycling Club, Mountain Climbing Club, Camping Club, Fishing Club), recreation (Yoga Club, Aerobic Club, Fitness Club), service/art and other categories (Volunteer Club, Photography Club, Baking Club), etc., with a total of 795 members. Club activities develop prosperously with the growth of the employee counts.

◆ Activity Planning

To promote harmonious relations among the employees and cultivate tacit understanding of team members, the Welfare Committee organizes annual employee welfare activities and assists the Company with organizing cross-plant employment activities such as ball games, sports meets, enterprise day, family day, contest in art and culture, year dinner party, etc., in the hope to improve the friendship and interaction among the employees, consolidate their strength, and bring employees a balance between work and life.



◆ Club activities



◆ Employees'trip



◆ Ball games



◆ Year-end party

4.2.3 Retirement System

The Company's retirement system handles retirement applications and grant standards in accordance with the "Labor Standards Act" and the "Labor Pension Act" :

◆ Employee application for retirement and grant criteria



• Retirement:

1. Worker may apply for voluntary retirement under any of the following conditions:
   (1) Where the worker attains the age of fifty-five and has worked for fifteen years.
   (2) Where the worker has worked for more than twenty-five years.
   (3) Where the worker attains the age of sixty and has worked for ten years.

2. An employer shall not force a worker to retire unless any of the following situations has occurred:
   (1) Where the worker attains the age of sixty-five.
   (2) Where the worker is unable to perform his/ her duties due to disability.

The retirement age specified in item 1 of the preceding paragraph may be postponed through mutual agreement between the employer and the worker. A business entity may request the central competent authority to adjust the retirement age prescribed in item 1 of the preceding paragraph if the specific job entails risk, requires substantial physical strength, or otherwise of a special nature; provided, however, that the retirement age shall not be reduced below fifty-five.

• The criteria for payment of worker pensions shall be as follows:

1. Labor Retirement Reserve Fund (The Old Fund): Two bases are given for each full year of service rendered. But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The length of service is calculated as half year when it is less than six months and as one year when it is more than six months.
2. Labor Pension Fund (The New Fund): The "Labor Pension Regulations" will be fully applied. 6% of the employee's monthly salary will be transferred to the personal account of the Labor Insurance Bureau.

◆ Provision ratio and provision status of the Old and New Fund

- Labor Retirement Reserve Fund (The Old Fund): For employees with retirement age under the Labor Standards Act, in principle, 2% of their total monthly salary will be allocated to the labor retirement reserve fund to be stored in a special account of the Trust Department of the Bank of Taiwan on a monthly basis. An actuary will be appointed every year to issue an actuarial calculation of the labor retirement reserve fund. Report to ensure that the fair value of plan assets is greater than defined benefit obligations and fully protect employees' rights and interests in claiming retirement benefits in the future. As of 2024, the fair value of plan assets and defined benefit obligations are NT$497,668,326 and NT$394,489,597 respectively.
- Labor Pension Fund (The New Fund): For those who started working after July 1, 2005 (inclusive), the "Labor Pension Regulations" will be fully applied. 6% of the employee's monthly salary will be transferred to the personal account of the Labor Insurance Bureau. After the employee retires, I shall apply for it myself from the Labor Insurance Bureau.

◆ Operational status of the Retirement Reserve Supervisory Committee

- The company established the "employee retirement fund supervisor committee" in compliance with the organizational standards of the employee retirement fund supervisor committee of Public Institutions.
- The association has nine members (3 representatives from management and 6 representatives from labor), whose terms will be re-elected after 4 years to ensure workers' rights and interests. (This term is from 2024/12/1~ 2028/11/30)
- Employees with seniority under the old system must apply for pensions after being reviewed by this committee and paid within 30 days from the date of retirement.

◆ Establishment of employee stock ownership trust

- In order to enhance employee retirement benefits, the company will establish an employee stock ownership trust from 2021 so that employees can hold company stocks for a long time and share the company's operating results.
- After full-time employees have been employed for three years, they can agree to withdraw a certain amount from their personal salary income every month (referred to as self-withdrawal funds) and a corresponding amount of bonus provided by the company (referred to as public withdrawal funds), and jointly deliver them to the trustee bank for regular payment The fixed-amount purchase of company stocks is for the benefit management and utilization of all members, thereby helping participating members achieve long-term savings, accumulate wealth, and protect employees' retirement and future life stability.
- When stock and cash dividends are distributed free of charge, they will be distributed according to the distribution ratio of the trust property held by each member in the special trust account, and all the stock dividends (including cash dividends) received will be rolled into the trust in the special trust account. Continue to use and manage the property.
- The association's membership rate will be approximately 60% by 2024. (Number of members/Number of people eligible to join)



4.3 Cultivation and Development of the Talents

Chipbond Technology is committed to the cultivation and development of talents, and regards the competitiveness of talents as the core driving force for sustainable operations. In order to promote continuous learning among employees, the company established the Knowledge Development Committee in 2007 as a platform for cross-departmental collaboration and communication, and held regular meetings to ensure the smooth implementation of various training projects. At the same time, the Talent Development Quality Management System (TTQS) was introduced to improve the quality of training. It has won the "TTQS Talent Development Quality Management System" gold medal many times and won the "First National Training Quality Award" in the large enterprise group in 2011.

4.3.1 Comprehensive Education and Training System

In order to meet the development needs of different functions, we have established a complete talent training system to provide new employees with all-round education and training, which not only meets the core functions of Chibang, but also focuses on cultivating outstanding talents with the Chibang spirit. Based on the learning map, with learning development paths and career planning as the core, we design corresponding professional, general and management courses for employees. Through planned and systematic guidance, we help colleagues master the necessary knowledge, skills and attitudes at each stage to meet the needs of the organization's future development.

- **Management Training**

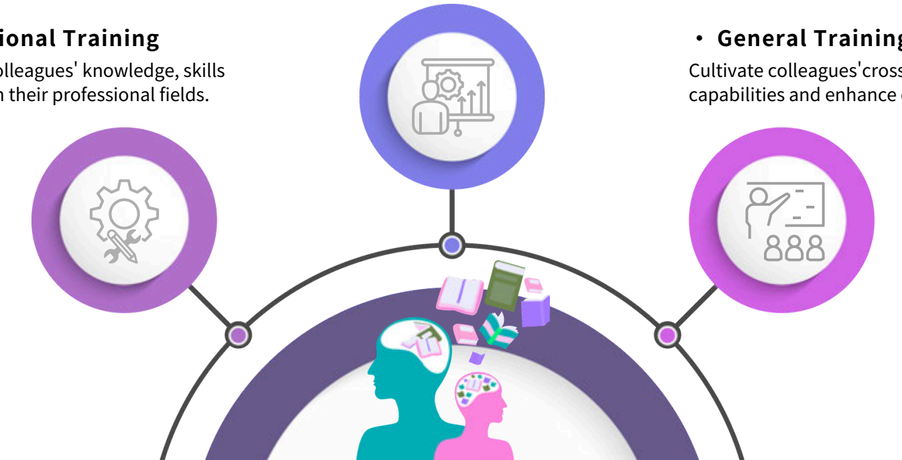
To develop key management skills such as leadership, problem solving, and communication.

- **Professional Training**

To enhance colleagues' knowledge, skills and abilities in their professional fields.

- **General Training**

Cultivate colleagues'cross-domain capabilities and enhance common functions.



- **Framework of Chipbond's Employee Training System**

Level	Job Training			Personal Study
Top Manager	General Function • Work Management Training • Quality Management Training • Work Safety Training • Information Security Training • Smart Manufacturing Training	Professional Function • Department Professional Training Courses • Engineering Technology Training Courses	Management Function • Work Instruction and Talent Development • Judgment and Problem-Solving Skills • Communication Skills • Building High-Performance Teams • Planning and Organizational Skills/ Work Coordination • Meeting Facilitation • Strategic Leadership • Visionary Leadership	Study and Further Education • Chipbond E-learning System • Chipbond EKP System • In-Service Training • External Training
Middle Manager				
Front-line Manager				
General Employee				
New Employee	• Company Culture and Vision • Company Organization, Rules and Benefits • Industry Overview and Manufacturing Process • Promotion of Legal Knowledge (Occupational Health and Safety, Fire Safety) • Discipline Promotion • Corporate Social Responsibility • Quality Awareness			



CB Camp New Employee Training Camp

After colleagues report in, a one-week CB Camp New Employee Training Camp begins, covering corporate culture, organizational structure, rules and benefits, quality system, safety and health, department management, etc. The CEO will present to welcome the new colleagues and personally introduce the corporate cultural and values of Chipbond. Team Vitality Camp activity experience allows you to learn the company's core values, promote communication, cultivate teamwork and problem-solving thinking, to build consensus, and allow newcomers to demonstrate behaviors and attitudes that are consistent with values. It will also help the new colleagues to deepen the culture of the Company, create a sense of achievement and happiness.

367
participants

6,955.5
2024 training hours





Language Training Plan

Chipbond promotes online English learning programs to break the limitations of time and space, quickly improve colleagues'reading, listening and oral expression skills to meet international needs and enhance global competitiveness. In 2024, a total of 34 colleagues applied to participate in the training. The program includes one-on-one real-person speaking training and English learning software combined with innovative AI technology. The course content can be dynamically adjusted according to personal progress and needs, further improving communication and service quality with foreign customers.

Cultivation of Multiple Capabilities

The Company is committed to cultivating diverse capabilities, comprehensively improving the quality of employees through internal instructor training programs, and expanding diverse development opportunities. Internal instructors must complete 16 hours of training and pass certification to pass on knowledge, skills and corporate culture. In 2024, a total of 82 people completed the entry-level instructor training and 36 people completed the advanced instructor training course, which focused on teaching skills and teaching materials revitalization design. It not only laid the foundation for cultivating face-to-face course masters, but also promoted the systematization and professionalization of lecturers'teaching methods, and promoted the advancement and growth of instructors.

207 participants **1,982** hours
2024 Instructor Training



Focus on teaching and basic skills training for new lecturers.

Enhance instructors' teaching skills, classroom engagement, and material design.

Improve digital teaching skills and use tools to record efficient courses.

Ensure the consistency of teaching content and process quality.

◆ E-Learning / Knowledge Management System

Chipbond continues to promote digital learning and knowledge management systems. The Chipbond E-learning System and Knowledge Management System store over a thousand online courses and documents, allowing employees to engage in self-directed learning and track their individual learning progress at any time. Through participation in e-instructor training courses, lecturers are involved in the production of online courses and enhance their digital teaching effectiveness through experience sharing and case studies, including improvements in vocal expression and the application of AI-generated voice. In 2024, the advanced e-instructor training program attracted 31 participants and received highly positive feedback. Meanwhile, the Knowledge Development Committee actively promotes knowledge sharing by systematically integrating the technical knowledge base to facilitate internal knowledge exchange, thereby fostering a corporate culture conducive to innovation.

137
Digital courses

901
Knowledge documents produced

◆ Mentorship System and Training

In 2024, Chipbond introduced the mentor management system, which significantly improved the efficiency and quality of the counseling process. Through the mentoring system, we have established a channel for knowledge and experience transfer, effectively helping new colleagues quickly become familiar with the operating procedures and improving their retention stability. In 2024, a total of 193 counselors were successfully trained. The training courses cover professional training for counselors and cultivate the teaching methods of senior colleagues, so that they can actively guide new colleagues to quickly integrate into the company culture and fully understand the environment and job responsibilities.

193 participants **1,614.5** hours
2024 Mentor Training





◆ External Training and on-the-Job Training

In order to enhance the working ability of colleagues, Chipbond attaches great importance to the balance between internal and external training. Employees can apply for external training according to job requirements to obtain the latest professional knowledge and skills to make up for the lack of internal resources of the company. At the same time, the Company encourages colleagues to pursue on-the-job training and strengthen their professional abilities, which not only meets personal growth needs, but also effectively improves the professional quality of the team and lays a solid foundation for the sustainable development of the Company.

86 people
Cumulative number of on-the-job training

261
2024 external training courses

◆ Strengthen AI Digital Training

Chipbond actively promotes AI digital training to comprehensively enhance the competitiveness of its employees in the field of automation. Through the automation hands-on course, 93 colleagues were successfully trained, laying the foundation for the transformation to smart manufacturing; Power Automate training covered process automation and RPA technology applications, with a total of 173 people completing the training, effectively improving operational efficiency. To deepen the application of AI management, the company held an AI lecture for executives to analyze the application of big data in business decision-making, and held AI lectures for the entire factory to share how AI can accelerate innovation and promote digital transformation. In the same year, the company completed the construction of an intelligent learning map, continuously strengthening the AI and automation professional capabilities of its colleagues and promoting the digital transformation of the enterprise.

1,388 participants
Number of AI training

1,929.9 hours
Man-hours





4.3.2 Diverse Learning Achievements

Chipbond continues to promote learning season activities and innovates learning models to stimulate employees'enthusiasm for learning. In 2024, we launched the "Explore the CB Island" activity, which created an open and diverse learning atmosphere through various learning tasks and puzzle challenges. It attracted a total of 5,601 participants and promoted the continuous growth of the team. In 2024, the "Intelligence Field" was included for the first time to enhance AI knowledge, encourage cross-domain learning, and further strengthen the professional capabilities of individuals and teams. In addition, to ensure that the ESG spirit is implemented in daily work, the employee code of ethics has been uploaded to the employee rights and interests Q&A platform, allowing colleagues to access and learn at any time through their mobile phones; and through the "Friendly Workplace Flip & Answer" event, 581 colleagues were attracted to participate, deepening the DEI (Diversity, Equity, and Inclusion) concept and implementing a friendly workplace culture. Overall, in 2024, Chipbond conducted a total of 1,620 education training courses, with 32,395 participants (internal training-synchronous courses in 227 classes with 18,516 participants, asynchronous online courses in 1,132 classes with 13,371 participants, and external training in 261 classes with 508 participants), with a total training fund of NT$1,431,655; at the same time, it also participated in the "Human Resources Enhancement Project" of the Workforce Development Agency and received a subsidy of NT$390,000. Supervisors received an average of 30.16 hours of training, significantly more than the 4.65 hours for direct employees. In addition to courses on management and regulations, supervisors participated in monthly two-hour management forums led by the CEO to enhance leadership and strategic thinking. Training for direct employees mainly involved on-the-job training (OJT) guided by senior staff, which is not included in the reported figures due to its informal nature. Looking ahead, Chipbond remains committed to deepening its learning culture by offering diverse learning opportunities and fostering a learning-driven organization.

2024 Learning Hours of Different Categories in Internal Training Courses

Employee Category		Male			Female			Total		
		Training Hours (A)	Number of Employees (B)	Average Hours/Person (A/B)	Training Hours (A)	Number of Employees (B)	Average Hours/Person (A/B)	Training Hours (A)	Number of Employees (B)	Average Hours/Person (A/B)
Direct Labor (DL)		5,696.83	1,124	5.07	6,473.64	1,496	4.33	12,170.47	2,620	4.65
Indirect Labor (IDL)	Manager	9,603.63	317	30.30	3,184.57	107	29.76	12,788.20	424	30.16
	Non-Manager	20,419.36	1,503	13.59	19,734.69	641	30.79	40,154.04	2,144	18.73
Employee Training Total Average				12.1			13.1			12.55

Note:
1. The statistics in the table does not contain non-synchronized OJT courses and personnel who quit within the time interval.
2. "Direct labor" includes front-line operators and technical production employee; "manager" means the supervisor at the level of higher than assistant manager; "non- manager" means engineer and administrative employee.

2024 Number of Classes and Participants

Category	Provided Classes	Participants	Expenses
Internal Training - Synchronous Online Course	227	18,516	882,793
Internal Training - Asynchronous Online Courses	1,132	13,371	24,200
External Training	261	508	524,662
Total	1,620	32,395	1,431,655

◆ **Learning Season-DEI Friendly Workplace Flip & Answer**



4.3.3 Employee Performance Evaluation

The Company has established a goal-oriented performance evaluation system to discover outstanding talents, promote the right talents for the right positions within the organization, and serve as a reference for annual salary adjustments, promotions, performance improvement, salary management and incentives. From January 1 to December 31 of each year, the annual evaluation work will be completed in January of the following year. Supervisors at all levels will evaluate employees based on their performance during their tenure. No unfavorable performance penalties will be imposed due to factors such as employees' years of service, maternity leave, menstrual leave, pregnancy leave, or leave without pay.

Evaluation Criteria

- The overall performance rating consists of 70% achievement of key performance goals and 30% assessment of competency behaviors.

Performance Interview & Communication

- Supervisors conduct performance interview meetings to engage in two-way communication with employees regarding the achievement of annual goals, work attitude and capabilities, key accomplishments, or areas for improvement. The discussion affirms performance results, identifies needed support for improvement, and jointly sets or adjusts goals for the following year.

Application of Evaluation Results

- Employee Development Plan: Based on performance results and organizational competency requirements, the company regularly reviews employee development suitability, builds a talent pool, and enhances talent competitiveness.
- Performance coaching and improvement: According to the annual performance appraisal plan, those with an appraisal result of C should receive follow-up counseling measures and be issued an "Employee Performance (Deficiency) Improvement Interview Record Form". Department heads will interview colleagues and clearly inform them of the deficiencies. Improve work performance through improvement plans to achieve performance goals.

2024 The Number and Percentage of Employees Undergoing Performance Evaluation

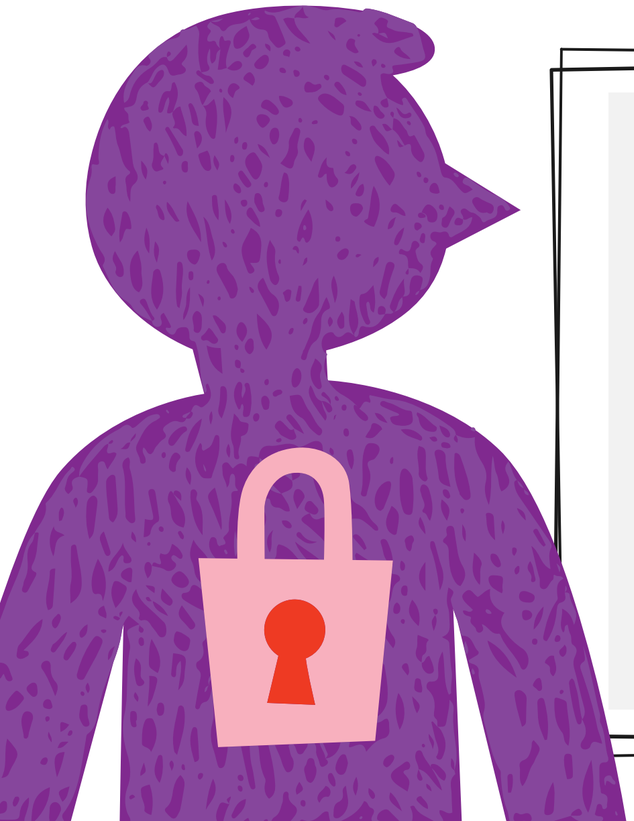
Employee Category	Number of Employees Undergoing Performance Evaluation		Total Number of Employees Undergoing Performance Evaluation	Number of Employees at Year End	Percentage of Employees Undergoing Performance Evaluation (%)	Remark
	Male	Female				
Manager	302	104	406	424	95.75%	
Non-managerial Indirect Labor	1,446	611	2,057	2,144	95.94%	Including engineers and administrative employees
Direct Labor (DL)	642	901	1,543	2,620	58.89%	Including front-line operators and technicians
Total	2,390	1,616	4,006	5,188	77.22%	

Note:
1. Percentage of employees undergoing performance evaluation = total number of the employees undergoing performance evaluation/the total number of existing employees under the category at the end of the year.
2. The employees in the following four categories were not incorporated in the performance evaluation (but in the statistical population): (1) Direct laborers who have taken office less than three months and have not been on service due to unpaid leave in the entire year were not incorporated in the evaluation. (2) Indirect laborers who have taken office less than six months and have not been on service due to unpaid leave in the entire year were not incorporated in the evaluation. (3) Employees under fixed term contracts and foreign blue-collar workers were not incorporated in the evaluation. (4) Supervisors at a level higher than vice president were not incorporated in the evaluation.

4.4 Friendly Working Environment

4.4.1 Human-oriented Friendly Workplace

The mission of Chipbond Technology is to create a life community filled with a sense of "accomplishment" and "well-being", and creation of a human-oriented friendly working environment is critical for the employees to achieve the mission. In the personnel administration, we uphold the principle and attitude of "care and respect" to shape harmonious working atmosphere. Therefore, the Company has formulated the following policy commitments, which have been approved by the Board of Directors and are reviewed and updated regularly. To ensure the effective implementation of our policy commitments, we apply them to all of our company's economic activities and business relationships. We also communicate our commitment to all stakeholders through employee training and supplier codes of conduct, and work together to create a more inclusive and sustainable future. The company strictly abides by government regulations and is committed to safeguarding the basic human rights of employees. It supports and follows internationally recognized basic labor human rights principles, including the "United Nations Guiding Principles on Business and Human Rights", "Declaration of Fundamental Principles and Rights at Work", "Universal Declaration of Human Rights", "Responsible Business Alliance" and other internationally recognized human rights conventions and protection guidelines. the Company has established the "Chipbond Technology Human Rights Policy" and made commitments on issues such as free choice of occupation, youth labor, working hours, wages and benefits, humane treatment, non-discrimination, freedom of association, etc., and formulated personnel rules and regulations and work rules as standards for personnel management.



Chipbond Human Rights Policy

Chipbond is committed to complying with legal norms and protecting and respecting the human rights of its employees in accordance with standards recognized by the international society. Based on the above commitments, the policy is formulated as follows:

- Freely Chosen Employment: The employment relationship with employees is established based on the agreement of both parties, and a labor contract is signed in accordance with the law. The company does not engage in human trafficking or employ any form of slave, forced, bonded or prison labor; it also does not detain employees'identity cards and passports or impose unreasonable movement restrictions. Workers must not be required to pay recruitment-related fees to obtain employment and should be reimbursed to the employee if found to be the case.
- Young Workers: Chipbond does not employ persons under the age of 16 as employees of Chipbond; student workers must protect their rights in accordance with applicable laws and regulations and provide appropriate support and training.
- Working Hours: Employees'working and rest times should comply with government regulations. Weekly working hours should not exceed 60 hours, and employees must work overtime voluntarily.
- Wages and Benefits: Employees'wages and benefits should comply with government laws and regulations. Salaries should be paid in full and on time every month, and wage deductions should not be used as a means of disciplinary punishment.
- Humane Treatment: Harsh and inhumane treatment of employees is strictly prohibited, including any form of harassment, sexual harassment, sexual assault, verbal abuse, physical punishment, mental or physical oppression.
- Non-Discrimination: Chipbond does not tolerate "discrimination" in matters involving employment, remuneration, training, promotion, dismissal, retirement or other matters.
- Freedom of Association: Chipbond respects the legitimate rights and interests of employees to freely associate, join (or not to join) organizational groups and engage in collective consultation, and will not interfere, discriminate, retaliate or harass the employees.



Chipbond Human Right Policy

4.4.2 Human Rights Protection Practices

◆ Human Rights Risk Assessment and Practices

(1) In order to build a people-oriented and friendly workplace, based on Chipbond Technology Human Rights Policy and international human rights norms, we address the following human rights risk issues as shown in the table:

Human Rights Risk Issues	Risk Item Descriptions
Freely Chosen Employment	Employment of involuntary labor
Young Workers	Employment of child labor under the age of 16
Working Hours	Non-compliance with working hour regulations
Wages and Benefits	Non-compliance with wage and benefit regulations
Humane Treatment	Inhumane treatment of employees
Non-Discrimination	Discrimination in recruitment and employment
Freedom of Association	Restriction of employees'freedom of association



(2) Human Rights Due Diligence Process:

Step 1 Identify Human Rights Issues: Design human rights questionnaires and tools based on Chipbond human rights policies and international human rights norms to collect, identify and confirm basic human rights and other related issues.

Step 2 Identify Human Rights Risks: Assess the risk level of various human rights issues through risk assessment tools.

Step 3 Develop Improvement Measures: Based on the risk assessment results, formulate action plans for high-risk issues and track the progress of improvements.

Step 4 Continuous Tracking of Improvements: Evaluation of the effectiveness of corrections and ongoing monitoring.

Step 5 External Communication: Disclose human rights related information on the company website.

(3) Human Rights Risk Assessment and Continuous Improvement

Chipbond conducts annual self-assessments using the Responsible Business Alliance (RBA) Self-Assessment Questionnaire (SAQ), regulatory identification, and ESG internal audits to assess our Company's labor, environmental, and ethical risks. We also conduct relevant audits on our suppliers and intermediaries every year. In addition, we regularly review our human rights control mechanisms and assess the effectiveness of improvements to relevant measures to effectively manage human rights. Based on the above assessment, there is no risk of forced labor among Chipbond's relevant suppliers.

◆ Human Rights-Related Training

In order to help our colleagues better understand the company's sustainable development policies and the principles and practices of human rights issues, our company offers courses such as "Corporate Social Responsibility and Employee Ethics" and "Understanding Diversity, Equity, and Inclusion (DEI)" to new employees and current employees. We hope that through new employee training and refresher training courses, our colleagues will have a deeper understanding of corporate sustainable development and human rights issues, thereby reducing the chances of human rights risks. In 2024, the courses offered by the Company related to human rights issues attracted 6,339 participants, totaling 3,289.5 person-hours.

◆ Workplace Bullying and Sexual Harassment Prevention

(1) To provide a safe and respectful working environment free from bullying and sexual harassment, the Company has established the "Regulations on Prevention and Management of Illegal Invasion during Implementation of Duties", "Employee Work Rules", and "Regulations for Establishing Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace" to explain the prevention methods and penalties.

(2) To effectively prevent sexual harassment, new employees are required to sign a "Written Statement Prohibiting Sexual Harassment and Violence in the Workplace" upon joining the company. Relevant policies are promoted during new employee orientation, monthly and quarterly meetings for foreign employees, and courses on prevention of illegal workplace infringement and sexual harassment, including courses on "Friendly Workplace DNA", "Prevention and Treatment of Sexual Harassment in the Workplace and Response", and "Rejecting Illegal Workplace Infringement". Let colleagues understand the Company's serious stance on handling workplace sexual harassment incidents.

(3) Employees encountering workplace bullying or harassment can report through direct supervisors, HR, a physical complaint box, or the Happy Communication Network. Verified cases are handled with appropriate disciplinary actions based on severity and the relevant regulations.

◆ Achievement of Gender Equity

The Company observers the requirements of the "Labor Standards Act" and the "Act of Gender Equality in Employment" to give female employees menstruation leave, pregnancy checkup leave, maternity leave, and miscarriage leave, adjusts the shift for the pregnant female employees working at the production line on the night shift to protect them from working at night during the pregnancy and after-birth lactation period. The Company also provides many attentive care mechanisms for female employees, such as produces a video promotion explaining the rights of friendly nurturing for pregnant employees, special parking spaces for pregnant employees and conformable breastfeeding room for female employees at each plant. In 2024, the Company offered courses related to gender equality issues with 6,337 participants, a total of 3,283.5 man-hours.


◆ Breastfeeding Room


◆ Breastfeeding Room



◆ Act of Gender Equality in Employment

The Company establishes the "Management Regulations on Leave without Pay". The employee who needs to nourish and bring up a baby may apply for the parental leave without pay before the baby has reached his/her third year of age for a period of no more than 2 years. 49 employees applied for the parental leave without pay in 2024. 52 employees should return to office after expiration of the parental leave without pay in the same year and actually 41 employees returned to their posts with a return rate of 78.85% and a retention rate of 87.23%.

Statistic of Parental Leave without Pay

Items	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Total number of employees qualified to apply for parental leave without pay (Note 1)	227	150	301	202	266	164
Number of employees applying for parental leave without pay (A)	18	44	17	38	20	29
Number of employees who should return from parental leave without pay (B)	11	49	20	41	22	30
Number of employees who actually returned from parental leave without pay (C)	8	30	15	32	20	21

Statistic of Parental Leave without Pay

Items	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Return rate of parental leave without pay (C/B)	72.73%	61.22%	75.00%	78.05%	90.91%	70.00%
Number of employees who actually returned from parental leave without pay (D)	6	31	8	30	15	32
Number of employees who remained in service 12 months after returning from parental leave without pay (E)	5	27	7	26	11	30
Retention rate of employees who remained in service 12 months after returning from parental leave without pay (E/D)	83.33%	87.10%	87.50%	86.67%	73.33%	93.75%

Note 1: The number of employees qualified to apply for maternity leave or paternity leave during the period from 2021 to 2024.

◆ Caring for Foreign Colleagues

Chipbond attaches great importance to the work rights and living care of foreign colleagues, so it has formulated a diversity and inclusion policy and religious management methods, with respect for individuals, diversity and equality as the core, to provide an environment for the balanced development of the physical, mental and spiritual aspects of colleagues. Create an environment of respect and equality. Let working partners who work in a foreign land also receive adequate care and support, and recognize their efforts and contributions.

(1) Seniority incentives, bonuses and recognition videos, and nominations for government model migrant worker awards


◆ Seniority Recognition Video


◆ Model Migrant Worker Award


◆ Seniority Certificate Presentation

(2) Dormitory Management

- In 2024, Kaohsiung dormitories were fully upgraded to suite-style to provide better accommodation quality.
- Daily monitoring of dormitory management and compilation of daily reports to ensure information connectivity.
- Monthly dormitory audits and management meetings held to enhance residents' living quality.
- Regular fire drills conducted in residents'native languages to strengthen awareness of fire prevention, emergency response, and evacuation procedures.
- Regular dormitory cleaning and disinfection, water quality testing, and setup of quarantine rooms to comprehensively improve environmental, safety, and hygiene standards.


◆ Kaohsiung Dormitory Upgrade



◆ Dormitory Audit



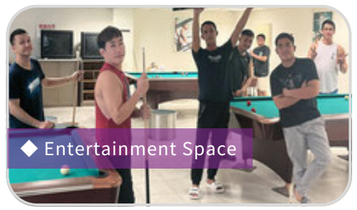
◆ Fire Escape Drill

(3) Health Care

- Health Management: Provide care and medical assistance if employees feel unwell, and track their physical conditions through daily reports.
- Care for Special Health Conditions: Special medical conditions, urgery, medical care and daily assistance, providing care, support and encouragement.

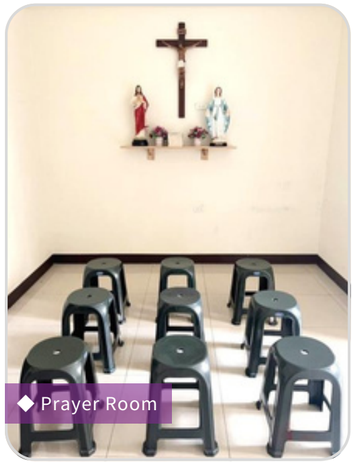
(4) Work-life balance

- Actively interview foreign colleagues every month to understand the physical and mental conditions in Taiwan and provide assistance.
- Prayer Room: Provided for colleagues to pray or calm their souls.
- Employee Travel: Annual employee travel to explore Taiwan's scenic spots.
- Interesting Competition Activities: walking, sports events, etc.
- Dormitory Activities: Christmas activities, ball games, festivals and cultural activities to balance the body and mind.
- Build diverse facilities such as convenience stores, entertainment spaces and restaurants.


◆ Entertainment Space



◆ Convenience Store


◆ Prayer Room


◆ 2024 Foreign Employee travel


◆ Festive Cultural Activities


◆ Festive Cultural Activities

(5) Foreign Colleagues Catering Committee

In order to implement communication and response with stakeholders on food-related issues, with the purpose of respecting employees'dietary cultures while ensuring food safety oversight, Chipbond established the Foreign Colleagues Catering Committee in 2023. The committee comprises elected foreign employee representatives, catering vendors, and company-appointed representatives from manufacturing, EHS, HR, and dormitory teams. Foreign representatives directly gather feedback and suggestions from fellow foreign employees to help improve meal services. Through regular meetings, central kitchen audits, and meal satisfaction surveys, the committee aims to enhance catering quality and increase satisfaction among foreign employees.



◆ Catering Committee


◆ Central Kitchen Audit



◆ AI-Powered Catering Committee

(6) Opinion exchange channel for foreign colleagues

The Company continues to improve communication channels for foreign colleagues and build an effective two-way communication mechanism. At work, the "Employee Opinion/Complaint Mailbox" and "Happy Communication Network" can be used as channels for communication and grievances. In addition, quarterly meetings for foreign colleagues are held every quarter, hosted by HR personally, to dialogue with foreign colleagues and conduct effective two-way communication to improve group meals and living quality. A total of 27 levels will be held in 2024; in addition, the 24-hour HRcareU electronic Mailboxes, Chipbond APP, Facebook groups, and dormitory suggestion boxes enable two-way communication with foreign colleagues at zero distance and zero time difference. Colleagues'opinions are handed over to the responsible unit for assistance, and corresponding practices and results are communicated with colleagues.


◆ Dormitory Seasonal Meeting



◆ Facebook Group for Foreign Employees

◆ Building Smooth Communication Channels

(1) Labor-management meeting

The Company knows that only transparent and bilateral communication channels can promote labormanagement harmony and create a win-win situation for the employer and employee. Hence, the Company values the opinion of every employee. To realize the human-oriented management philosophy and ensure continuity of the labor-management relations on the basis of care, respect, equity, and reasonableness, the Company established the "Implementation Measures of the Chipbond Technology Labor Conference" and holds labor-management meeting on a regular basis pursuant to laws to understand the demands and expectations of the employees to the work condition, system, environment, and welfare. The labormanagement meeting members are the representatives of the labor and capital. All the employees have the right to be elected as the representatives of the labor at the plant where they work without consideration of the gender, nationality, direct or indirect labor, etc. Employees and their representatives can raise the issues of interest among the employees without the concern about discrimination, revenge, threat, or harassment. Both the labor and capital understand mutual demands and considerations through adequate communication and discussion to find out final improvement solutions or agreements.

After the labor-management meeting is completed, the minutes are publicly disclosed on the portal for the employees, physical bulletin board at the plant, and employee rights and Q&A platforms. Relevant information is communicated to the employees smoothly so that all the employees can understand the discussion result of the proposals. The statistics of the agreements and results at the labor-management meeting in 2024 are listed below.

2024 Statistics of Agreements at the Labor-Management Meeting

Agreement Category	Proposals	Responded/Resolved Cases	Resolution Achievement Rate
Human Resources and Welfare Committee	8	8	100%
Plant Affairs and Safety & Health	23	23	
General Affairs and Others	42	42	
Extempore Motion	0	0	
Total	73	73	

(2) Establishing an Employee Rights and Q&A Platform

The platform enables accurate communication and exchange of information between the Company and colleagues. The information provided includes: the latest rights and interests news, employee insurance, leave and overtime, employee stock ownership, various subsidy inquiries, important rights and interests promotion, AI chat robot functions, etc., so that colleagues can obtain personal rights and interests information in real time 24 hours a day throughout the year.



(3) Employee opinion and complaint mailbox

In order to enhance communication and mutual understanding between labor and management, the company has set up physical mailboxes, online platforms, e-mails and telephones as channels for communication and complaints. If it is a general opinion reflection and complaint, it will be understood and responded to in accordance with the "Employee Opinion Complaint Management Measures"; if it is a sexual harassment incident, it will be handled in accordance with the "Chipbond Technology Sexual Harassment Prevention and Control Measures Complaint and Punishment Measures"; if it is an illegal infringement incident in the workplace, it will be handled in accordance with the "Prevention and Management Standards for Illegal Infringement in the Performance of Duties".

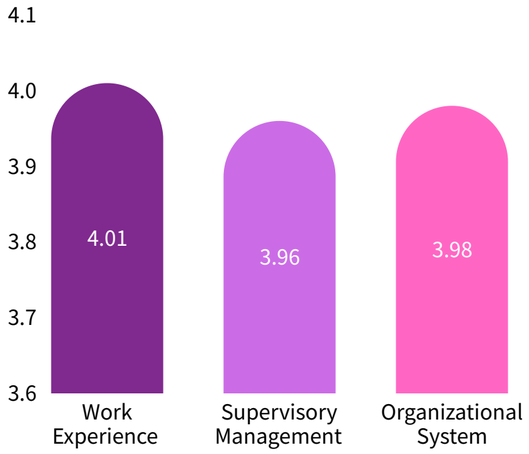
Employees are free to submit suggestions or raise concerns either with their name or anonymously. They may also file complaints regarding any inappropriate incidents. Upon receiving feedback, the responsible unit conducts investigations and handles the matter accordingly. Depending on the nature of the case, an appeal handling committee may be convened, or cross-departmental supervisors may be invited to discuss and make a resolution. Each case is processed within a specified time frame, and the outcome is communicated to the complainant. Based on the case nature, HR publishes the result on the "Employee Rights and Q&A Platform" in a bilingual format for transparency and ease of understanding. The Company guarantees that no employee will be subjected to unfair treatment as a result of filing a complaint.

The statistics of employee opinions and complaints in 2024 are as follows (including 1 discrimination case, which was handled in accordance with the "Regulations on the Prevention and Management of Unlawful Infringements in the Performance of Duties"):

Employee Opinion/Complaint Mailbox Statistics in 2024				
Complaint Category	Labor Right	Environment and Occupational Safety	Ethics Violation	Others
Complaint Cases	28	0	0	0
Confirmed Cases	28	0	0	0
Settled Cases	28	0	0	0

(4) Employee Satisfaction Survey

At the end of the year, we conducted an employee satisfaction survey for 2024 to understand employees' work/supervisory management/organizational system evaluations and collect employee feedback as a guideline for continuous improvement to enhance employees' identification and sense of belonging to the company, thereby stabilizing manpower and retaining outstanding talents.





Note: Rated on a five-point Likert scale

4.5 Occupational Health and Safety

To realize its mission and goal of "Creating a community of shared future filled with both a sense of accomplishment and happiness", Chipbond Technology constantly seeks to provide colleagues with a healthy and safe working environment. In addition to complying with relevant laws and regulations, it also formulates "Environmental Safety and Energy Policy" and establishes an occupational safety and health management system to prevent occupational injuries and maintain the health and safety of all workers in the workplace.

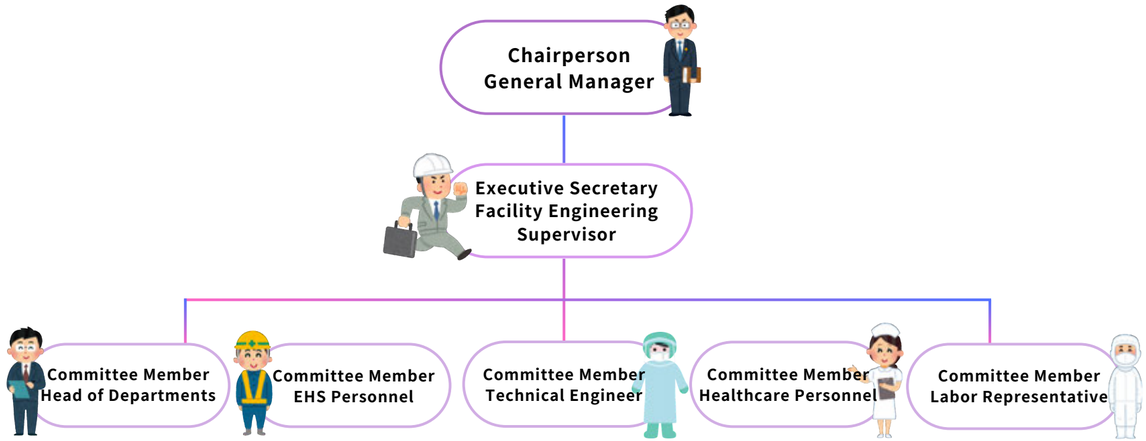
◆ ESH & Energy Policy

4.5.1 Occupational Safety and Health Management System

The Company places great importance on the occupational health and safety of all employees and non-employee workers within its facility boundaries. All six sites in Taiwan (Lihsin, Zhanye, Yanfa, Nanliu, Nanyi, and Kuangfu) have implemented the ISO 45001 Occupational Health and Safety Management System and obtained third-party certification from SGS. In 2024, recertification was conducted to ensure continued effectiveness. Additionally, the Lihsin, Zhanye, and Kuangfu sites have also received third-party certification for the CNS 45001 Taiwan Occupational Health and Safety Management System. Chipbond's OHS management system covers 100% of routine and non-routine operations performed by all employees and non-employee workers at each site.







◆ Occupational Safety, Health and Environmental Management Committee

Chipbond Technology follows the "Occupational Safety and Health Act" and the "Occupational Safety and Health Management Regulations" and has established a safety and health office to coordinate occupational safety and health management related businesses. In order to effectively implement occupational safety and health policies, the company has established an "Occupational Safety and Health and Environmental Management Committee" (abbreviated as the Environmental Safety and Health Committee) in each plant area. Regular meetings are held every quarter, and the general manager serves as the chairman and personally presides over the meeting. The labor representatives are employees nominated and elected by the labor-management meeting. The number of labor representatives in the Environmental Safety and Health Committee of each plant area reaches more than 1/3 of the statutory proportion.

2024 Environmental Safety and Health Committee

Plant / Item	Lihsin	Zhanye	Yanfa	Kuangfu	Nanliu (Including Nanyi)
Committee Members	9	15	8	13	15
Number of labor representatives	3	5	3	5	5
Proportion of labor representatives	33%	33%	38%	38%	33%

Note: The number of committee members is based on data from the fourth quarter of 2024.

During the meeting, committee members represented all employees and management to discuss topics such as occupational safety and health management plans, safety and health education and training, work environment monitoring, health management, automatic inspections and safety and health audits, hazard prevention measures, occupational accident investigations, and contract management, and continuously improved the problems found. The total number of improvement proposals in 2024 was 85, including 50 for work environment improvement and 35 for other industrial safety and environmental protection, with an improvement completion rate of 100%. In addition, an environmental safety and health management review meeting is held annually to review the effectiveness, applicability and sustainability of the environmental safety and health management system.

In 2024, the number of improvement proposals reached 85 Improvement completion rate: 100%

Proposal Category	Number of Proposals
Working Environment Improvement	50
Other Industrial Safety and Environmental Protection	35
Total	85

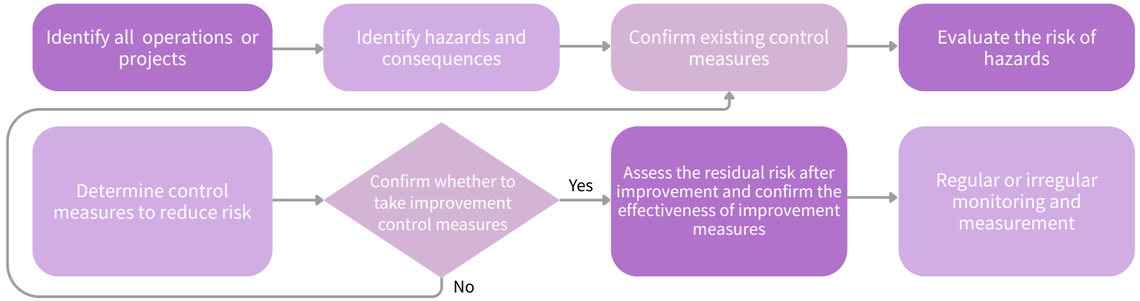
According to Chipbond Technology's environmental safety consultation and communication management procedures, workers and worker representatives at all levels of the company can consult and participate in occupational safety and health management related issues through relevant communication channels such as the Environmental Safety and Health Management Committee, labor-management meetings, welfare committees, proposal improvements, formal or informal meetings, telephone, e-mail, employee opinion mailboxes, etc. All employees can view the Company's electronic bulletin board to communicate or convey relevant occupational safety and health laws and regulations, or use e-mails and education and training to promote safety and health information.

Regarding communication and promotion with external stakeholders, relevant stakeholders can report their opinions on occupational safety and health through official documents or letters, telephone, e-mail and the security office, which will record and handle the follow-up, and then reply to the external stakeholders on the handling situation. Various communication channels (meetings, agreement organizations, promotion meetings, emails, telephone calls, etc.) can also be used to promote the Company's safety, health and environmental policies to customers, contractors, suppliers and stakeholders to prevent and reduce negative impacts on occupational safety and health.

4.5.2 Prevention and Handling of Occupational Injury

Chipbond Technology follows the management cycle of P (Plan), D (Do), C (Check), and A (Action) to systematically plan and construct various operational control measures to establish a safe and healthy working environment. We actively promote occupational hazard prevention, health management, health promotion and other internal and external activities as well as regular education, training and promotion to enhance factory safety and employee risk management awareness and achieve the goal of protecting company assets.

To ensure the safety of the working environment, the Company has established an "ESH Change Management Procedure" and uses the "Environmental Safety Management Impact Consideration and Risk Identification Assessment Form" to conduct hazard identification and risk assessment processes. Then, corresponding to the risk level matrix table, medium and high risk projects are identified and included in the feasibility assessment of the goals/targets. The annual improvement goals are determined based on the "relevance" and "feasibility" assessments. In 2024, a total of 25 management plans were included in the improvement tracking, such as: improving the recognition of emergency personnel, reducing the risk of machine operation hazards, etc. According to statistics, by the end of 2024, 22 management plans had been improved and 3 had been cancelled. After the improvements are completed, the safety personnel will conduct safety observations during work and confirm again that the risk level has been reduced to an acceptable risk level. In addition to routine risk assessments, risk identification should be conducted at any time when there are changes in any link within the plant, including personnel, machines, materials, methods, and environment, and included in the environmental safety assessment improvement plan when necessary.



In terms of building facility safety, Chipbond Technology regularly performs building public safety inspection and fire safety equipment maintenance declaration operations in accordance with the "Building Law" and "Fire Protection Law" to ensure that the fire refuge equipment, lifting equipment, lightning protection equipment, emergency power supply system and fire safety equipment in the building... and other facilities are operating normally.

In addition, Chipbond Technology encourages employees to pay attention to the safety conditions around them when working. In accordance with Article 39 of the "Occupational Safety and Health Act", when colleagues find that they are suspected of suffering from occupational diseases or physical or mental harm or other unreasonable circumstances, or the company has violated the Occupational Safety and Health Act and relevant safety and health regulations and other potential hazard factors, you can complain to the labor inspection agency or make improvement suggestions to improve workplace safety by notifying supervisors, employee opinions/grievance mailboxes, submitting improvement cases, etc. The company will not treat colleagues Any adverse consequences resulting from the foregoing conduct.

◆ Labor Working Environment Monitoring

Chipbond Technology complies with the "Labor Operation Environment Monitoring Implementation Measures" and regularly appoints qualified industrial and mining sanitation technicians to perform labor operation environment monitoring every six months to understand the actual working environment of employees in the factory and evaluate their exposure status. Special items are also arranged during the annual health checkup to reduce the probability of occupational diseases.

Before monitoring, safety and health personnel convened the workplace manager, workplace operation supervisor, labor representative and industrial and mining sanitation technician to form a monitoring and evaluation team to develop a monitoring plan, conduct hazard identification analysis and plan sampling strategies based on the hazard characteristics of the working environment. The results of the work environment monitoring are announced on the electronic bulletin board for colleagues in the plant to review, and the safety and health personnel will subsequently carry out relevant chemical classification management operations based on the test results.

Monitoring Item	Lihsin Plant	Zhanye Plant	Yanfa Plant	Kuangfu Plant	Nanliu Plant	Nanyi Plant
Carbon Dioxide	○	○	○	○	○	○
Illuminance	○	○	○	○	○	○
Noise (personal)	○	○	○	○	○	○
Organic Solvents	○	○	○	○	○	○
Specific Chemical Substances	○	○	○	○	○	○
Dust	--	--	--	--	○	--

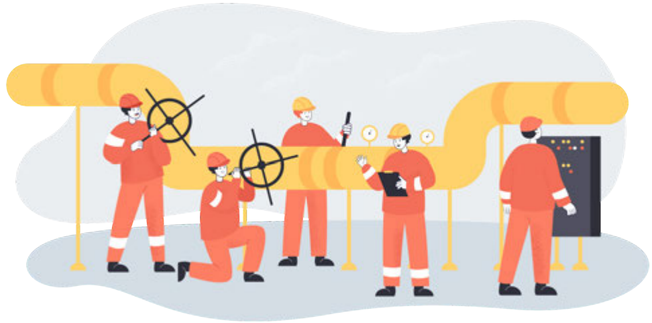
Note: ○ indicates "Compliant with standard" ; -- indicates "Not required to test

◆ Chemical Management

Chipbond Technology has set up management regulations for chemicals used in its plants. From purchase, storage, use to disposal, all must follow clear standard procedures. Safety Data Sheets (SDS) in Chinese and English are available in the aforementioned operation areas so that colleagues can have a full understanding of the characteristics and hazards of chemicals before contacting them at each operation stage. For workers working with harmful substances such as organic solvents, specific chemicals, or ionizing radiation, appropriate personal protective equipment is provided, and the fit of respiratory protective equipment is tested annually to ensure its normal use.

◆ Workplace Safety Inspection

Safety and health personnel regularly conduct safety and health inspections, implement safety and health management, and proactively identify unsafe and unhygienic factors. The audit scope includes all employees and non-employee workers.



Safety and Health Audit Operations	
Inspection operations by the person in charge of the occupational safety and health	Weekly
Key audits of Cross-factory safety and health	Monthly audits
Internal audit of occupational safety and health management system	October to December every year

◆ Emergency Response Plan and Management

According to Article 18 of the Occupational Safety and Health Act, when laborers discover there is a concern of a threat of imminent danger while executing their duties, under conditions in which the safety of other workers is not jeopardized, they may terminate work on their own accord and withdraw to safe locations. The company will not take any adverse action against its colleagues. Therefore, to improve the response capability of the employees when facing any emergency incidents, the Company sets up an emergency operation center equipped with various devices such as gas and chemicals leakage detection system, fire alarm system, and monitoring system. Relevant personnel can understand the circumstances and take actions immediately when an accident occurs. The Company also has an emergency response team. When a disaster occurs, it conducts disaster rescue according to the operating procedures of the "Emergency Response Plan Management Procedure". Each plant conducts emergency response training for first-level response personnel (departments), second-level response personnel (plants), chemical leaks and concerns/toxic chemical accidents every year to ensure that all disaster relief links can be smoothly executed when a disaster occurs.

In addition, Chipbond Technology follows the "Fire Protection Law Enforcement Rules" and "Emergency Response Plan Management Procedures" and conducts evacuation drills for office and clean room personnel in each factory every year to ensure that colleagues in the factory can be evacuated to a safe assembly point in the shortest possible time when a disaster occurs, avoiding being affected when the disaster expands.

Drill Items	Batch	Participant
Level-1 Emergency Responder Training	26	808
Level-2 Emergency Responder Training	17	1,354
Chemical Emergency Response Training	19	341
Concerned/Toxic Chemical Response Training	3	78
Office Personnel Evacuation Drill	6	1,342
Cleanroom Personnel Evacuation Drill	27	2,827

Note: Target participants for the Concerned/Toxic Chemical Response Training include operational and material handling personnel.



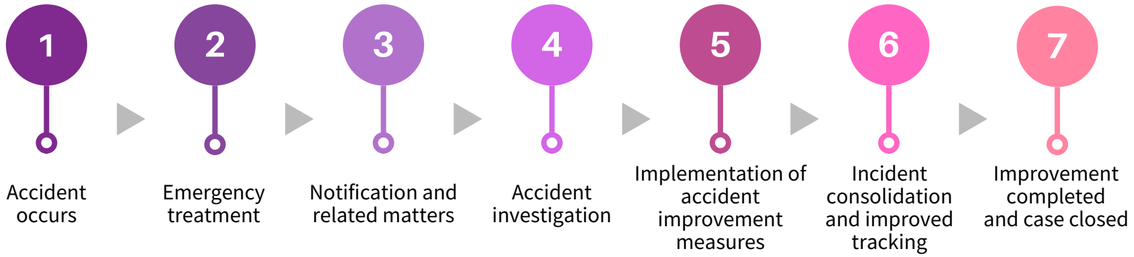
◆ Nighttime Cleanroom Evacuation Drill



◆ Chemical Spill Dril

◆ Accident Response Procedure

A "24-hour occupational accident reporting hotline" is set up at each plant. It provides a channel for the employee who is injured during the work, does not feel well and needs medical service, or sustains a traffic accident to seek for help immediately. If an unfortunate accident occurs in the workplace, our company will initiate emergency response and notification procedures. Subsequently, an accident investigation will be conducted to determine the cause of the incident. Based on the findings, appropriate improvement measures will be formulated and implemented to prevent the recurrence of similar accidents. Once the above procedures are completed, an accident investigation report will be compiled, and the progress of the implemented improvements will be monitored. The illustration of the process is provided as below.



◆ Occupational Safety Education and Awareness Training

The educational training of ESH is the basis for implementation of the safety and health management system. The Company plans the training depending on the characteristics of the hazards at each plant and arranges personnel to investigate work related safety and health knowledge and technique, such as safety and health education and training, emergency Rescue team training, firefighting and evacuation drills, hazardous operations, dangerous machinery, first aid personnel training, civil defense corps annual training, traffic training courses, etc. Hoping to cultivate safety culture and concept among the employees and reduce the occurrence rate of accidents brought about by unsafe acts. In 2024, the Company conducted occupational safety and health-related training courses, with a total of 6,091 participants. The detailed course names and headcount statistics are explained in the table below.

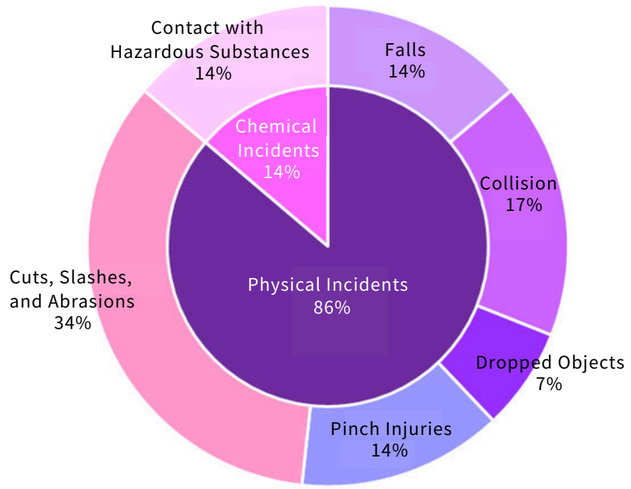
Training Categories	Participant	Hours
General Safety and Health Training	1,712	4,670
Hazardous Chemicals Awareness Training	3,650	8,298
Professional Certification Initial Training Note1	4	72
Professional Certification Refresher Training Note2	170	583
Occupational Safety and Health Management System Training	109	654
Health Management and Occupational Disease Related Training	20	95
Other Safety and Health Training (Internal) Note3	390	897
Other Safety and Health Training (External) Note4	36	146

Annotations:
- Note 1: Fire prevention managers, forklift operators
- Note 2: Occupational safety personnel, organic solvent handlers, specific chemical substance handlers, first-aid personnel, forklift operators, fire prevention managers, etc.
- Note 3: Traffic seminars, civil defense groups, e-learning courses, etc.
- Note 4: Regulatory authority briefings, practical seminars, legal briefing sessions, etc.

4.5.3 Statistics of Occupational Injuries

In 2024, Chipbond Technology reported statistics on occupational injuries Note 1 and occupational diseases. Note 2 The Company's Frequency-Severity Indicator (FSI) for the year was 0.04, significantly lower than the average of 0.16 for the electronic components manufacturing industry (Source: Occupational Safety and Health Administration, Ministry of Labor, 2020–2022). There were zero fatalities among both employees and non-employee workers due to occupational injuries. The company recorded five disabling injuries among employees and zero disabling injuries among non-employee workers. No occupational disease cases were reported in 2024. In addition, no fire incidents occurred at Chipbond facilities during the year.

To cultivate a strong safety culture and ensure a safe working environment for employees, Chipbond conducted root cause analyses for all occupational injury cases, developed corrective action plans, and regularly reviewed statistical data to identify departments and injury types with higher incident rates. Cases that were more severe or recurring were designated as key focus areas for future occupational safety and health education and awareness campaigns. In 2024, Chipbond recorded two cases of serious occupational injuries. One involved a fall incident, Note 3 where an employee suffered a right-hand fracture due to the use of inappropriate tools and loss of balance while inspecting equipment. In response, the company revised maintenance records and related SOPs, and conducted case-based training along with guidance on the proper selection and use of personal protective equipment. The other case involved an entanglement injury that occurred when an employee attempted to inspect malfunctioning equipment without shutting off the power, resulting in a finger injury. The Company responded by reviewing work procedures, providing training and awareness on the case, and reassessing the hazard labeling methods and number of warning signs for machine entanglement points. Other recordable occupational injuries primarily included Note 4 cuts, lacerations, abrasions, and impact-related incidents, which together accounted for approximately 51% of the total. To mitigate these types of injuries, the Company will continue providing OSH education and training for on-site employees, and reinforce improvements through routine safety inspections and awareness campaigns, with the goal of reducing the occurrence of occupational injuries.



▲ Occupational Injury Type Statistics

illustrate:
- Note 1: Occupational injury statistics are limited to official duties performed within the factory and do not include traffic accidents on the way to and from get off work.
- Note 2: Cases that have been identified as such by the “Implementation Measures for Occupational Disease Identification under Labor Occupational Accident Insurance”.
- Note 3: Severe occupational injuries are occupational hazards as defined in Article 37, Paragraph 2, Items 2 to 4 of the Occupational Safety and Health Act.
- Note 4: Recordable occupational injuries are injury cases reported to the safety and health unit (including cases without lost days).

Statistics of Occupational Injuries and Occupational Diseases

Items		2022	2023	2024
Chipbond's Employee	Total Number of Hours Worked	11,328,968	10,429,600	10,336,584
	Number of Fatalities as a result of Work-Related Injury	0	0	0
	Rate of Fatalities as a result of Work-Related Injury	0	0	0
	Number of high-consequence Work-Related Injuries	0	1	2
	Rate of high-consequence Work-Related Injuries	0	0.1	0.19
	Number of RecordableWork-Related Injuries	21	21	29
	Rate of Recordable Work-Related Injuries	1.85	2.01	2.81
	Total Count of Disabling Injuries	0	1	5
	Total Number of Lost Workdays Due to Disabling Injuries	0	201	45
	Disabling Injury Frequency Rate (FR)	0	0.09	0.48
	Disabling Injury Severity Rate (SR)	0	19	4
	Frequency-Severity Indicator (FSI)	0	0.04	0.04
	Annual Incidence Rate per 1,000 Employees	0	0.18	0.97

Statistics of Occupational Injuries and Occupational Diseases

Items		2022	2023	2024
Non-Employee Workers	Total Number of Hours Worked	403,104	374,032	406,000
	Number of Fatalities as a result of Work-Related Injury	0	0	0
	Rate of Fatalities as a result of Work-Related Injury	0	0	0
	Number of high-consequence Work-Related Injuries	0	0	0
	Rate of high-consequence Work-Related Injuries	0	0	0
	Number of RecordableWork-Related Injuries	0	0	0
	Rate of Recordable Work-Related Injuries	0	0	0
	Total Count of Disabling Injuries	0	0	0
	Total Number of Lost Workdays Due to Disabling Injuries	0	0	0
	Disabling Injury Frequency Rate (FR)	0	0	0
	Disabling Injury Severity Rate (SR)	0	0	0
	Frequency-Severity Indicator (FSI)	0	0	0
	Annual Incidence Rate per 1,000 Employees	0	0	0

Note:

1. Occupational injury statistics are limited to the scope of official duties performed within the factory and do not include traffic accidents on the way to and from get off work
2. The rate of high-consequence work-related injuries = the number of high-consequence work-related injuries × 10^6 ÷ total number of hours worked.
3. The rate of of recordable work-related injuries = the number of of recordable work-related injuries × 10^6 ÷ total number of hours worked.
4. Total Count of Disabling Injuries is calculated from the monthly occupational hazard statistics of the Occupational Safety and Health Administration of the Ministry of Labor, which includes serious occupational injuries.
5. Disabling injury frequency rate (FR) = total Count of Disabling Injuries × 10^6 ÷ total number of hours worked (rounded to two decimal places and discarded after the third decimal place).
6. Disability injury severity rate (SR) = total number of workdays lost due to disabling injuries × 106 ÷ total number of hours worked (rounded to the nearest integer and discarded after the decimal point).
7. Frequency-Severity Indicator (FSI) = $\sqrt{}$[(FR×SR) ÷ 1000] (rounded to two decimal places and discarded after the third decimal place).
8. Annual Incidence Rate per 1,000 Employees = total count of disabling injuries / average number of workers per year * 1000.
9. Total working hours of Chipbond employees = number of employees counted by the human resources department × working days × 8 hours.
10. Total number of hours worked of non-employee workers = number of labor contractors counted by the human resources department × working days × 8 hours.
11. Total number of hours worked information of non-employee engineering contractors is yet to be established.

Injury Type/Number of Cases	2022	2023	2024
Fall from height, Rolling fall	0	0	0
Falls	8	5	4
Collision	1	0	5
Dropped Objects	0	0	2
Struck by object	3	5	0
Pinch Injuries	3	2	4
Cuts, Slashes, and Abrasions	3	2	10
Exposure to extreme temperatures (high/low)	0	2	0
Contact with Hazardous Substances	3	2	4
Improper Movement	0	1	0
Others	0	2	0
Total	21	21	29

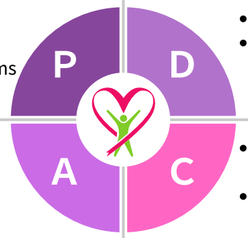
4.5.4 Achievement of Healthy Workplace

Healthy body and mind are the basis for the sense of well-being. The Company actively builds a healthy workplace, formulates various health management plans and plans health promotion activities every year, hoping to integrate the concepts of health and preventive health care into the daily lives of colleagues. All the plants in Taiwan have passed the "Badge of Accredited Healthy Workplace" certification of the Health Promotion Administration, Ministry of Health and Welfare, and acquired the health promotion badge.



- Regularly review the Occupational Safety and Health (OSH) policy
- Establish the annual OSH management plan
- Formulate the annual employee health service plan
- Develop five major health prevention programs in accordance with regulations
- Select designated hospitals and executive health checkup packages for the year
- Plan various health promotion seminars and activities
- Plan annual OSH on-the-job training programs

- Conduct surveys and case collection for the five major health prevention programs
- Organize pre-employment physical exams, annual health checkups, and executive medical examinations
- Hold health seminars and wellness promotion activities
- Convene the Occupational Safety and Health Committee quarterly
- Implement OSH on-the-job training programs
- Implement employee assistance programs



- Review the effectiveness of the employee health service plan implementation
- Analyze and compile statistics on abnormal findings in health examination reports
- Evaluate and improve the planning of health promotion activities
- Continuously enhance health management programs and employee health protection measures
- Review performance through quarterly EHS (Environment, Health and Safety) management committee meetings
- Conduct annual management review meetings to assess overall performance

- Analyze the survey results of the five major health prevention programs and conduct follow-up interviews
- Implement a tiered management system for abnormal health checkup results, arrange on-site physician consultations, and conduct follow-up and care for abnormal cases
- Analyze abnormal health checkup results and propose improvement recommendations
- Analyze and evaluate the effectiveness and satisfaction levels of various health promotion programs
- Compile execution and achievement rates of health management activities
- Track the implementation status of OSH education and training programs

1. Health Management

Chipbond Technology has established medical rooms at all its plant locations, staffed by professional healthcare personnel who provide a range of health services. The Company has implemented an employee health management system, allowing employees to access their historical health check records, information about medical institutions, health-related educational materials, and online health consultations through the system. Employees can also schedule executive health checkups, arrange on-site physician consultations, register for company health promotion activities, and apply for Employee Assistance Program (EAP) services. Additionally, each employee is entitled to one free annual health checkup. If abnormalities are detected, a tiered management and follow-up health management process is initiated. The company also implements five major health prevention programs, including prevention of diseases triggered by abnormal workloads, human factor hazard management, workplace maternal health protection, prevention of unlawful harm, and health management for middle-aged and older employees, ensuring comprehensive health care for all employees.

Plant						
Headcount	Lihsin	Zhanye	Yanfa	Kuangfu	Nanliu	Nanyi
Employed healthcare personnel	1	2	-	2	1	1
Contracted healthcare personnel	-	-	1	-	-	-

◆ Employee physical examination

Chipbond Technology provides free annual health checkups for both domestic and foreign employees. In 2024, a total of 16 sessions were held, with 3,581 employees participating. In addition to the Company's annual health examinations, foreign employees are required by regulations to undergo periodic health checks arranged by the Immigration Agency at the 6th, 18th, and 30th months after entry. Moreover, special health checkups are conducted annually for employees engaged in particularly hazardous work; in 2024, 534 examinations were completed. Among these, 6 employees were classified as level 3 in risk management, but after evaluation by occupational medicine specialists, all six were reclassified to level 2, with no work-related health issues identified.

◆ Prevention management of overwork-triggered diseases

To protect employees from overwork-triggers diseases, the medical personnel of the Company analyze the annual physical examination data of the employees who have potential overload risk. They calculate the Value at Risk (VaR) of cardiovascular diseases and conduct comprehensive assessment and risk classification based on the "overwork" and "working-hour risk" to find out the high-risk group of overwork-triggered diseases and arrange the employees meeting the standard to take on-site health advice. In 2024, 2,637 employees underwent the abnormal overwork investigation. 21 employees of the high- risk group conducted an interview with the doctor and received guidance. The medical room provides health promotion activities and information for the rest 2,616 employees on a regular basis.

◆ Ergonomic hazard prevention management

To ensure work safety and healthy body and mind of the employees and protect them from musculoskeletal injuries or diseases due to inappropriate posture and excessive application of force during execution of repeated work, the medical personnel of the Company find out the employees who may have the potential risk of musculoskeletal injuries or diseases, and the workstations or operations that may bring about these injuries or disease every year through a questionnaire survey using the "Nordic Musculoskeletal Questionnaire" (NMQ), employee physical examination, and attendance records. They make assessment and analyze operation processes, contents and actions to confirm hazardous factors, make ergonomic engineering improvement, and assess the effectiveness. In 2024, a questionnaire surveyed 3,904 employees. 78 employees who were considered high risk met with the doctor and received guidance. The medical room provides health promotion activities and information for the remaining 3,826 employees on a regular basis.

◆ Maternity health protection actions at the workplace

The Company performs management based on the level of risk in the work area to protect female employees from being exposed to the workplace hazardous to the health during the maternal health protection period. The employees shall undergo health risk assessment during the maternal health protection period. If the environment and operation at the workplace may be harmful to the maternal health, a professional doctor shall be arranged to make job congruence assessment and appropriate hazard control actions shall be taken in accordance with the suggestions of the doctor to protect the health of the female employees. In 2024, a total of 40 employees were identified as maternal health protection groups in the workplace, 1 of whom belonged to the second-level management (personal health problem) , and the remaining 39 people all belonged to the first-level management without special problems.

◆ Illegal infringement prevention and management

In light of the negative impact that workplace misconduct can have on the overall organization and with a strong commitment to employee welfare, Chipbond Technology has implemented measures to promote the physical and mental well-being of employees. The Company is dedicated to fostering a workplace environment that ensures dignified labor and safety, safeguarding the rights of all workers. Chipbond explicitly prohibits any form of physical, verbal, psychological violence, and sexual harassment. The company provides employees with complaint channels and platforms to report incidents of unlawful conduct encountered during their duties. Upon receipt of a complaint, fair, appropriate, and reasonable actions are promptly taken. In 2024, two reports were received; relevant investigations and dispositions were conducted, and the cases have been closed.

◆ Middle-aged and Older Employee Health Management

The Company provides health care and support for middle-aged and older employees. For high-risk individuals aged 45 and above—those with a level 3 or higher abnormal classification in physical health checkups, high cardiovascular disease risk, musculoskeletal symptom scores of 3 or above, or chronic conditions—an on-site physician conducts a "Work Fitness Assessment" and offers relevant recommendations for supervisors'consideration. In 2024, a total of 413 employees underwent the work fitness assessment, and none required job modifications; all were deemed fit to continue their original duties.

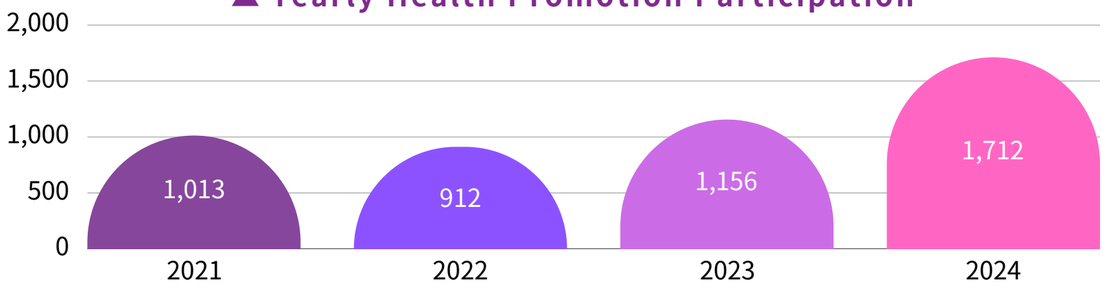
◆ Promotion of health

To promote the health of the employees, the Company plans suitable health promotion activities based on the physical examination results of the employees, such as health lectures, reduction of weight, blood donation, health advice, and various paid examinations, to help employees maintain their personal health to the best status. In 2024, 1,712 employees participated in the health promotion activities and lectures organized by the Company. 59 employees participated in the weight reduction activity and reduced the weight by 130.1 kg in total. 220 employees supported the blood donation activity and donated 333 bags of blood. In addition, it provided monthly doctor on-site consultation services for 1,774 participants.

Achievements of Health Promotion Activities in 2024

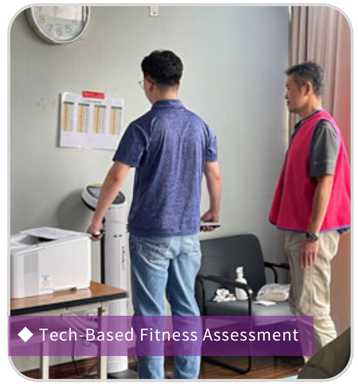
Items	Description	Head Count
Physical Examination	Annual physical examination	3,581
Health Advice	On-site advisory service	1,774
Health Management	Blood donation, influenza vaccine injection, abdominal ultrasound examination, female ultrasound examination, screening for cancers	669
Health Education	Cardiovascular Disease Prevention, Skin Care, Child Development Hazard Awareness, CPR and AED Training, Nutrition Seminars, Stress Relief and Coping Strategies, Hands-On Stress Relief Activities, Eye Care Lectures, Prevention of Sarcopenia in Middle-Aged and Older Adults, Proper Posture and Positioning for Office Workers, Communication Skills for Conflict Resolution.	796
Promotion of Health	2024 Weight reduction contest, Physical Fitness Test, Vitality Aerobics	247
	Total	7,067

▲ Yearly Health Promotion Participation




◆ Pastel Harmony Stress Relief Course


◆ Exercise Courses


◆ Tech-Based Fitness Assessment

2. First-aid Equipment (AED)

The heart disease was ranked the second among the first ten causes of death announced by the Ministry of Health and Welfare in recent years. As the literature indicated, for the cardiac arrest resulting from sudden arrhythmia, the success rate of first aid is up to 90% if defibrillation is applied within one minute. AED (Automatic External Defibrillator) provides this function. It can detect the heart rate and pulsation of the patient automatically and apply defibrillation to restore the heart to its normal beat. Being light, easy to use, and delivered with an attached graphic and voice operation guide, the equipment is helpful for the firstaid personnel at the plant to take actions and strive for more firstaid time to save the life of the patient. The AED equipment has been set up at all the six plants in 2021 in the hope that it could make the first-aid process of the Company more complete. In 2024, a total of 141 people completed training courses on CPR and use of AED equipment.



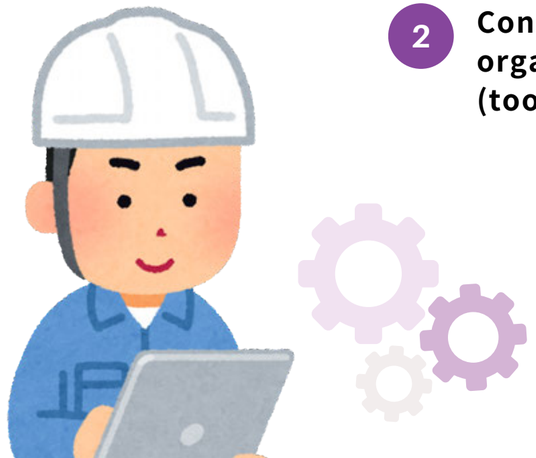
3. Employee Assistance Program (EAP)

Chipbond finds that the Company shall give a hand and show sincerer care to the employee who encounters difficulty in different aspects of life. For this, the Company establishes the "Employee Assistance Program (EAP)". EAP provides services including emergency assistance, family support and assistance in work, and helps employees overcome the difficulties in the work, living and health by means of assistance, guidance, or referral. A total of 5 employee assistance programs were implemented in 2024, and follow-up and care are ongoing (1 psychological counseling, 1 work stress counseling, and 3 emergency assistance).

4.5.5 Contractor Management

Chipbond Technology places equal importance on the OSH management of non-employee workers as it does for internal employees. To minimize incidents and injuries, the Company has established the "Contractor Management Program Guidelines," the "Permit-to-Work Instructions for Hazardous Tasks," and the "Confined Space Hazard Work Instructions" as the basis for contractor safety management and training compliance. All contractors and subcontractors are required to complete the "Contractor Organization Application Form" and confirm their understanding of the "Notification of Workplace Hazards and Preventive Measures" before undertaking any work. Prior to performing operations on-site, they must apply for a "Contractor Work Permit and Work Announcement," which must be approved before access is granted. Upon entry, contractor personnel receive a hazard notification from Chipbond's on-site supervisor and must sign the "Contractor Work Roster Hazard Notification and Worksite Inspection Record." During the construction period, Chipbond supervisors and OSH personnel may document inspection findings in the same record. If any violations of OSH regulations are identified, the responsible OSH personnel will issue a "Contractor Violation Notice of Safety, Health, and Environmental Regulations" requiring the contractor to make improvements within a specified timeframe. In 2024, there were zero occupational injury cases involving non-employee workers at Chipbond. Among them, labor service contractors accounted for a total of 406,000 working hours. The total working hours for engineering contractors are still being compiled.









5 Customer Service and Supplier Management

5.1 Product Quality Management
5.2 Excellent Customer Service
5.3 Supplier Management
5.4 Hazardous Substance Management
5.5 Conflict Minerals Management

On-time delivery rate for customer complaints: **96%**

Customer satisfaction score: **9.08**

Green procurement amount: **NT$29,364,122**

Domestic procurement ratio: **82.84%**

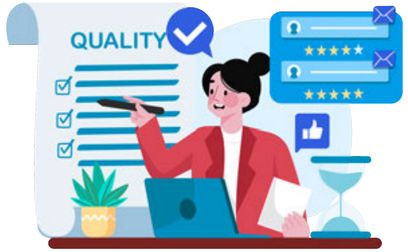
5.1 Product Quality Management System Management

We believe that provision of premium services and maintenance of good and stable partnership with customers have significant influence on the stable profitability of the Company and the opportunity to strive for new customer service opportunities. Hence, we establish strict quality management system to provide quality assurance for customers. Besides, we investigate the requirements of our customers and respond to what they need quickly, hoping to win the trust of the customers by providing them with excellent product quality. The products of the Company rely on the efforts and contributions of the employees, and every step is completed with their serious participation to control the quality of the products based on the strictest standards.

5.1.1 Quality Policy of Chipbond

Quality Policy

To take the initiative in proactively improving quality
Creating values through innovation and breakthrough.



The Company always values the quality of the products and tries the best to realize our commitment to the quality satisfactory to the customers. No matter whether the process, yield and solution of customer complaints, the Company responsibly and continuously pursues improvement and breakthrough of the quality through the PDCA management cycle to create higher service reputation in the field of semiconductor packaging and testing services.

5.1.2 Quality Management System

The Company maintains product quality under strict review standards. To enhance the trust of the customers in the product quality, we have our customers feel secure by arranging third-party verification. Our products have passed the quality certification of ISO 9001:2015 Quality Management System and IATF 16949:2016 Automotive Quality Management System. The product quality and manufacturing process meet the requirements of many laws, regulations, and international standards.



ISO 9001 : 2015　　IATF 16949 : 2016

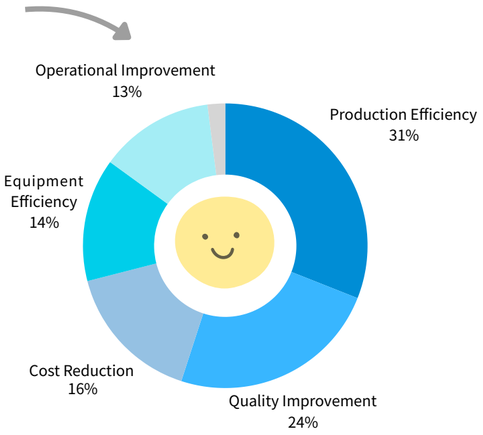
To enhance employees'understanding of quality, the Company has published a monthly quality journal consistently starting in 2021. The aim is to cultivate a proper perception of quality among colleagues through various short stories. The theme of the 2024 monthly magazine is "What quality awareness tells us!" The quality theme pavilion - a series of short stories reporting on the operating policies, quality spirit, service trends, etc. of well-known domestic and foreign companies in the fields of food, clothing, transportation, entertainment, and medical care, deepens employees' feelings and understanding, and moves towards the rooting of a quality awareness culture.



◆ 2024 Quality Journal Cover

▲ Analysis of 2024 CIP/QCC Improvement Topics

In order to prevent the occurrence of anomalies, through risk analysis methods to identify improvement points, establish a detection mechanism or prevention mechanism in advance to reduce the occurrence of anomalies, and confirm the implementation through various regular audit activities. ◦ In 2024, the internal quality audit re-inventoried and planned the third-level quality documents, incorporating them into the audit scope. In addition, audits were conducted on the implementation of customer requirements to ensure that all quality operations were properly executed without omissions. To improve the quality and production efficiency on an ongoing bases, the Company implements Continuous Improvement Process (CIP) and Quality Control Circle (QCC) in two phases every year. The employees form circles to discuss the issues of quality improvement, efficiency enhancement, automation, etc. and develop improvement measures in a way of QC Story. In 2024, the top three improvement themes were production efficiency (31%), quality improvement (24%), and cost reduction (16%), all of which achieved significant results.



5.2 Premium Customer Services

The Company asks the employees to properly observe the laws and regulations of the government and relevant international standards when performing marketing, service or commercial transactions. Acts in violation of customers' rights and interests are absolutely prohibited. We take strict control mechanisms to protect the privacy and intellectual property rights of the customers and protect customer's confidential information from disclosure. In addition, we also establish a definite customer complaint handling process and define the customer satisfaction management procedure. Customer satisfaction survey is conducted every year to understand the attitude of the customers toward Chipbond and how they evaluate the Company. Improvement is made on an ongoing basis to provide more premium services for customers.

5.2.1 Customer Privacy and Confidentaility Mechanism

Disclosure of the confidential information of the Company or customer may bring about loss of the competitive advantages and the trust relations with the customer. To protect the confidential information and privacy data of the customer and the Company from being used by a third party, the Company has asked all the employees to take the training in "Protection of Confidential Data" since 2019 to enhance the awareness of confidentiality and protection among the employees. The Company takes the following actions:

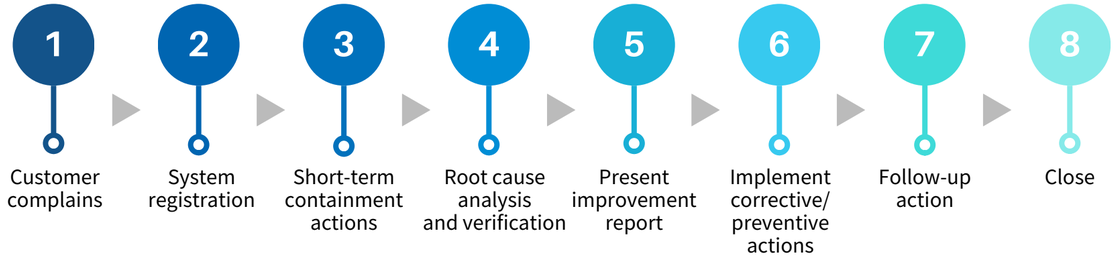
1. **Proprietary information protection (PIP) management：** Include management of physical and electronic information, visitor information security regulations, e-mail use policies, and control policies of computers, consumables and communication devices.
2. **Document/file management：** Define the confidential level of the document and the rights to access and ensure unauthorized personnel cannot access the information other than those related to their business to thoroughly protect the confidentiality.
3. **Employee nondisclosure agreement management：** New employees shall sign the agreement including confidentiality clauses. If the job description or position involves specific trade secrets, the employees shall sign the Specific Employee/Specific Project Employee NDA. These agreements shall be filed and retained in the management system of the Company. As for transmission of confidential information required for business between the Company and customer, an NDA shall be entered into to protect the rights and interests of both parties
4. **Information security management mechanism：** Explicit regulations and procedures are established for information assets management, inbound and outbound access control, physical security of information equipment, system operation security, network security, mobile devices management, and handling of information security incidents. To respond to and detect destructive cyber-attack incidents instantly, the Company sets up an information security team responsible for reporting and handling information security related incidents. In addition, the Company performs information security dissemination and audit on a regular basis to enhance management effectiveness and reduce the occurrence of information security incidents. If customer confidential information or privacy is compromised, you can file a complaint through the appropriate channel at Chipbond, such as the designated contact window (Sales, Customer Service, or Quality Assurance department), or you can reach out to the customer service email address on the Company's website at marketing@chipbond.com.tw. No invasion of privacy or customer complaint over disclosure of confidential data occurred in 2024.

5.2.2 Customer Relationship Management

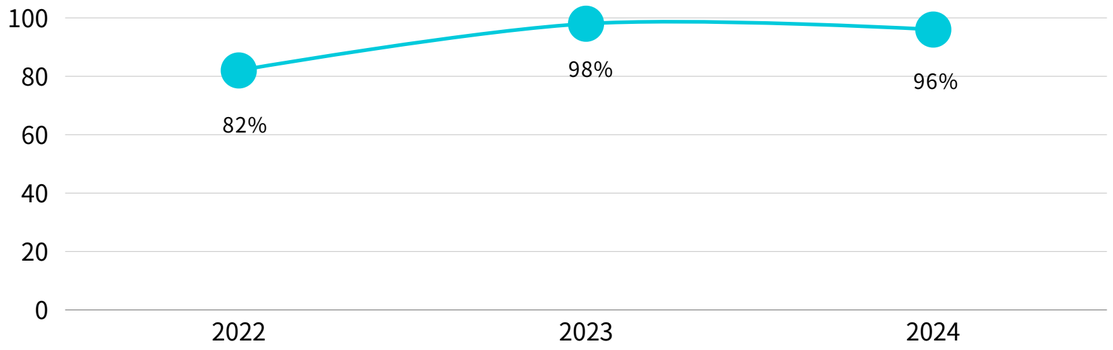
To deal with customer complaints effectively and increase the customer satisfaction with product quality, hazardous substance, yield, technology, delivery time, and service, the Company establishes the explicit "Customer Service Handling Procedure" and "Corrective and Preventive Action Management Procedure" as the processes and principles for dealing with customer complaints.

When receiving customer complaints, the Company registers them in the system immediately and performs risk batch investigation. The in-stock risk batch is isolated from the risk batch in production and marked appropriately. Products that have been shipped are recalled and undergo tightened inspection to assure the quality of customer's products and reduce its loss. The responsible unit then performs root cause analysis and verification and investigates internal records properly to find out the possible reasons for nonconformity of the products. Relevant units then perform verification of repeatability. An improvement report compiled in the 8D format of as required by the customer is presented to explain the effective solution to the customer. Corrective and preventive actions are finally implemented and follow-up actions are taken to ensure the same problem will not happen again. In 2024, the on-time delivery rate for customer complaints was 96%.

Customer complaint handling process



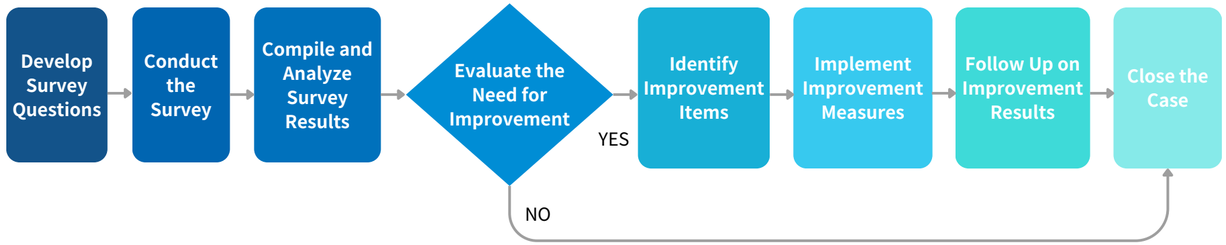
▲ On-Time Delivery Rate for Customer Complaints



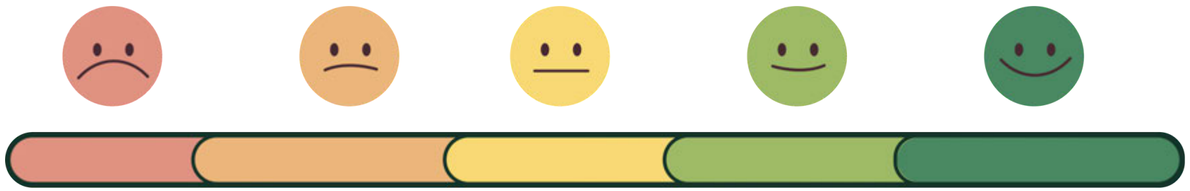
5.2.3 Customer Satisfaction Survey

To investigate the satisfaction of the customer with our products and services, understand its attitude of the customers toward Chipbond and how they evaluate the Company, and provide a basis for the ongoing improvement, the Company performs a customer satisfaction survey with a questionnaire in Q4 every year. The questionnaire is compiled with reference to the most favorite products to be sold by the sales department. Opinions of the customers are collected to draw up the questions. The sales and customer service departments discuss together and latter determines the final version. The contents of the questionnaire are adjusted every year to reflect the actual situation.

There are five facets of issues presented in the questionnaire. To ensure responding to the demands reflected in the questionnaire instantly and effectively, the customer service department, after recovering and summarizing the questionnaires, refers to the preset KPIs and assesses if responsible departments shall propose corrective and preventive actions. If improvement is needed, the QA department shall confirm the improvement items together with the customer and issue the Corrective and Preventive Actions List to the responsible department. Then the responsible department makes improvement and take follow-up actions to make sure the effectiveness of the corrective measures. The case can be closed only after final error-free confirmation. The customer service/sales department shall report the improvement status to the customer upon its request during the process.

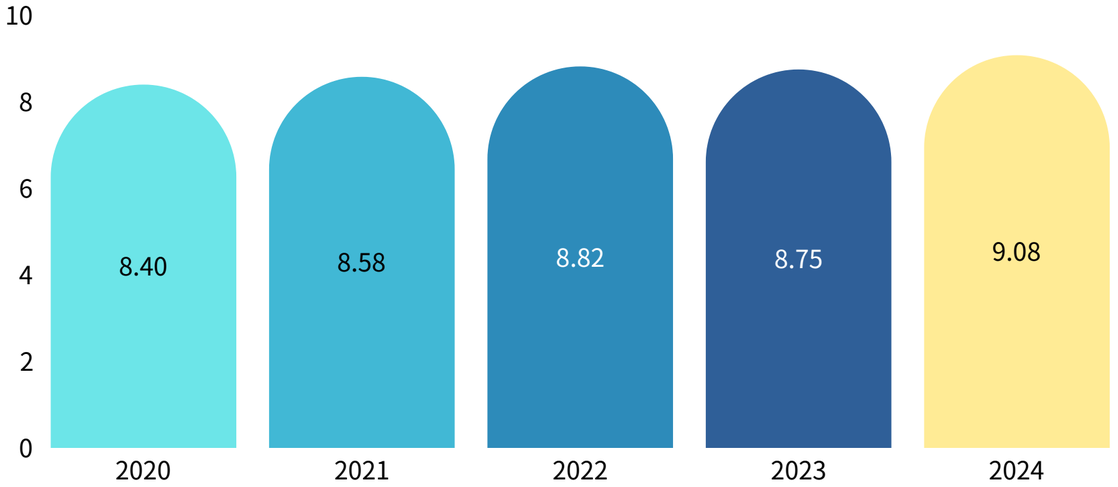


▲ Customer satisfaction survey process

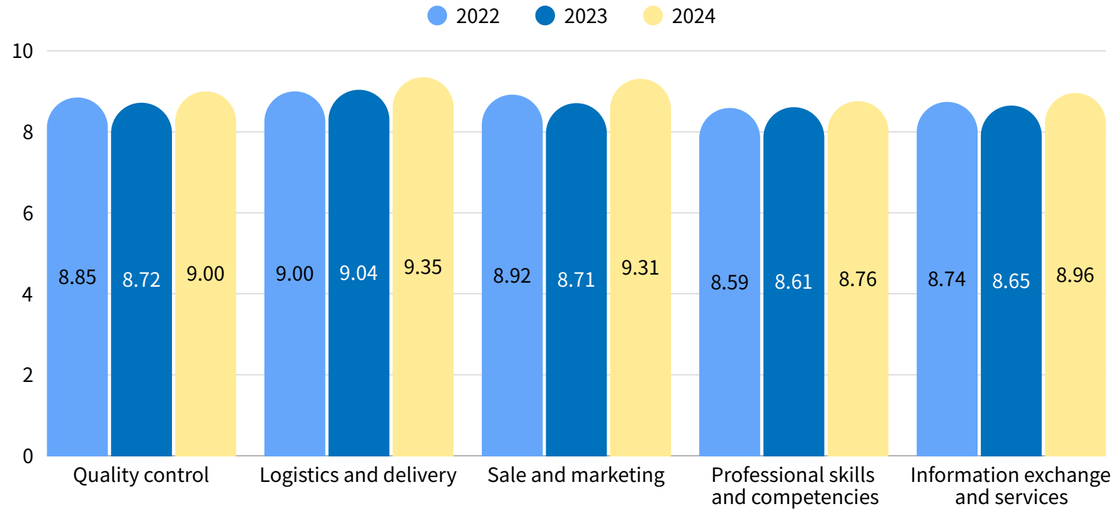


In 2024, the customer satisfaction survey statistics of the Company showed a result of 9.08 points (perfect score 10 points) or a level of "satisfied." The goal set at the beginning of the year was generally achieved. The "logistics and delivery time" (9.35 points) and "Sale and marketing" (9.31 points) were recognized by most of the customers.

▲ Customer Satisfaction - Overall Satisfaction Score

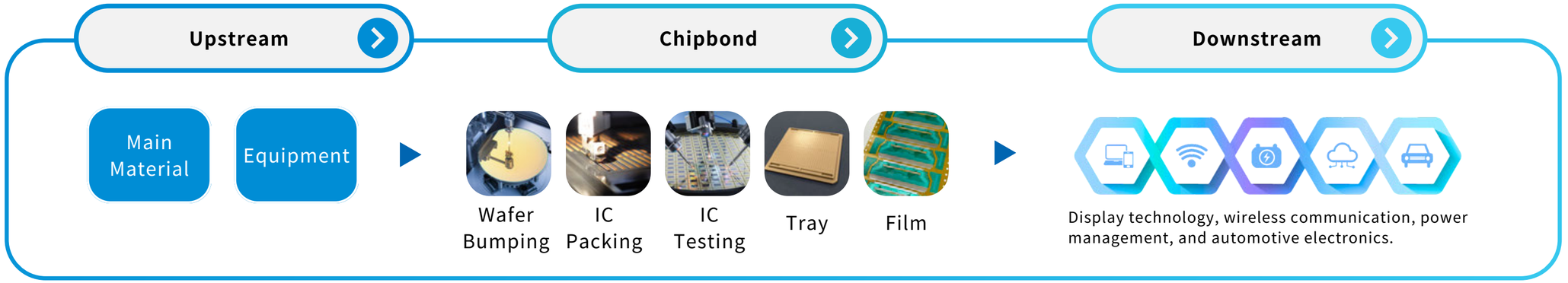


▲ Customer Satisfaction - Scores for Each Dimension



5.3 Supplier Management

Chipbond is a downstream packaging and testing service provider in the semi-conductor industry. The major processes include manufacture, packaging and testing of various bumps. The major procurement items include raw materials, materials, equipment, and contracted services. To assure the quality of our products, we implement different quality activities aiming at primary raw material and material suppliers to strengthen their quality control. We work with them closely to form a partnership of collaboration and growth and create a win-win situation for both parties. The manufacturing processes and the applications of major (raw) materials are described below:



Supplier Management Policy

▲ Chipbond Technology Industry Chain

The Company establishes the "Provision for Supplier Management" to create long-term and stable partnership with suppliers in the hope that, through definite management and operation mechanisms, suppliers can satisfy the exceptions of the Company and the requirements of the customer in the aspects of delivery time, quality, technology, and hazardous substance. Currently, the Company performs management and guidance of material suppliers at the following three phases.

Selection of Suppliers

- Suppliers that have company, factory, business registration certificates and ISO 9001 certificate.
- Assessment of the quality, price, environment, process capability and other dimensions.
- New suppliers shall enter into the Quality Management Agreement at the assessment phase.
- The suppliers that are assessed as qualified are incorporated into the qualified suppliers list after the assessment result is approved, and shall be subject to subsequent management.

Evaluation of Suppliers

- Perform regular evaluation of material suppliers every month.
- Supplier evaluation: incoming quality, customer complaint, Chipbond's complaint, delivery time, cooperation.
- Take actions toward the supplier pursuant to the grade of the evaluation score.

Continuous Improvement of Suppliers

- Schedule the annual audit plan concerned at the beginning of the year.
- Perform occasional audit depending on the quality of the supplied goods.
- The audit covers the quality system, process, hazardous substance, and CSR.
- Make assessments based on the audit result to determine if guidance and re-audit is needed.

5.3.1 Selection of Suppliers

The requirements of the Company toward the suppliers include five aspects of quality, environment and labor safety and health, technique and supply ability, hazardous substance, and procurement . We select suppliers in the following three forms of written assessment, trial production assessment, and management system assessment. Selection of appropriate assessment methods depends on the materials that the supplier concerned provides, the current circumstances, and the demands.

◆ Written assessment

When conducting a written assessment, suppliers must fill out a supplier basic information questionnaire and provide at least ISO9001, not limited to QC 080000, ISO 14001, ISO45001, etc. and other verification information that meets international standards for Chipbond to conduct an assessment and audit. Suppliers are also required to sign the Supplier Outsourcing Code of Conduct Statement, Supplier Corporate Social Responsibility Risk Assessment Form, and Supplier Integrity Commitment Letter to ensure that they meet environmental and labor safety and health, and procurement requirements. After passing the audit, they will be registered in the qualified supplier list for subsequent management.

◆ Trial production assessment

When confirming a sample provided by a new supplier, it must sign a quality management agreement depending on the significance of the material it provides; if the material supplied meets the requirements of the "Provision for Supplier/ Subcontractor Hazardous Substances of Environment", the supplier only needs to sign the RoHS Compliance Warranty or Equipment/Tool & Jig/Consumable RoHS Compliance Warranty. The supplier that passes the assessment is registered in the qualified supplier material list.

◆ Management system assessment

Relevant units of Chipbond audit and score the supplier's management system and process jointly and determine if the supplies should be incorporated in the list of qualified suppliers with reference to the result of the assessment by referring to the quality management system (ISO 9001), hazardous substances management system (IECQ-QC 080000), RBA requirements and special requirements of the Company. In case the supplier does not pass the assessment, they will determine if it is necessary to deal with this supplier. If yes, they incorporate it as a supplier of risk and subject it to management and give it support for improvement. If needed, an audit will be performed again after the improvement to ensure that suppliers meet quality, no hazardous substances, technical and supply capacity, environmental and labor safety and health requirements.



5.3.2 Evaluation of Suppliers

To ensure the information on the quality, delivery time and other items of the material provided, the Company performs monthly audit of the internally approved major material suppliers to avoid impact on the business operation or production due to external uncertainty and risk. Audit items include five indicators. In addition to deduction of points for nonconforming matters, a bonus point mechanism is established to encourage suppliers to conduct self-improvement. The five assessment indicators are explained as follows:

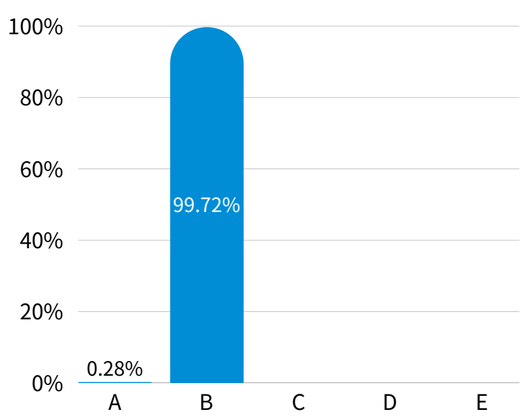
1.Incoming quality	2.Customer complaint:	3.Chipbond's complaint	4.Delivery time	5.Cooperation
Score the management status of material quality and hazardous substance.	Confirm if the material quality, delivery time, environmental management, and hazardous substance control status bring about loss to the Company.	Monitor the supplier's material quality, delivery time, supply stability, environmental management, cooperation with Chipbond in the environmental improvement and CSR implementation, etc.	Perform management with respect to the punctual delivery, cooperation and coordination to avoid excess transport due to production and delivery of materials or for other reasons; avoid inappropriate transfer of the procurement cost and ensure suppliers are able to take emergency response actions in case of natural disaster.	Evaluate suppliers in terms of cooperation such as their support in emergency circumstances, continual environmental improvement, improvement of labor safety and environment, continual quality improvement, reduction of the cost, etc.

Evaluation results are classified into five grades:

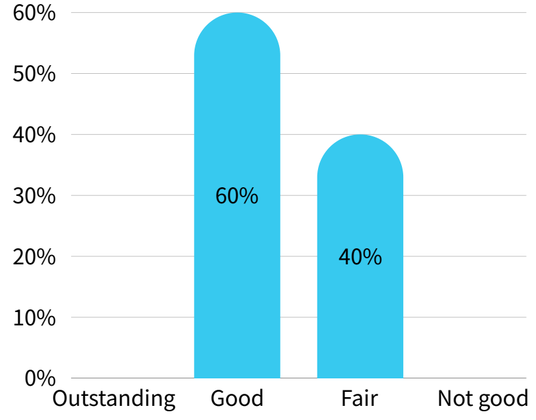
A	B	C	D	E
Assess additional purchase in consideration of the needs.	Be up to standards.	Be up to standards, hold review meeting, ask suppliers to make improvement.	Reduce purchase, consider to incorporate the supplier into the risk suppliers list, perform guidance and improvement project if necessary.	Suspend purchase, recommend to withdraw the qualification as a qualified supplier, consider to incorporate the supplier into the risk suppliers list.

In 2024, monthly evaluations were conducted for raw material suppliers involved in transactions, with the total number of assessments exceeding 1,800. All evaluation results fell within Grades A to B, representing performance at or above the qualified level. The distribution is shown in the figure below.

▲ 2024 Monthly Supplier Evaluation Results



▲ 2024 Supplier Audit Results

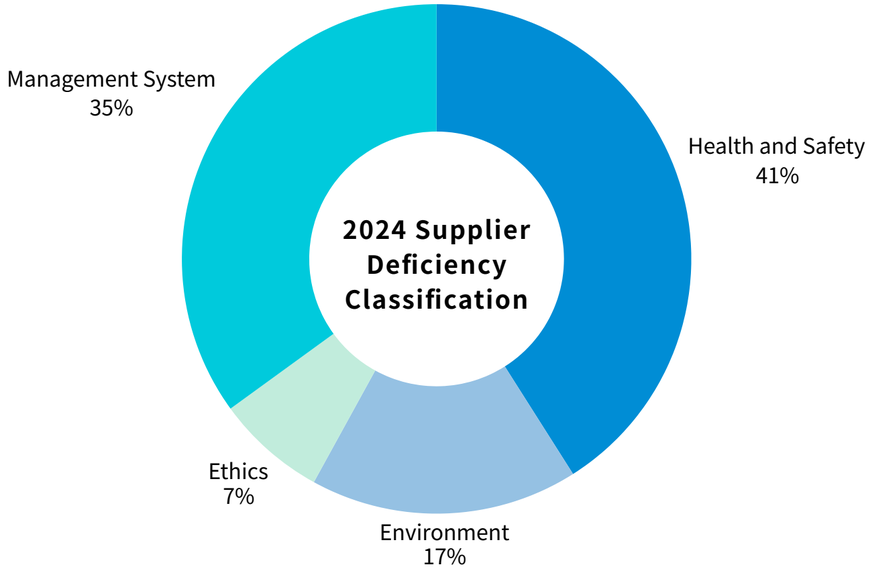


5.3.3 Supplier Sustainable Management

Supplier management has become an important issue for the sustainable development of an enterprise in recent years. To reduce the potential impact to the business operation due to supply chain risk, the Company established the "Supplier Code of Conduct Declaration" and "Supplier Integrity Commitment Letter" in 2014 and 2020. Through these document, we convey to our suppliers the requirements of our company regarding the Code of Conduct for Business Partners and the continuous improvement of supplier ESG risk assessment and management mechanisms. In 2024, the Company added 139 new suppliers, and all new suppliers have completed the signing of the "Chipbond Technology Supplier/Outsourcer Code of Conduct Statement" and "Supplier Integrity Commitment", with a signing rate of 100%.

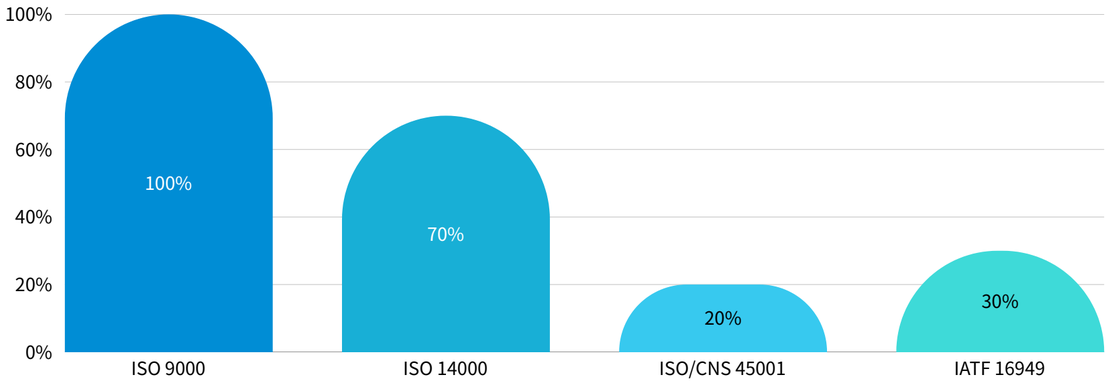
A robust supply chain management system is a critical factor in ensuring quality stability and delivering excellent service to customers. Therefore, we conducts annual risk assessments and management reviews of its suppliers, formulates a yearly supplier audit plan, and implements it accordingly.The audit covers the quality system, process, control of hazardous substances, and CSR. Audit results are classified into four grades of Outstanding, Good, Fair, and Not good. The supplier that does not meet the requirements shall present improvement actions and the Company may give guidance and conduct re-audit if needed

In 2024, we conducted audit of 35 suppliers, with ESG audits covering labor human rights, health and safety, environment, ethics and management systems. The results of the audits sowed that all of the audited suppliers met the requirements of the Company. The main categories of deficiencies related to CSR in the audit results are "health and safety" and "management system", and the distribution of the audit results is described below. 92% Deficiencies have been corrected; remaining improvements are being tracked.



In addition to requesting suppliers to acquire the ISO 9001 quality certificate, we encourage them to acquire the certificates under international standards in the respects of ESH, RoHS, CSR, etc. The percentage of the 30 major material suppliers in the acquisition of these international certificates in 2024 is described below.

▲ Certified Certificates for Main Material Suppliers



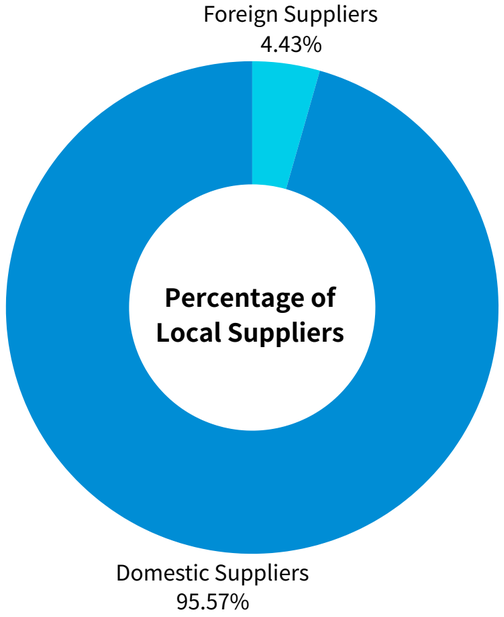
We will continue enhancing the supplier risk control and fulfill the CSR together with our business partners.

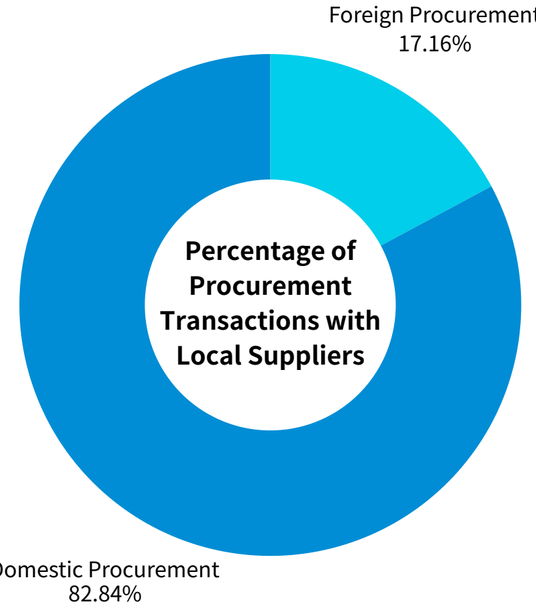
5.3.4 Local Procurement

As one of the manufacturers, development of suppliers and maintenance of good relationship are indispensable for our sustainable development and growth. Local suppliers are the first priority in our supplier selection strategy. In addition to the shortened transport time and lowered transport cost, we hope to reduce the carbon emission during the transport of the material, provide local employment opportunities, and make a contribution to the development of the local economy.

The Company uses various materials, including gold, to manufacture our products. Suppliers mainly come from Taiwan, the USA, and Japan. Except some materials that are unique without substitutes (but certified by both parties and stable in price and supply), qualified alternative suppliers are available for all the materials to ensure balance in the source, price, supply volume, and quality.

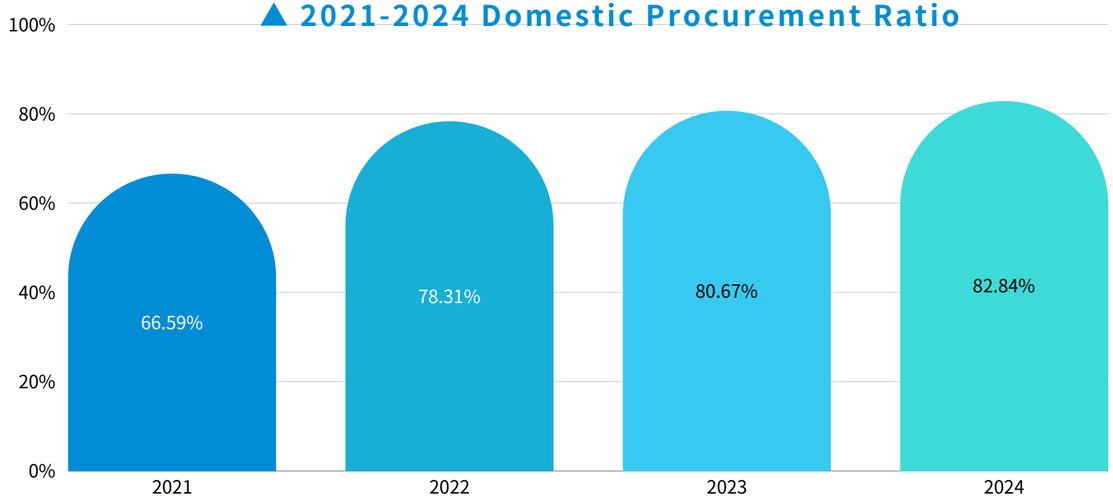
In 2024, the Company performed commercial transactions with 1,601 suppliers (including raw materials, components, consumables, machinery and equipment, engineering contractors, and so on). 95.57% of them were domestic suppliers, occupying 82.84% of the total procurement amount , an increase of 2.17% compared with 2023 of the Company.





Note: "Local" refers to the "Republic of China" (Taiwan), while "domestic suppliers" refer to suppliers within the territory of the Republic of China (Taiwan).

▲ 2021-2024 Domestic Procurement Ratio



5.3.5 Green Procurement

Green procurement and green consumption are fundamental values in promoting corporate sustainability. Upholding the principles of green purchasing, Chipbond actively supports government policies on green consumption during the procurement phase by prioritizing the purchase of environmentally friendly products that are low in pollution, energy- and resource-efficient, and recyclable. This approach aims to achieve energy conservation, carbon reduction, and lower operational costs. In 2024, the company reported a green procurement amount of NT$29,364,122 and was honored by the Hsinchu City Government as an outstanding enterprise in green procurement, recognizing Chipbond’s ongoing efforts and achievements in this area.





5.4 Hazardous Substance Management

Chipbond is dedicated to developing green products according to the international standard of IECQ-QC 080000:2017 Hazardous Substance Process Management System. Moreover, we acquired the certificate of IECQQC 080000 Hazardous Substance Process Management System and the SONY Green Partner certification in 2008, and have demonstrated an outstanding management ability in hazardous substances. In addition, we constantly make improvement through the PDCA Cycle to comply with the requirements of Hazardous Substance Free in the international society.

Through the Hazardous Substance Process Management System (IECQ-QC 080000), Chipbond is able to ensure that the wafer to be processed and the back-end packaging and testing products are complied with the international hazardous substance regulations and satisfies customers'requirements for the hazardous substance management. To protect the natural environment and the health and safety of product users, we implement the following management actions:

▲ All Chipbond Plants Certified by Third Parties for IECQ QC080000 Compliance



1. Establish a hazardous substance control list as per the international regulations and customer requirements

Chipbond establishes the hazardous substance control list according to the international hazardous substance regulations and the requirements of main customers, and updates and expends the scope of the list based on the international regulations year by year.

EU RoHS：

Limit the substance concentration of lead (<1,000 ppm), cadmium (<100 ppm), mercury (<1,000 ppm), hexavalent chromium (<1,000 ppm), polybrominated biphenyls (<1,000 ppm), Polybrominated diphenyl ether (<1,000ppm), di(2-ethylhexyl) phthalate (<1,000 ppm), benzyl butyl phthalate (<1,000 ppm), dibutyl phthalate (<1,000 ppm) and diisobutyl phthalate (<1,000 ppm) in products. Chipbond's products conformed to the aforesaid requirements except for the solder bump. Due to the customer requirement, we still need to use lead in the production of solder bump, which is given special permission of use by the RoHS regulation. Chipbond will constantly spare no effort to develop the lead-free bump production to satisfy the customer needs for product application.

◆ EU REACH：

Chipbond's products conformed to the requirements of dangerous substances and the Substances of Very High Concern (SVHC) published continually by the EU REACH.

◆ Halogen-Free Standard（IEC 61249-2-21）:

Referring to the standards established by the International Electrotechnical Commission (IEC), total bromine content < 900 ppm, total chlorine content < 900 ppm, and total combined chlorine and bromine content < 1500 ppm. Chipbond Technology's products are 100% compliant with the IEC 61249-2-21 standard.

◆ Material Declaration for Products of and for the Electrotechnical Industry (IEC 62474):

This is a material declaration standard formulated by the International Electrotechnical Commission (IEC). All of Chipbond's products meet the IEC 62474 requirements.

Chipbond has controlled and managed over 1,300 hazardous substances by the end of 2024. We will constantly pay close attention to hazardous substances that may be added to the regulations and be prepared for response, so as to meet the international regulations and customer requirements.

2. Formulate the green procurement procedure of materials

New Materials Evaluation

- Signing the Hazardous Substance Guarantee Certificate.
- Submitting RoHS testing reports from third-party verification organizations.

▶

Daily Management

- Regular updates of the Hazardous Substance Guarantee Certificate.
- Regular updates of testing reports.
- Conducting incoming material inspections and comparing them.

▶

Supplier Management

- Ensuring that the material sources and manufacturing processes comply with hazardous substance control standards.

Chipbond incorporates the hazardous substance control into the incoming inspection procedure, and establishes the completed new material assessment system to promote the green procurement with systematic management. Chipbond incorporates the hazardous substance control into the incoming inspection procedure, and establishes the completed new material assessment system to promote the green procurement with systematic management. We build the hazardous substance regulation and specification module and customer specification module in the new material assessment system. When performing the material approval operation, suppliers are requested to sign the hazardous substance guarantee, and submitted the RoHS test reports of third independent parties to make sure that their products are complied with the international hazardous substance regulations and customer requirements. Moreover, in order to ensure the effectiveness of test reports, the system also can set the validity term of the reports to actively follow up and remind suppliers to complete the retests before expiration of the reports.

The system can automatically check the test report effectiveness of materials during the incoming material inspection. The materials cannot be accepted if the effectiveness does not conform to the regulations, and the QA department of Chipbond informs the relevant personnel for further handling. If the materials contain any hazardous substance, suppliers must report to Chipbond actively and conduct hazardous substance examination and management of the upstream material suppliers. Chipbond also performs audits of the suppliers to ensure that the source management of materials used and the production of the suppliers measure up to hazardous substance control standards. If the materials are found to not comply with the specification, these materials will be deemed as not qualified, and thus be separated and returned. The suppliers must bring up correction and prevention actions to prevent recurrence. To help suppliers comprehend the Company's hazardous material regulations, relevant documents are provided along with training briefings and videos. These resources cover the hazardous material requirements of the Company, audit point updates, and supplier FAQs, aiming to enhance suppliers' awareness of hazardous substance management.

3.Hazardous substance compliance management of product and packaging

The packaging materials used for the Chipbond's products for shipment, including papers and plastics, are recyclable and contain less than 100 ppm of lead, cadmium, mercury, and hexavalent chromium, which is conformed to the EU regulation. In addition, we also do not use PVC, which is generally forbidden, in the plastic packaging material.

To ensure the hazardous substance compliance of materials and production, in addition to the source management of materials, equipment and fixtures used by the company, we commission independent testing organizations to test the sample products produced by each production every year, so as to make sure whether the products are conformed to the requirements of customers and regulations. In 2024, Chipbond tested 44 types of product portfolios, and all testing results satisfied the control requirements of RoHS regulation.



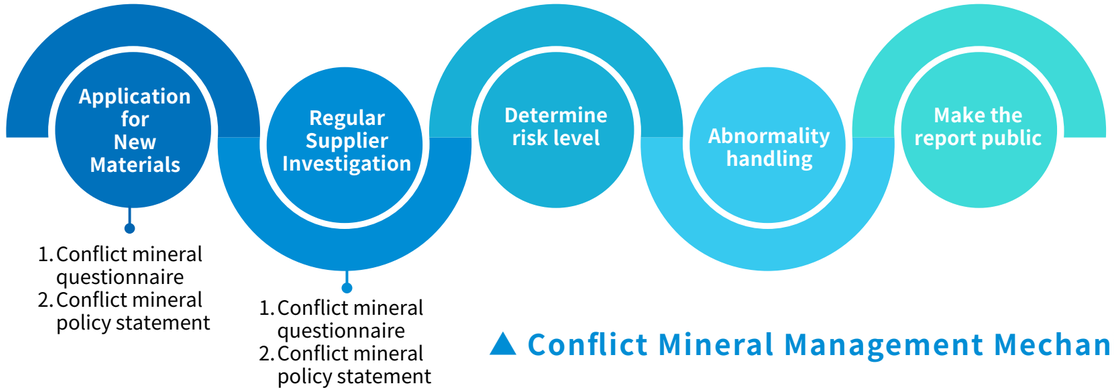
5.5 Conflict Mineral Management

The USA adopted the Dodd-Frank Wall Street Reform and Consumer Protection Act- Section 1502 in 2010 in the hope to solve the problems of bloody conflict between armed forces in the People's Republic of Congo and surrounding countries that acquire financial support by utilizing the exploitation and transaction of conflict minerals. Hence, the Responsible Business Alliance (RBA; the former EICC) and the Global e-Sustainability Initiative (GeSI) develop the "Conflict-free Smelter Program" (CFSP) and ask their members and suppliers to investigate and disclose the source of ores including gold (Au), tantalum (Ta), tungsten (W), tin (Sn), cobalt (Co), glimmer (Mica), and other metal substances to avoid using the minerals from the conflict areas.

Gold, tungsten, and tin are required materials for the bump and tape manufacturing process of the Company. To fulfill the social responsibility and uphold international justice, the Company establishes the conflict mineral policy and performs written conflict mineral investigation toward the suppliers and subcontractors of related materials as required in the "Supplier Conflict Mineral Management Regulations". The purchase stops immediately if the smelter is not incorporated in CFS List published on the RBA website.

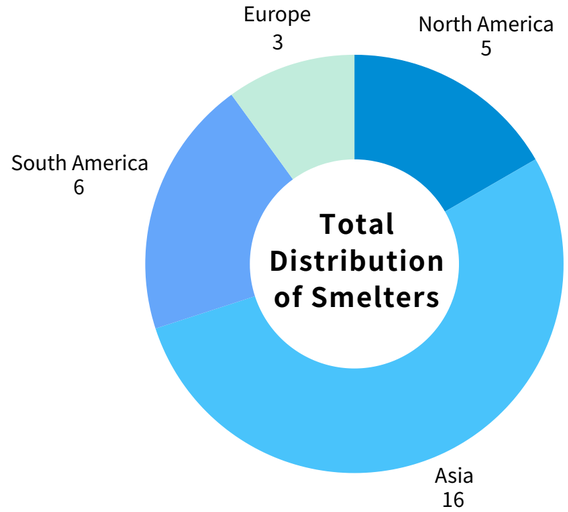
Conflict Mineral Policy

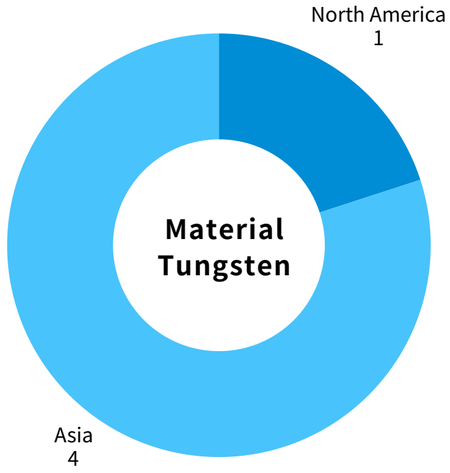
To realize social responsibilities and to fulfill the international justice, Chipbond Technology Corporation insists not to use conflict minerals in production process, such as Gold, Tantalum, Tungsten, Tin, Cobalt, and Mica etc., which comes from the DRC or any neighboring nations. Chipbond selects raw materials provided by suppliers who are compliant with environmental and social responsibility. Chipbond promises that all our suppliers are requested to use non-conflict minerals. And through investigating, reminding and requesting, our suppliers should take appropriate actions to ensure Chipbond's use of raw materials contains no conflict minerals.

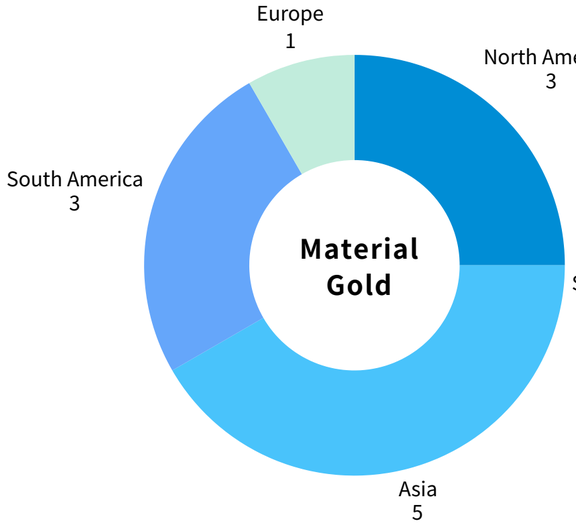


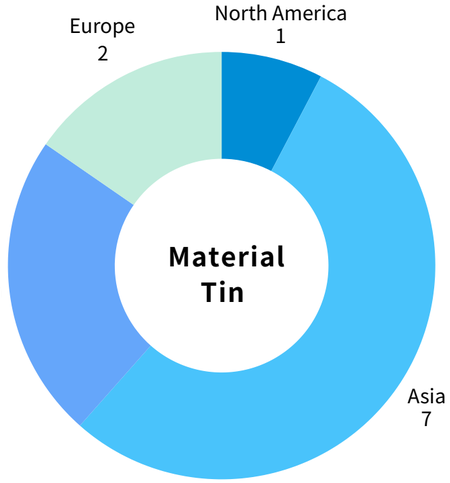
▲ Conflict Mineral Management Mechanism

In 2024, the Company performed written conflict mineral investigation toward 17 suppliers and subcontractors of related materials. As the result of the investigation showed, all the materials were not purchased from conflict areas. After analyzing the primary sources of metal materials, we found the following number of smelters: Gold: 12 smelters; Tungsten: 5 smelters; Tin: 13 smelters. The geographical distribution of the countries where smelters were located is as follows:









6 Environmental and Sustainable Development

6.1 Environmental Policies and Management
6.2 Climate Change and Carbon Management
6.3 Water Resources Management
6.4 Waste Management and Circular Reuse
6.5 Air Pollution Management

Renewable energy consumption reached **787,726 kWh**

29 energy-saving and carbon reduction measures completed

Process water recycling rate reached **65.48%**

Waste organic solvent recovery rate reached **84.465%**

Total waste recycling rate reached **65.59%**

VOCs reduced by **43.51%** compared to the baseline year (2022)

6.1 Environmental Policies and Management

6.1.1 ESH & Energy Policy and Commitment

As a responsible corporate citizen, Chipbond complies with each environmental regulation regulated by the government and international standards and establishes the Environmental, Safety and Health and Energy Policy of Chipbond, which is organized by the "Environment, Safety, and Health Management Committee" (or ESH Management Committee in short) has introduced the ISO 14001 environmental management system since 2003. The Committee holds a meeting every quarter and the President acts as the management representative and preside over the meeting personally. The establishment of the management system starts from identifying environmental considerations. By identifying stakeholder needs and expectations and adopting a risk-based thinking approach, the Company thoroughly recognizes environmental risks and opportunities. This enables the anticipation of potential challenges and the establishment of environmental management systems and procedures, through the P (Plan), D (Do), C (Check), and A (Action) cycle to track the implementation progress and results regularly, and implement environmental issues such as energy conservation and carbon reduction, water resources management, waste reduction, and air pollution prevention into the Company's operations and daily management mechanisms to reduce the impact of operating activities on the natural environment and human health impact and promote sustainable use of resources. At present, all the plants of the company have passed the ISO 14001:2015 environmental management system verification and the Kuangfu plant also passed the ISO 50001:2018 energy management system verification in 2023.



ISO 14001 Environmental Management System

ISO 50001 Energy Management System



Chipbond ESH & Energy Policy and Commitment

Chipbond is a leading company in the advanced back-end professional metal bump and TCP and COF assembly processes. We launch and are committed to our occupational ESH & Energy system based on the following basic concepts:

- Comply with the laws to serve as a responsible corporate citizen
- Achieve the principle of "prevention is better than a cure"
- Improve continuously to build the premium working environment
- Fulfill the responsibility of energy saving, waste reduction, and environmental protection

Chipbond is willing to make effort to achieve the basic commitments mentioned above as per the following operation in an economically reasonable manner:

1. Establish an environmental, safety, health and energy management system to minimize management system risks.
2. All employees shall be responsible for implementing the policy.
3. All supervisors shall complete and implement the management system personally.
4. Improve the acknowledgment of employees to the policy through training.
5. Comply with the national laws and regulations, and fulfill the obligations.
6. Set annual targets and reduce the pollution and hazard risks through the effective management and improvement.
7. Provide safe and healthy working conditions to build the joyful working environment of best company to work for.
8. Whole company participates in the continuous improvement system to enhance the management performance.
9. Committed to promoting green procurement to achieve the purpose of improving the environmental performance and sustainable management.

6.2 Climate Change and Carbon Management

The dependence of human beings on fossil energy and the damage to the forests have led to rapid increase of the CO2 concentration in the atmosphere and widely affected extreme climate events including global warming, rising sea level, drought, rainstorm, and wildfire. These may bring serious threats to the life and property of the human beings in the foreseeable future. The latest "Global Risk Report" published by the World Economic Forum indicates tha environmental risks will account for half of the world's top 10 risks in the next 10 years, including: "extreme weather events", "tremendous changes in the earth system" and "biodiversity loss and ecosystem collapse",etc. Climate change has inevitably affected the daily life and economic activities of the human beings. As a responsible corporate citizen, Chipbond continues to conduct risk analysis and implement concrete greenhouse gas reduction actions to mitigate the impact of climate change on business operations and enhance climate resilience, contributing to the realization of a low-carbon and sustainable future.

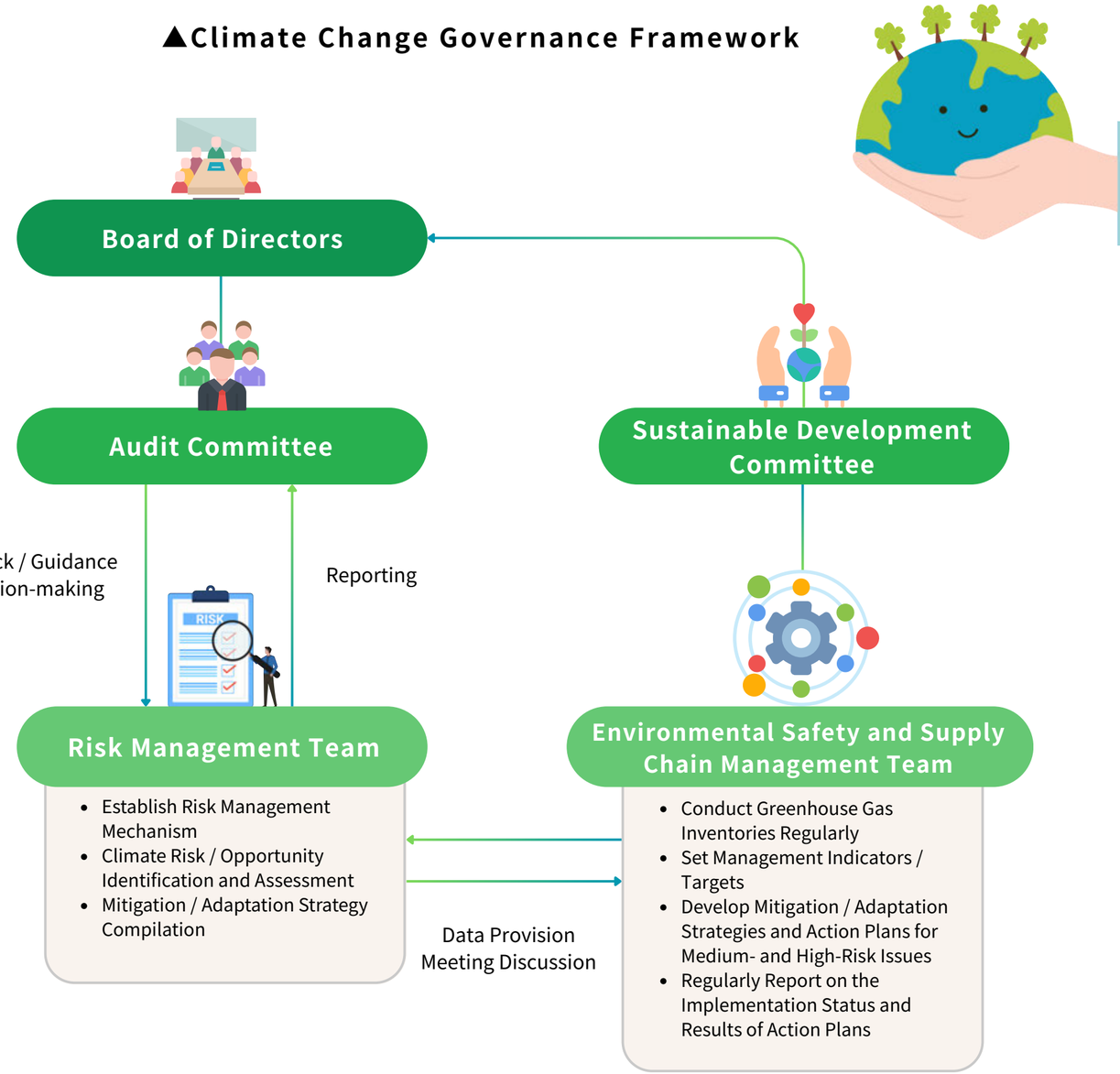
In order to establish a more complete climate change risk management mechanism, the Company refers to the "Task Force on Climate-related Financial Disclosures" (TCFD) published by the Financial Stability Board (FSB) as a framework for the management of climate change issues and the disclosure of related information, and for further description of governance, strategy, risk management, and metrics and targets.

6.2.1 Climate Governance

The Board of Directors serves as the highest supervisory and governance body for climate-related issues. The Company has established a "Sustainable Development Committee", chaired by the Chairman and led by the President as the Chief Commissioner, to regularly review strategic goals and action plans related to sustainability issues (including climate change), and to track implementation outcomes.

To assess the potential impacts of climate-related issues on business operations, the Sustainable Development Department convenes representatives from relevant departments to form a Climate Risk Assessment Task Force. This task force is responsible for identifying and evaluating climate-related risks. The assessment results are submitted to the Risk Management Task Force and the Sustainable Development Committee. Responsible departments for the relevant risks further evaluate necessary items and propose response strategies and action plans, which are implemented upon approval by the Board of Directors. The Sustainable Development Committee reports to the Board on a quarterly basis to ensure oversight of climate-related actions and to facilitate timely feedback and recommendations. The most recent report in 2024 was submitted on October 31.

▲Climate Change Governance Framework

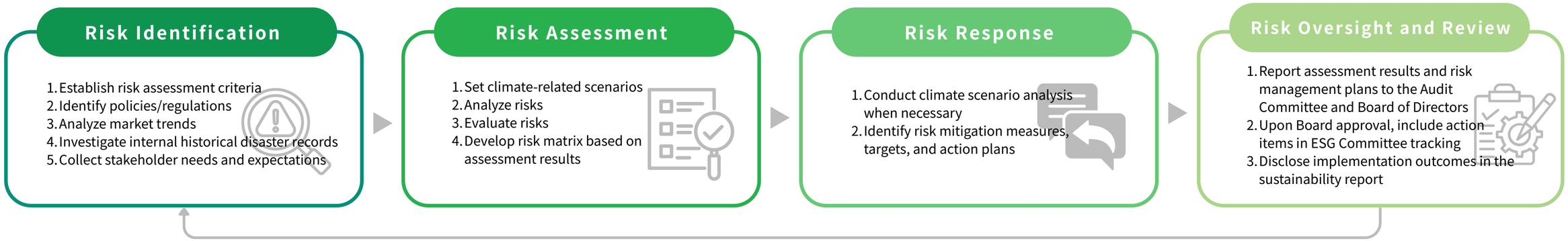


6.2.2 Climate Strategy and Risk Management

1. Climate Risk Assessment and Management Process

The Company conducts materiality analysis through sustainability-themed questionnaires, which identify climate change as a material topic. Accordingly, in accordance with the "Risk Management Policy and Procedures," climate change risks are incorporated into the scope of management, and appropriate response measures are taken to reduce risks to an acceptable level. To strengthen the identification and management of climate change risks, the Company refers to the TCFD framework to identify climate-related risks and opportunities, formulate response measures and target plans, aiming to mitigate the impact of climate change risks on business operations and enhance climate resilience. Therefore, the Sustainable Development Department invites representatives from relevant departments to form a Climate Change Risk Assessment Team. Following TCFD recommendations, the team identifies and assesses climate-related risks by collecting internal and external information such as policies and regulations, market trends, historical disaster records at plants, and stakeholder needs and expectations, compiling a list of climate change risk issues. By setting future climate scenarios, potential or existing climate risks are identified and analyzed. Representatives from relevant responsible departments score the "impact/relevance" and "likelihood" of occurrence. After completing the risk assessment, data is aggregated to produce a climate change risk matrix. If necessary, qualitative or quantitative analyses are conducted on high-risk items to gain deeper insights into the potential impacts of climate factors on operations, facilitating the development of response measures and plans to mitigate climate risk impacts. The risk assessment results are submitted by the relevant responsible units with proposed response plans. The Risk Management Team regularly (at least once annually) reports the risk assessment results and management plans to the Audit Committee and the Board of Directors. Upon approval, these are included in the annual target plans of the Sustainable Development Committee for tracking.

▲ Climate Risk Assessment and Management Process



2. Climate Risk Identification and Assessment

To understand the potential impacts of future climate scenarios on the Company's operations, climate scenario planning was conducted prior to risk assessment. This included identifying and evaluating transition risks, physical risks, and opportunities, in order to determine the issues that require prioritized attention and response.

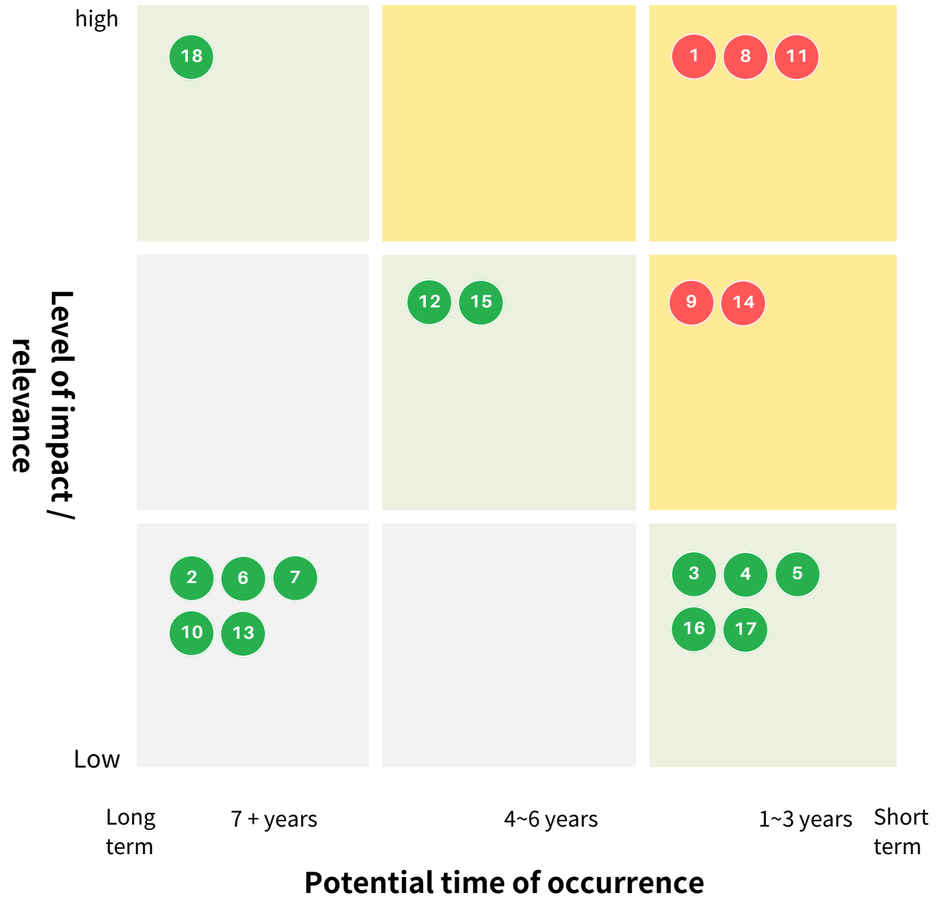
(1) Climate Scenario Settings

- **Transformation Risk:** The company refers to the IEA WEO 2023 report and sets the future climate environment as "global temperature increase of 1.5°C", and takes "Taiwan 2050 Net Zero Emissions and Strategy" and "Climate Change Response Act" into scenario considerations and assessment. The possible impact of each risk event under future climate scenarios.
- **Physical Risk:** To prepare for the most severe climate-related disasters that may occur in the future, the Company referenced the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) under the SSP5-8.5 high-emission scenario, along with relevant data from the National Science and Technology Center for Disaster Reduction, including disaster potential maps, climate change projections, and adaptation knowledge platforms. Based on this information, the Company identified and assessed whether each plant may be affected by climate change or extreme weather events under future climate scenarios.

(2) Climate Risk Identification and Assessment

The Company's assessment of climate change risks and opportunities is based on the three disaster-causing factors of "hazard", "vulnerability" and "exposure" to determine the "Level of impact / relevance" and "The Potential time of occurrence" on Chipbond to generate a risk matrix. In this assessment, 5 medium-to-high level climate risks were identified from a total of 18 risks. Among the transition risks were "carbon fee imposition", "low-carbon technological transformation", "rising electricity prices", and "customer demands for renewable energy usage." The identified physical risk was "damage to buildings and facilities caused by typhoons, strong winds, and heavy rain." Additionally, 3 climate-related opportunities were recognized from the risk analysis. The Company has developed corresponding response strategies in an effort to mitigate the potential negative impacts of climate change on its business operations.The climate change risk identification analysis results and response measures are explained as follows:

▲ Climate Change Significant Risk Matrix



Note: Level of impact / relevance = Hazard X Vulnerability X Exposure

Type		Risk Items
Transformation Risk	Policy and regulation	1. Carbon fee imposition ★ 2. Increase in climate-related lawsuits 3. Increased requirements for climate-related information disclosure 4. Water conservation charge imposition
	Goodwill	5. Increasing customer demand for sustainability verification
	Technology	6. Increasing penetration of electric vehicles 7. Rising global demand for electricity storage 8. Low-carbon technological transformation ★
	Market	9. Customer requirements for the use of renewable energy ★ 10. Rising fossil fuel prices 11. Rising electricity prices ★ 12. International copper prices affect raw material prices 13. Changes in demand and price of recycled materials
Physical Risk	Immediacy	14.Damage to buildings and facilities caused by typhoons, strong winds and heavy rain★ 15. Drought causes insufficient water supply, affecting factory operations 16. High temperature causes the power company to have insufficient backup capacity, causing unstable power supply. 17.Typhoon affects employees and prevents them from commuting or arriving at work normally
	Long term	18. High temperature - rising temperatures increase the power consumption of air conditioning systems

Climate Change Risks/Opportunities, Financial Impacts, and Mitigation Measures

Type		Climate Change Risk	Time of Risk Occurrence	Potential Effect on Finance	Mitigation Measures
Transformation Risk	Policy and Regulations	Carbon fee imposition	Short-, mid-, and long-term	− The government's imposition of carbon fees will increase operating costs.	1. Conduct GHG inventory in accordance with ISO 14064-1 to understand emissions status and serve as the basis for evaluating carbon reduction actions. 2. Identify GHG emission hotspots and plan energy-saving and carbon-reduction measures to improve energy efficiency. 3. Install exhaust treatment equipment for specific processes to reduce GHG generation. 4. Expand solar power installations and use renewable energy to reduce dependence on purchased electricity. 5. Promote the ISO 50001 Energy Management System to optimize and improve energy efficiency through systematic and visualized management. 6. Establish Business Continuity Planning (BCP) response guidelines to activate contingency mechanisms during emergencies, minimizing operational disruptions.
	Technology	Low-carbon technological transformation	Short-, mid-, and long-term	− Replacement of energy-consuming equipment and purchase of carbon-reducing equipment will increase capital expenditures. − Failure to meet customer demands for low-carbon production may lead to a decrease in revenue.	
	Market	Rising electricity prices	Short-, mid-, and long-term	− Rising electricity prices cause an increase in operating costs.	
		Customer requirements for the use of renewable energy	Short-, mid-, and long-term	−Building renewable energy power generation equipment or purchasing renewable energy wil lncrease capital expenditures or increase operating costs.	
Physical Risk	Immediacy	Damage to buildings and facilities caused by typhoons, strong winds and heavy rain	Short-, mid-, and long-term	− Damage to facilities and equipment will extend repair costs.	

Type	Opportunities Arising from Climate Change	Potential Effect on Finance
Energy Sources	Expanding the use of renewable energ	＋ Installing renewable energy equipment can reduce the demand for purchasing external electricity, lowering external electricity cost expenses. ＋ Using renewable energy diversifies the power sources and reduces the risk of increased electricity costs due to international fuel price hikes.
Resilience	Improving energy efficiency	＋ Improving energy efficiency reduces greenhouse gas emissions and enhances the market competitiveness of the company's products. ＋ Replacing old and energy-consuming equipment can lower electricity cost expenditures. ＋Reducing greenhouse gas emissions can reduce operating costs resulting from carbon fees.
Market	Participation in government energy-saving subsidies or incentive programs	＋ Utilizing external resources can reduce the cost of equipment replacement, indirectly lowering carbon fee payments.

6.2.3 Mitigation and Adaptation to Climate Change

6.2.3.1 Greenhouse Gas Inventory

Greenhouse gas reduction is an important method for mitigating climate change and global warming. Greenhouse gas inventory allows for the identification of carbon emissions hotspots within business operations. Based on this information, effective measures and strategies can be assessed and implemented to achieve carbon reduction goals, the risk assessment categorizes this as a low-risk scenario. The category of greenhouse gas inventory for our company includes six operational locations of Chipbond in Taiwan. The organizational boundaries are set based on operational control, encompassing facilities managed or operated under our company. Prior to 2020, the greenhouse gas inventory data was obtained through internal inventory. Starting from 2021, we have engaged SGS Taiwan for third-party verification of the inventory data in accordance with the ISO 14064-3: 2006 standard for greenhouse gas verification. Detailed information is compiled as follows.

Greenhouse Gas Emissions Situation Unit: tCO2e

Category	2020	2021	2022	2023	2024
Direct Emissions (Category1)	3,750.1600	10,897.3301	7,184.9383	8,795.2743	9,614.7942
Indirect Energy Emissions (Category 2)	146,785.5700	160,414.3566	151,215.4076	145,464.9512	144,962.2824
Emissions of Category 1 and 2	150,535.7300	171,311.6867	158,400.3459	154,260.2255	154,577.0766
Emissions Intensity	6.7580	6.3257	6.5972	7.6913	7.6006

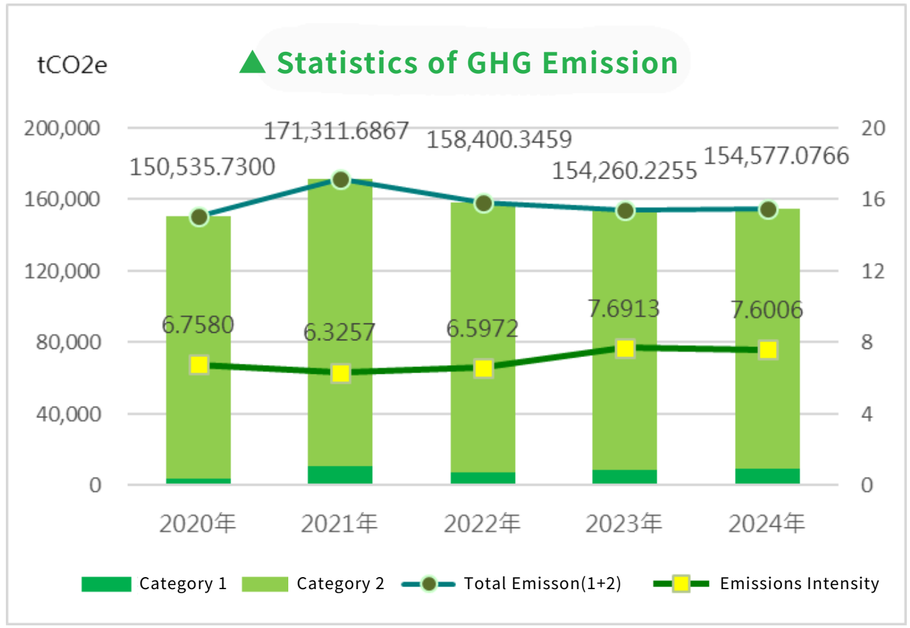
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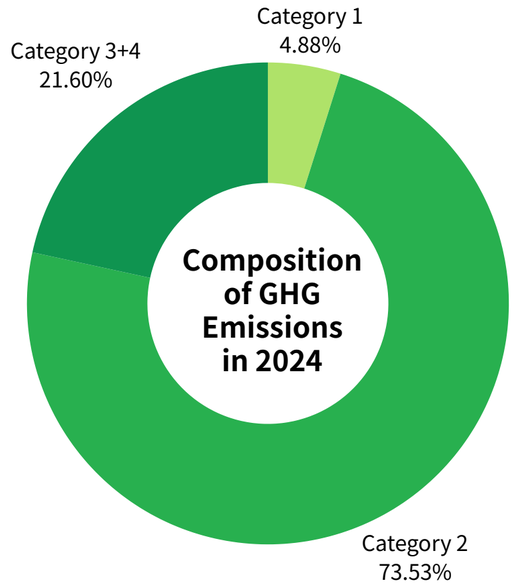
- Emissions Intensity = category 1 and category 2 emissions of GHG(tCO2e)/ Revenue (in million NTD)
- Base Year: 2021 is designated as the base year, as it marks the Company's first greenhouse gas inventory and third-party verification conducted in accordance with the ISO 14064-1 standard.
- The Company's greenhouse gas emissions are primarily calculated using the "emission factor method". The electricity emission factor is based on data published by the Bureau of Energy (2024 factor: 0.474 kg CO_2e/kWh). Other emission factors refer to the original coefficients published by the IPCC, with GWP values (Global Warming Potential) sourced from the Ministry of Environment's "Greenhouse Gas Emission Factors Management Table", version 6.0.4 (June 2019), and based on the IPCC Fifth Assessment Report (AR5, 2013).

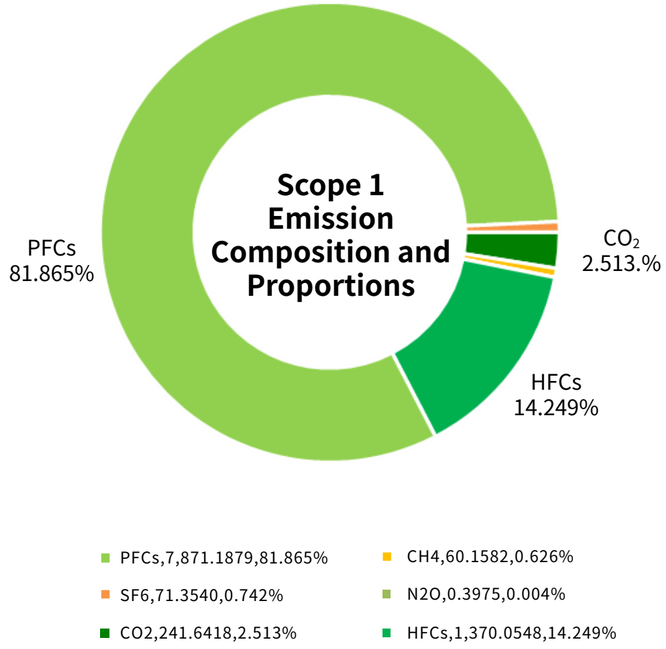
Additional Indirect Emissions

Category		Category Description	Emissions (Unit: tCO2e)	
			2023	2024
Category 3	Indirect greenhouse gas emissions from transportation	Including emissions from upstream and downstream logistics, waste clearance, employee commuting, and business travel.	2,598.8492	2,744.9052
Category 4	Indirect greenhouse gas emissions associated with organizational product use	Including emissions from purchased electricity, gasoline and diesel, natural gas, tap water, raw materials, and waste treatment.	37,517.3236	39,833.9803
Category 5	Indirect greenhouse gas emissions from product use	This category has been assessed as not material.	--	--
Category 6	Other indirect greenhouse gas emissions from other sources	This category has been assessed as not material.	--	--
		Total	40,116.1728	42,578.8855

The greenhouse gas inventory conducted in 2024 reveals that the emits various types of greenhouse gases of the Company include CO2, CH4, N2O,HFCs, PFCs, and SF6. Direct emissions (Category 1) stem from fuel combustion in stationary and mobile sources like emergency generators, official vehicles, trucks, and forklifts. Process and Fugitive emissions involve acetylene, fire-fighting equipment, and refrigerant leaks, constituting about 4.88% of total greenhouse gas emissions. Indirect emissions (Category 2) from purchased electricity contribute significantly, making up around 73.53% of total emissions. Category 2, which refers to indirect emissions from purchased electricity, accounts for approximately 73.53% of the total emissions, making it the largest source of the Company's greenhouse gas emissions. Categories 3 and 4 include indirect emissions from transportation and product use, accounting for about 21.60% of total emissions. Overall, the Company's total Category 1 and Category 2 greenhouse gas emissions in 2024 amounted to 154,577.0766 metric tons of CO_2e. Due to increased production volume, emissions rose by 0.21% compared to the previous year despite the implementation of multiple energy-saving and carbon reduction measures; however, emissions have decreased by 9.77% compared to the base year (2021). Emission intensity also decreased by 1.18% from the previous year.

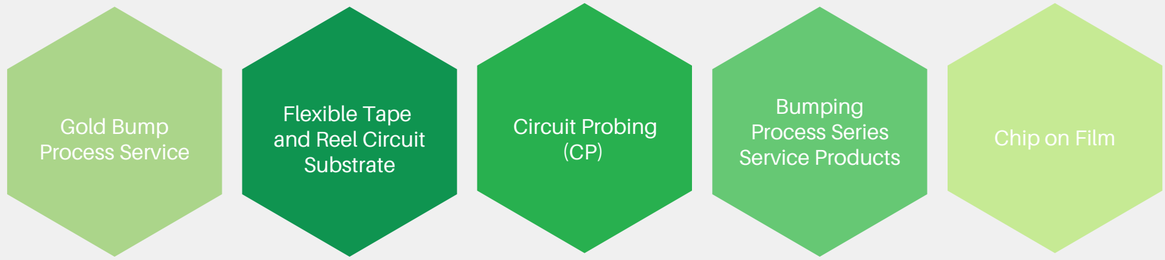






▲ ISO 14067 Carbon Footprint of Products

To enhance the environmental transparency of its products, Chipbond proactively cooperates with customers'carbon management programs. In addition to disclosing greenhouse gas emissions, since 2021 the Company has conducted product carbon footprint assessments for several product series and continues to plan assessments for additional products. These assessments are third-party verified in accordance with ISO 14067, providing customers with highly credible product carbon emission data. As of 2024, Chipbond has completed carbon footprint assessments for five product series. Chipbond conducts service-based carbon footprint assessments, analyzing greenhouse gas emissions across all stages of the product life cycle. This enables more precise identification of carbon reduction hotspots and integrates carbon management into daily operations, embedding a culture of carbon reduction among all employees.



6.2.3.2 Energy Usage

Energy management and efficiency are among the key concerns at Chipbond Technology. The Company actively implements various energy management measures to enhance its energy management capabilities. Since 2023, the Guangfu Plant has adopted the ISO 50001 Energy Management System and successfully passed third-party verification. Through this system, management procedures are established, energy-saving targets and measures are set to improve energy performance, laying a standardized foundation for energy management across all plants. Chipbond's energy-saving and carbon reduction strategies include: **(1) Replacing old or energy-intensive equipment with new, energy-efficient models.** The Company has formulated phased replacement plans for major energy-consuming equipment and continuously introduces various energy-saving technologies and devices to improve energy use efficiency. **(2) Strengthening lighting management to reduce unnecessary energy consumption**, progressively enhancing resource utilization efficiency each year. **(3) Increasing the use of renewable energy.** Since 2021, Chipbond has actively promoted renewable energy usage by installing solar power systems and steadily raising the proportion of renewable energy consumed. The Company also continuously evaluates the purchase and development of other green energy sources to reduce reliance on externally purchased (non-renewable) electricity. **(4) Implementing visualized management and parameter optimization**. To better control energy management, since 2023, the Company has developed an intelligent plant management system that offers visualization, data collection, and one-way automated control capabilities. This system provides real-time monitoring of key equipment operations, integrates front- and back-end energy management, connects systems to prevent abnormal energy consumption and low operational efficiency, and improves the accuracy of energy management to optimize energy supply. **(5) Strengthening employee energy-saving awareness through carbon reduction lifestyle initiatives**. Internal advocacy and training embed the concepts of energy conservation and carbon reduction into daily operations, fostering a corporate culture that ensures energy is used in the most efficient manner possible.

Chipbond's Energy Saving and Carbon Reduction Strategies	Implementation Directions
Energy Equipment Upgrade	• Replacing old motors and pumps with high-efficiency energy-saving models to reduce electricity consumption. • Replacing chilled water pump for chiller with high-efficiency energy-saving model. • Replacing old air compressors, dryers, and vacuum equipment to lower electricity usage.
Lighting Management	• Continuously replacing traditional (T5) lamps with energy-efficient (LED) lighting. • Using microwave sensor LED tubes in parking lots. • Improving nighttime lighting management in office areas.
Renewable Energy Usage	• Solar power systems have been installed on the rooftops of various plants to meet renewable energy obligations for energy users and fulfill customer requirements for renewable energy usage.
Visualization Management and Parameter Optimization	• An in-house developed smart factory system has been established, enabling visualization, data collection, and one-way automatic control capabilities.
Carbon Reduction Lifestyle and Enhancing Employee Energy Awareness	• Energy-saving settings and nighttime shutdowns for computers and office equipment. • Joint health promotion activities encouraging employees to use stairs. • Improvement of stairwell safety doors to remain closed, reducing air conditioning loss. • Use of eco-friendly low-carbon fleets by transportation contractors. • Utilization of video conferencing systems to reduce cross-facility travel-related carbon emissions and energy consumption. • Quarterly ESG Planet Journal to help employees learn energy-saving and carbon reduction practices in daily life.

▲ **Smart Factory System – Real-Time Monitoring Platform**



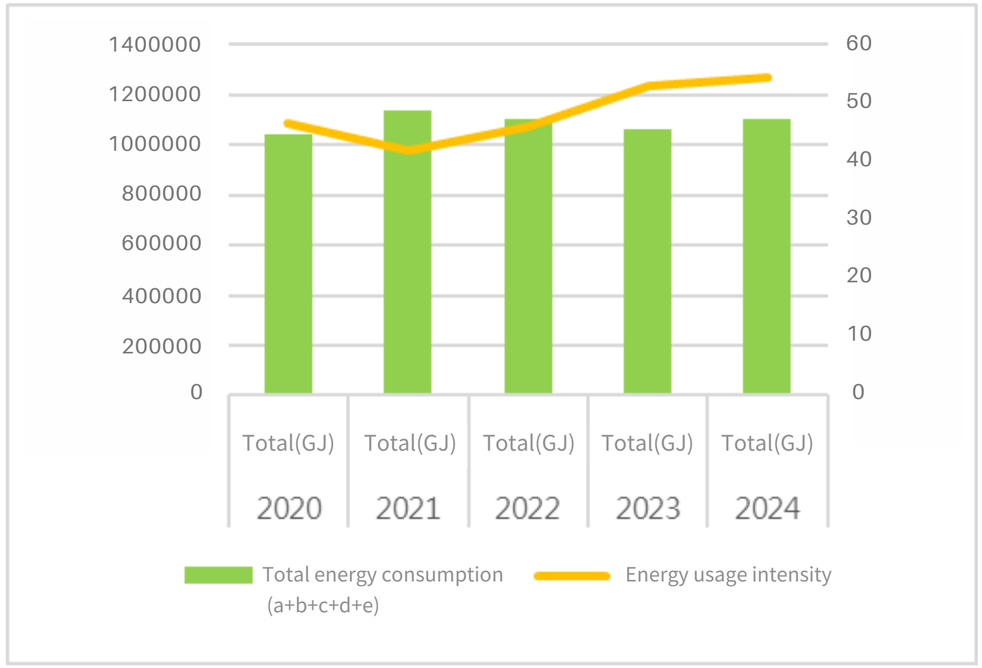
Chipbond's energy consumption, based on data analysis, mainly includes purchased electricity, gasoline, diesel, natural gas, and self-generated renewable energy, with purchased electricity being the primary source. In 2024, the total energy consumption reached 1,105,777.0632 GJ. Due to increased product output this year, total energy consumption rose by 4.17% compared to the previous year; energy intensity was 54.3712 GJ, increasing by 2.73% year-over-year. Purchased electricity consumption accounted for 1,100,979.3600 GJ, representing 99.57% of total energy use. Self-generated renewable energy amounted to 2,376 GJ (equivalent to 660 renewable energy certificates, or 660,000 kWh), making up 0.2149% of total energy consumption. The Company's recent years'energy consumption statistics are as follows:

The Energy Consumption of Chipbond (Unit: GJ)

Energy category		2021	2022	2023	2024
Electricity	(a)Non-renewable energy (purchased)	1,134,561.2652	1,099,748.4192	1,060,068.4704	1,100,979.3600
	(b)Renewable energy (self-generated)	--	57.6000	122.4000	2,376.0000
Fuel	(c)Gasoline	67.8356	80.0019	112.3281	115.2410
Fuel	(d)Diesel	1,369.5993	1,397.3136	384.8008	363.8149
Fuel	(e)Natural gas	--	4.0102	841.7311	1,942.6473
Total energy consumption (a+b+c+d+e)		1,135,998.7001	1,101,287.3450	1,061,529.7305	1,105,777.0632
Energy usage intensity		41.9466	45.8676	52.9273	54.3712

Note: Energy intensity (GJ) = Total energy consumption / Revenue (in million NTD)

▲ Total energy consumption and Energy usage intensity





6.2.3.3 Indicator and Goal

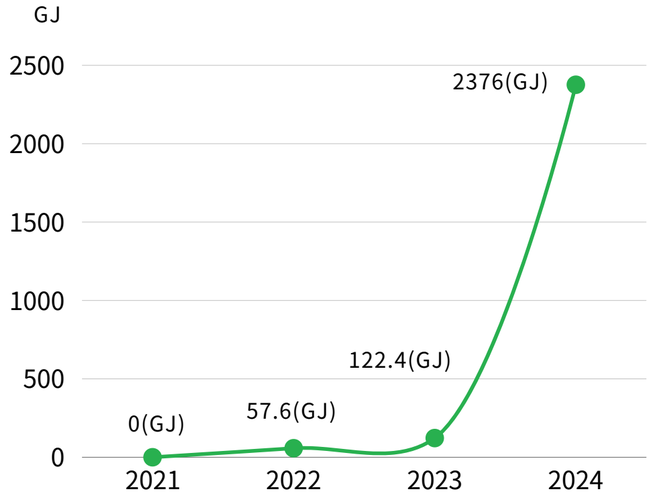
Chipbond uses the following key indicators to set targets and metrics related to climate change issues:

Items	Goals for 2024	Goals for 2025	Goals for 2030
Goal Setting	1. Energy savings: ≧1% 2. Renewable energy usage: ≧70 kWh 3. ISO 50001 management principles fully implemented across all plants, achieving 100% coverage	1. Energy savings: ≧1% 2. Renewable energy usage: ≧75 kWh 3. Greenhouse gas (Category 1 and 2) emission reduction: 10% reduction by 2025, using 2021 as the baseline year	1. Energy savings: ≧1% 2. Renewable energy usage: ≧4,300 kWh 3. Greenhouse gas (Category 1 and 2) emission reduction: 23% reduction by 2030, using 2021 as the baseline year
2024 Goal Achievement Status	1. Greenhouse gas emissions (Scope 1 and Scope 2) totaled 154,577.08 metric tons CO2e, representing a 9.77% reduction compared to the baseline year (2021). 2. Completed 29 key energy-saving projects, estimated to save approximately 6,674,093 kWh of electricity, achieving an energy saving rate of about 2.13%. 3. Renewable energy usage reached 787,726 kWh (metered consumption), meeting the target of ≥700,000 kWh. Among this, 660,000 kWh was from renewable energy certificates (equivalent to 2,376 GJ), an increase of 626,000 kWh from the previous year. 4. In 2024, the spirit of the ISO 50001 management system will be parallelly promoted across all plants. Energy consumption data from each plant will be collected and analyzed to identify major energy-consuming equipment, facilitating the proposal of various energy policy improvement measures.		

6.2.3.4 Green Carbon Reduction Actions and Achievements

To actively respond to the government's promotion of renewable energy and reduce the environmental impact of greenhouse gas emissions, the Company has successively installed solar power systems on the rooftops of various plants to gradually fulfill the renewable energy obligations of energy users. **In 2024, the renewable energy usage reached 660,000 kWh (actual usage was 787,726 kWh, with some portion pending renewable energy certificate registration), an increase of 626,000 kWh compared to the previous year.** In the future, the Company will continue to expand solar power installations.

▲ Renewable Energy Usage (Self-Generated)



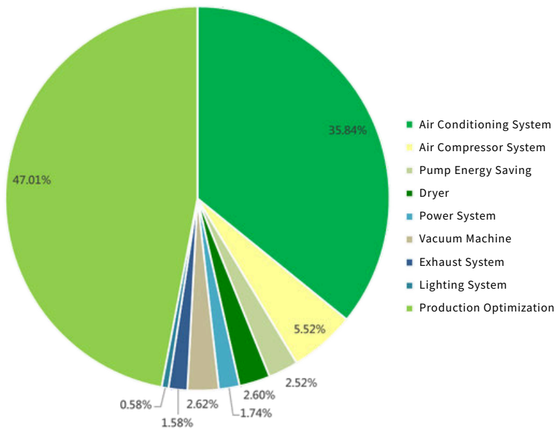

◆ Solar Power Equipment in Zhanye Plant


◆ Solar Power Equipment in Kuangfu Plant

◆ Statistics of Energy-Saving Plans in 2024

Project		Annual Energy Reduction	
Category	Description of Measures	kWh	tCO2e
Air Conditioning System	• Replace 3-phase 208V AC FFU with single-phase 208V DC FFU • Replace RF substation air handling unit (chilled water type) • Replace BF#1 chilled water main unit • Replace chilled water pump with high-efficiency motor IE3 • Replace cooling tower; separate chilled water systems for chiller and air compressor to reduce electricity consumption • Update BF electrical room package air handling unit • Replace 6F 300RT chilled water main unit	2,392,065	1,133.8388
Air Compressor System	• Reduce startup running hours for fixed-frequency air compressors • Replace air compressor #AC2 with higher efficiency equipment • Clean cooling system of centrifugal air compressor CP04 • Replace spiral 200HP air compressor #6 • Replace air compressor cooling water pump with high-efficiency motor IE3 • Clean cooling system of air compressor CP08 • Replace ZR250 (300HP) air compressor	368,316	174.5818
Pump Energy Saving	• Replace cooling tower motors with IE motors and add variable frequency drives (VFD) • Improve energy saving with VFD on secondary chilled water pumps • Replace mixed bed pure water supply pump motors from IE1 to IE3 • Install VFD on 1F and 2F 30HP dry coil chilled water pumps	167,862	79.5666
Dryer	• Replace molecular sieves on DR03 • Update molecular sieves on BF heating dryers #2 • Update molecular sieves on BF heating dryers #3	173,716	82.3414
Power System	• Integrate UPS system loads and update equipment	116,268	55.1110
Vacuum Machine	• Replace fixed-frequency vacuum pumps with permanent magnet variable frequency drives • Vacuum pump #1 replaced from fixed-frequency to variable frequency • Exhaust system	174,847	82.8775
Exhaust System	• Energy-saving improvement of exhaust fan: replaced 30HP 1E1 motor with IE3 20HP motor	105,120	49.8269
Lighting System	• Energy-saving improvements in office lighting	38,737	18.3613
Production Optimization	• Parameter adjustments and process improvements in bump wafer manufacturing • Production process improvements and automation with parameter adjustments at Kuangfu Plant 1 and 2	3,137,162	1487.0148
Total		6,674,092.979	3,163.5201

▲ Energy-saving Proportion by Project Category (%)

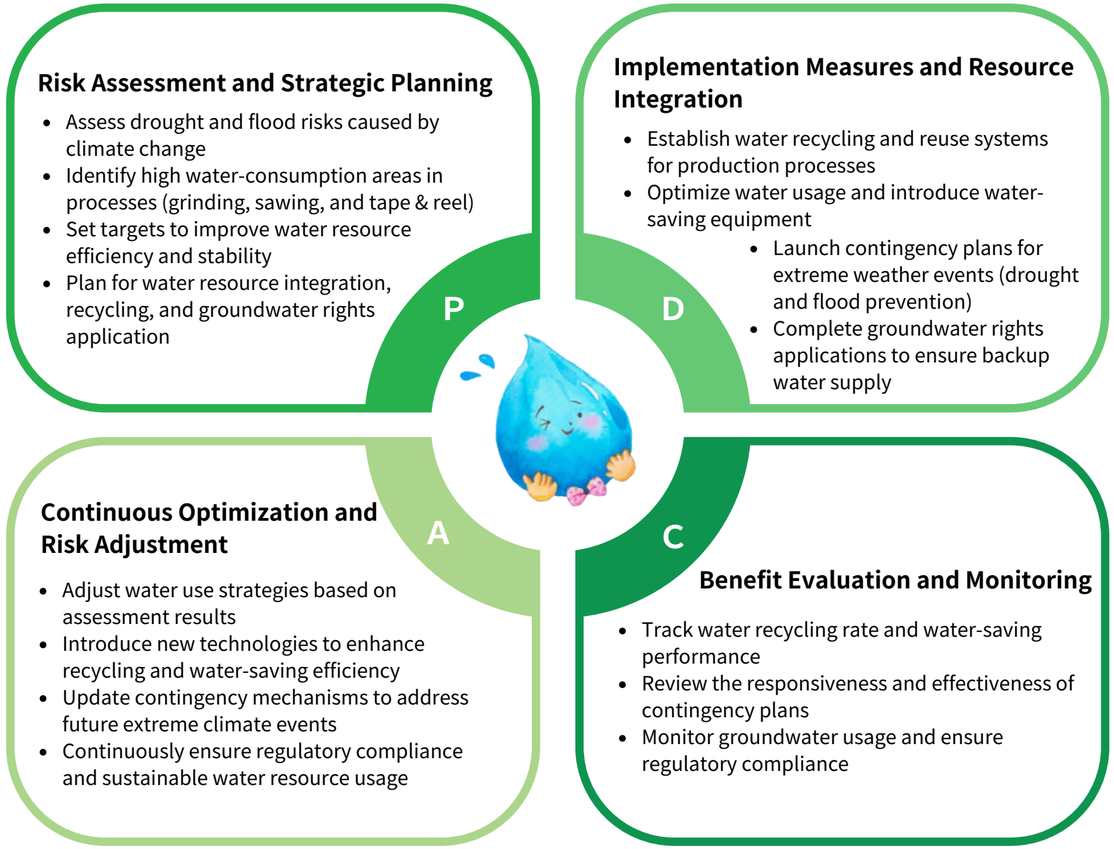


- Energy-saving rate (%) = (2024 Electricity Reduction from Projects) ÷ (2024 Total Electricity Consumption + 2024 Electricity Reduction from Projects) × 100%

The Company reduces energy consumption and greenhouse gas emissions by **replacing energy-consuming equipment**, **optimizing equipment operations**, and **performing maintenance to improve operational efficiency**. In 2024, a total of **29 energy-saving measures were implemented, saving an estimated 6,674,092.979 kWh of electricity**, achieving an **energy-saving rate of approximately 2.13%**. Based on the electricity emission factor announced by the Ministry of Economic Affairs in 2024, this corresponds to a reduction of about 3,163.5201 tons of CO2e. Detailed statistics are provided on this page.

6.3 Water Resource Management

As for use of water resources, in addition to the domestic water used in the office area, most of the water resources are used for the grinding, cutting and tape manufacturing processes. As the extreme climate has occurred more frequently as a result of the climate change, the drought and rainstorm have become a climate risk concern for the operation of a business in recent years. We improve the efficiency of water resources by implementing integration of water resources, recovery of process water, saving measures, emergency response mechanism, and application for groundwater rights to reduce the impact on operating activities
caused by unstable water resources.



6.3.1 Use of Water Resources

Chipbond's operational water resources include both tap water and groundwater. All process water uses tap water exclusively, while groundwater is reserved as a backup and is only used for system testing and operation when the tap water supply is stable.To understand the water stress in different areas, we use the "Aqueduct Water Risk Atlas" as the tool for risk assessment to identify the water resource risks in the areas where the plants are located. According to the result of the analysis, the Hsinchu Plant, Hukou Plant and Kaohsiung Plant are located in low-risk areas and the water withdrawal of each plant is less than the average water supply by 5%, indicating that no significant impact is produced on the water sources. The impact on water sources arising from use of water resources and the water withdrawal statistics in 2024 are described below:

The Impact from the Use of Chipbond Water Resource on Water Sources

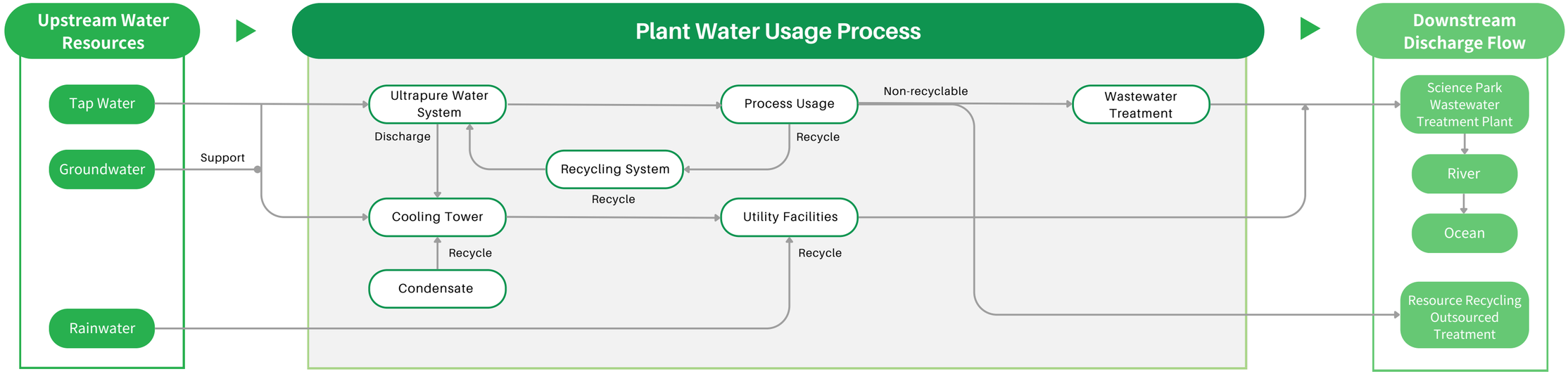
Items	Average Daily Water Supply Volume by Region (Tons/day)[Note 1]	Chipbond Average Daily Surface Water Withdrawal (Tons/day)	Impact from Chipbond's Use of Water (%)[Note 2]	Water Body (Source)
Hsinchu Plant	710,000	1,707.506	0.24%<5%	Baoshan Reservoir (Toucian River), Second Baoshan Reservoir (Jhonggang River), and Lung- En Weir (Toucian River)
Hukou Plant	710,000	1,996.485	0.28%<5%	Baoshan Reservoir (Toucian River), Second Baoshan Reservoir (Jhonggang River), and Lung- En Weir (Toucian River)
Kaohsiung Plant	1,757,195	1,370.476	0.08%<5%	Fongshan Reservoir (Gaoping River and Donggang River)

Note 1: Such data are from the 2022 Statistical Yearbook of the Taiwan Water Corporation
Note 2: Impact from Chipbond's use of water= (Chipbond average daily surface water withdrawal / regional average daily water supply)*100%

Water Withdrawal (Unit:Tons)

Category	Hsinchu Plant	Hukou Plant	Kaohsiung Plant	Total
Tap Water	623.2397	728.5749	500.2239	1,852.0385
Groundwater	0	0.1420	0	0.1420
Water withdrawal in water stress area	0	0	0	0

6.3.1.1 Water Usage Structure



6.3.1.2 Water Shortage Contingency Measures

In response to water shortages, the Company follows the "Chipbond Internal Water Conservation Procedures" and adopts corresponding contingency measures based on the water supply alert levels announced by the Water Resources Agency.

Water Condition	Blue Normal	Green Alert	Yellow Pressure Reduction	Orange Supply Reduction	Red Rotational Supply
Government Measures	Stable water supply	Enhanced water dispatch and supply stabilization	Lower water pressure during off-peak hours	Industrial water use reduced by 5%–20%	Rotational or scheduled water suspension
Chipbond's Response Measures	• Water supplied normally by Baoshan, Baoshan No. 2, Longen, and Fengshan Reservoirs	• Activate internal emergency response • Voluntary 3% water reduction	• Voluntary 5% water reduction	• Voluntary 20% water reduction	• Voluntary 30% water reduction • Water truck support • Groundwater backup

6.3.2 Water Resource Management and Recycling

The main sources of production wastewater in Chipbond are the wastewater containing silicon powders produced from the production of wafer bumps, grinding and cutting, the washing wastewater produced from the tape production, and the following listed in order: the acidic and alkaline wastewater, organic wastewater, domestic sewage and heavy-metal wastewater. To reduce our dependence on raw water and wastewater drainage, we spare no effort to improve the recycling rate of process water. First of all, we use the high-efficiency equipment to perform water recycling and the treatment of pollutants in water according to the types of wastewater produced from the operating process. Next, the recycled water is piped and collected to the wastewater treatment facility for sorting and management, so as to put the reusable water into use of production or for other secondary purposes; for example, the water supply for cooling towers and exhaust scrubber, and washing water for the filter cloth of sludge dewatering machine in wastewater treatment. To ensure using water resources most effectively, we adopt the water resource management approaches of designing water-saving processes and performing the recycle of water resources in combination with water footprint management to reduce water resource consumption effectively. The company detailed water resource management approach is described as follows:

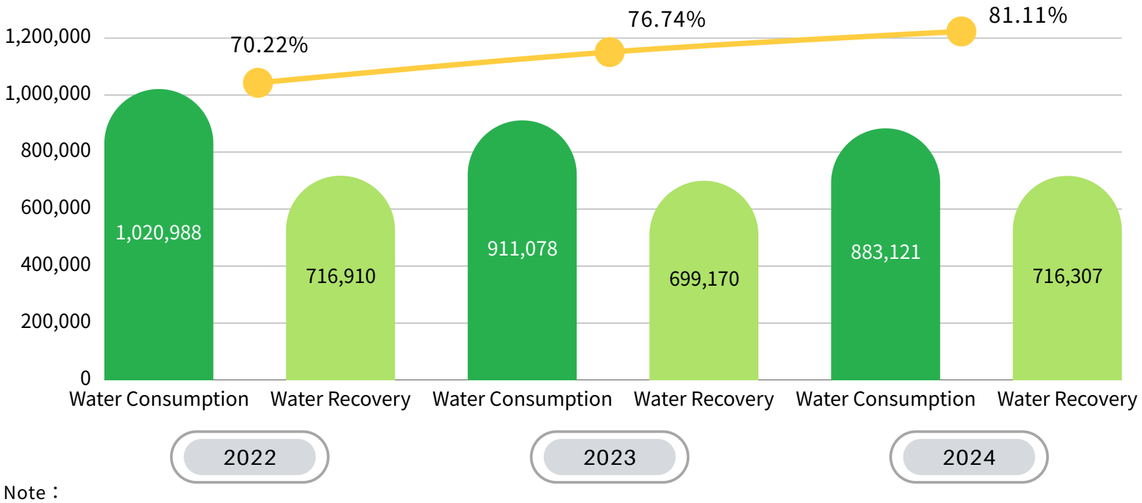
Strategy	Implementation
Save process water	1. Set up the organic/ acidic and alkaline drainage water recycling system to recycle the production wastewater for other secondary purposes and improve the recycling rate. 2. Enhance the drainage of process water to improve the efficiency of recycling water. 3. Implement the "frame filter press with double diagram" to improve the efficiency of drainage water recycling in grinding production. 4. Increase the recovery of water used for cutting/grinding machines. 5. Reduce consumption of cutting/grinding process water. 6. Improve the usage of water for cleaning machines and ensure use of every drop of water.
Save water for facilities	1. Replace old factory facilities to improve operational efficiency and reduce water consumption. 2. Introduce the TMF system to apply the process recycled water to secondary water. 3. Moderately increase the secondary water usage of cooling water towers and exhaust gas filled scrubbers. 4. Use water-saving touch or sensor faucets at wash basins to reduce water waste.

Key Water-Saving Measures and Results in 2024：

- The wastewater recycling pipeline improvement project at the grinding process of the Zhanye Plant increased daily treated wastewater capacity by 0.4 ML, reaching a total of 167.531 ML in 2024.
- The EDI system at the Nanliu Plant introduced a concentrated wastewater recycling system, adding 0.08 ML of daily process water recovery, with a total of 29.2 ML recycled in 2024.
- All plants regularly clean water systems with membrane pipes and replace unsuitable components to prevent reduced water production efficiency and avoid unnecessary water consumption.

Overall, Chipbond's total water consumption in 2024 was 3,065.036 ML. Due to an increase in product output this year, water usage rose by 20.17% compared to the previous year. Water sources included 1,852.039 ML of tap water, 0.142 ML of groundwater, and 1,212.855 ML of process recycled water. This year, we improved the piping for the cutting and grinding processes and implemented concentrated wastewater recycling for the EDI equipment, increasing process water recovery and treatment. The process water recycling rate reached 65.48%, a 19.31% increase from the previous year. Among this, the recycling volume for the cutting and grinding process water system was 716.307 ML, with a recovery rate of 81.11%.

▲ Water Usage in Cutting and Grinding Processes



Note：

- Water usage in cutting and grinding processes = tap water used in cutting and grinding + recycled circulating water
- Recovery Rate = (Recycled Water Volume in Cutting & Grinding Process ÷ Total Water Usage in Cutting & Grinding Process) × 100%

● indicates the water recovery rate in the cutting and grinding process.

In order to avoid the impact of wastewater on the environment, all plants of Chipbond have assigned qualified personnel responsible for wastewater treatment and set up related monitor equipment (including flow meters, pH meters and level indicators), so as to perform the real-time monitoring of drainage water quality and have the personnel on-duty to sample and analyze the water regularly 24 hours a day. Where the wastewater treatment facility operates abnormally, we will fix the problem as soon as possible. If the failure is not repaired within 24 hours, various response actions, such as the wastewater temporary storage, are taken, or the production is suspended to reduce wastewater if necessary. A legally qualified testing institution is commissioned to test the quality of the effluent for the plants of the Company every six months in accordance with laws and regulations. The water quality test result in 2024 showed that the quality of the effluent met the pipe connection standards, and we reported the results to the government agencies according to the "Water Pollution Control Actions and Test Reporting Management Regulations" on a regular basis. The water resources that the Company cannot recycle are treated pursuant to the water management plan of each plant to the level that meets the pipe connection standards required respectively by the Hsinchu Science Park Bureau, the Hsinchu Industrial Park, and the Water Resources Bureau, Kaohsiung City Government, and are discharged to the sewage treatment plants of the agencies in charge of the pipe connection in accordance with the control volume specified in the water pollution prevention plan of each plant for further treatment. The water treated in compliance with the effluent standards is drained to rivers and eventually flow into the sea without significant impact on the water body.

Effluent Quality Testing Result and Water Discharge Statistics in 2024

Items	Effluent quality testing						Total water discharge (ML)	Water discharge in water stress area (ML)	Receiving water
	PH value		Suspended solid (SS) (mg/L)		Chemical oxygen demand (COD) (mg/L)				
	Allowable value/ discharge limit	Tested value	Allowable value/ discharge limit	Tested value	Allowable value/ discharge limit	Tested value			
Hsinchu Plant	5-9	7.1~7.9	300	3.6~165	500	ND~387	389.9930	0	Wastewater Treatment Plant of the Hsinchu Science Park (Keya Creek)
Hukou Plant	5-9	7.4~7.8	400	2.9~7.5	480	20.2~32.2	630.0200	0	Hsinchu Industrial Park - East Sewage Treatment Plant (Jiadong River)
Kaohsiung Plant	5-9	7.0~8.7	450	<2.5~16.1	600	< 10~252	322.8450	0	Kaohsiung Export Processing Zone - public sewage sewer (open waters)

Water Usage Statistics

Year	Total water withdrawal (ML)	Water withdrawal intensity Note 1	Process Recycled Water Volume (ML)	Total water discharge (ML)	Water discharge intensity Note 2	Water Usage(ML) Note 4	Water Intensity Note 5	Total water consumption (ML) Note 3	Water consumption in water stress area (ML)
2020	1,892.3410	0.0850	875.5720	1,288.0980	0.0578	2,767.9130	0.1243	604.2430	0
2021	2,010.0100	0.0742	1,090.9380	1,309.6040	0.0484	3,100.9480	0.1145	700.4060	0
2022	1,985.6319	0.0827	861.5670	1,378.4970	0.0574	2,847.1989	0.1186	607.1349	0
2023	1,744.9569	0.0870	805.6480	1,214.4760	0.0606	2,550.6049	0.1272	530.4809	0
2024	1,852.1805	0.0911	1,212.8550	1,342.8580	0.0660	3,065.0355	0.1507	509.3225	0

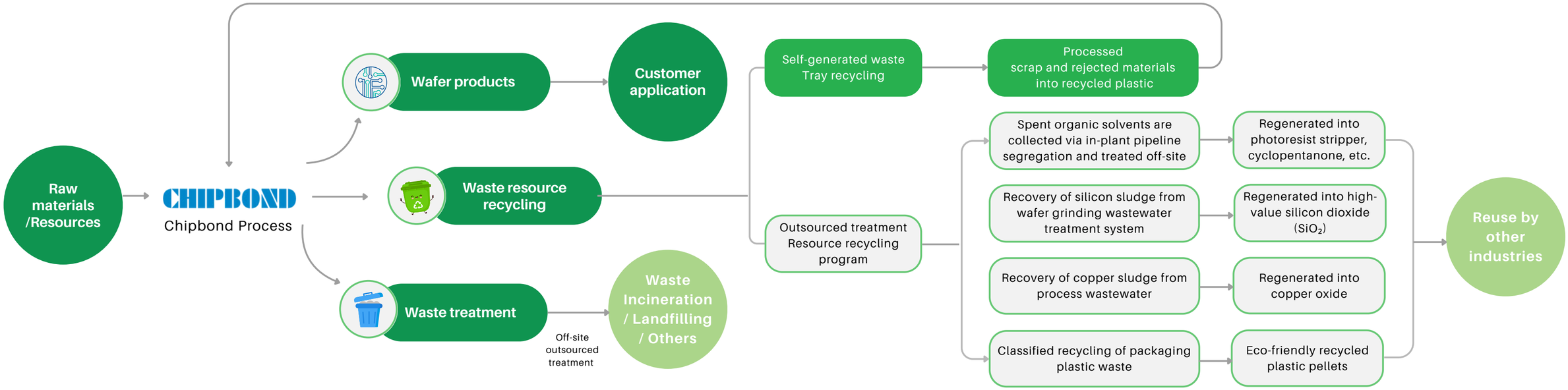
- Note 1: Water withdrawal intensity = total water withdrawal (ML) / revenue (NTD million)
- Note 2: Water discharge intensity = total water discharge (ML) / revenue (NTD million)
- Note 3: Total water consumption (tons) = [total water withdrawal - total water discharge] (tons)/1000
- Note 4: Water usage (ML) = Total water intake (ML) + Process water recycled volume
- Note 5: Water intensity = Water usage (ML) / Revenue (in millions)

6.4 Waste Management and Circular Reuse

6.4.1 Waste Management and Reduction Measures

Chipbond Technology complies with the Ministry of Environment's regulations on waste disposal and implements waste reduction, reuse, and proper treatment measures annually based on the ISO 14001 Environmental Management System. Through a product life cycle perspective, the company continuously reviews and optimizes waste categorization and recycling processes to achieve energy saving, waste and carbon reduction goals. Waste management roles are clearly defined within each site. All sites are staffed with certified waste management personnel. To minimize the risk of leakage during manual handling, wastewater is collected via segregated pipelines under safe operation principles. Solid waste is sorted at the source and temporarily stored in designated waste storage areas based on its nature before being removed, treated, or recycled by certified vendors authorized by the Ministry of Environment. Chipbond prioritizes environmentally friendly reuse methods for waste treatment, followed by recycling. Incineration or landfill is considered only when recycling or reuse is not feasible. All waste generated is outsourced to off-site vendors for proper disposal.

In addition to ensuring that the Company's operational waste management complies with regulatory and ISO standards, Chipbond also assesses waste-related impacts across the upstream and downstream value chains. Upstream, green procurement processes are implemented to avoid hazardous substances in raw materials. Downstream, the company has introduced hazardous substance process control (IECQ-QC 080000) and a vendor audit mechanism for waste disposal, treatment, and recycling, minimizing environmental hazards.



To ensure transparency and traceability of waste flows, Chipbond rigorously selects qualified vendors based on legality and resource recovery capabilities. Annual on-site audits are conducted for all waste removal, treatment, and recycling vendors, focusing on vehicle operations, site management, storage areas, operational records, permit validity, pollution control facilities, and legal compliance. In 2024, a total of 48 vendors were audited: 18 for waste removal, 21 for waste treatment, and 9 for recycling. No irregularities were found during the audits.

In response to a regulatory violation in 2024, the company submitted a revised waste clearance plan and enhanced staff training on regulatory compliance. Internal auditing mechanisms were also reinforced through cross-site audits to ensure waste clearance activities align with the approved plans. Awareness campaigns—such as meetings, posters, videos, and surveys—were conducted to promote compliance and eliminate misinformation.

▲ Waste Reduction Measures

Reduce waste production

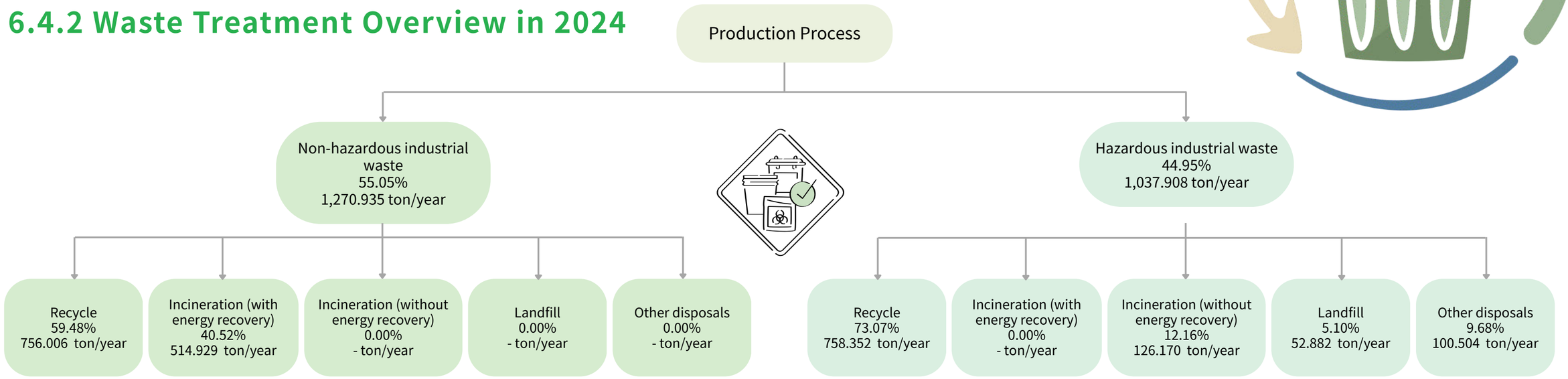
1. Correctly implement garbage sorting and recycling.
2. Encourage zero kitchen waste.
3. iPads are used for machine/equipment inspection to promote electronic document to reduce paper consumption.
4. Optimize the operating parameters of the sludge system and reduce the sludge moisture content to reduce sludge output.

Perform waste sorting and recycling

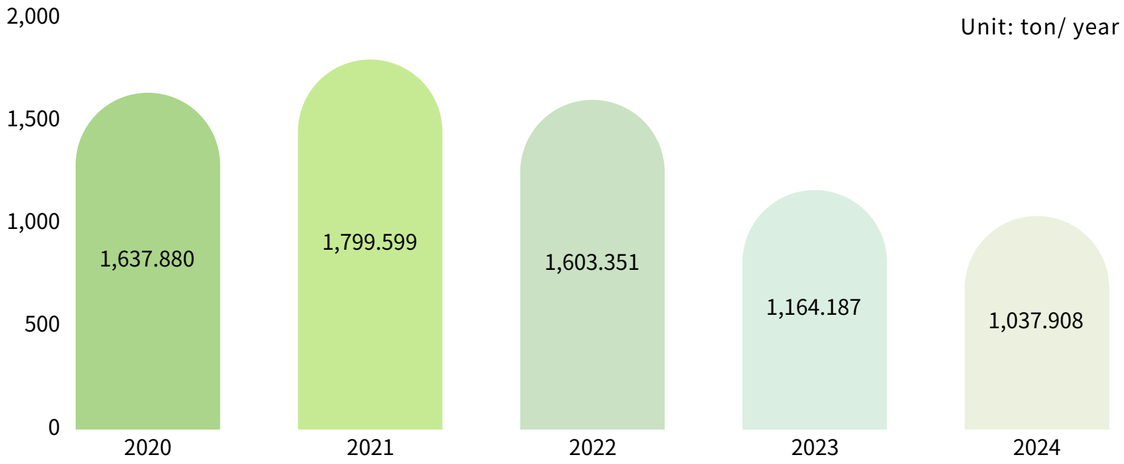
1. Recover product packaging materials for disposal suppliers to recycle.
2. The process waste liquid will be collected separately and recycled by qualified waste treatment manufacturers.
3. Enter into recycle contracts with vendors on a case-by-case basis to turn wastes to resources.
4. Recover and reuse wooden pallets.



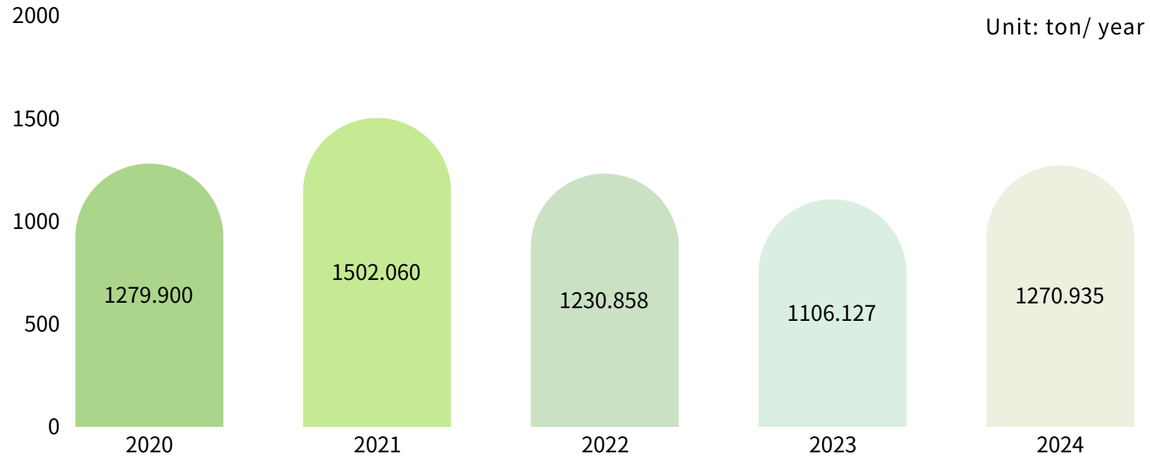
6.4.2 Waste Treatment Overview in 2024



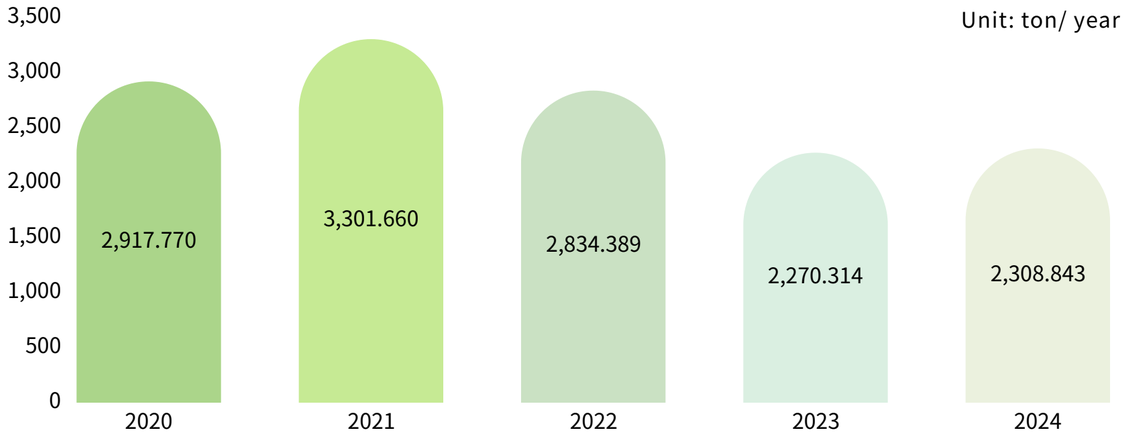
In 2024, Chipbond generated a total of 2,308.843 metric tons of waste, of which 1,037.908 metric tons (44.95%) were classified as hazardous industrial waste. A total of 1,514.358 metric tons were recycled. The recycling rate of hazardous waste reached 73.07%, and the Company's overall waste recycling rate increased to 65.59%, a 2.55% improvement over the previous year. Specifically, 541.224 metric tons of waste solvents were generated, with 457.144 metric tons successfully recycled, achieving a solvent recycling rate of 84.465%. Waste generation per NT$1 million in revenue was 0.114 metric tons, representing a 0.29% increase compared to the previous year.



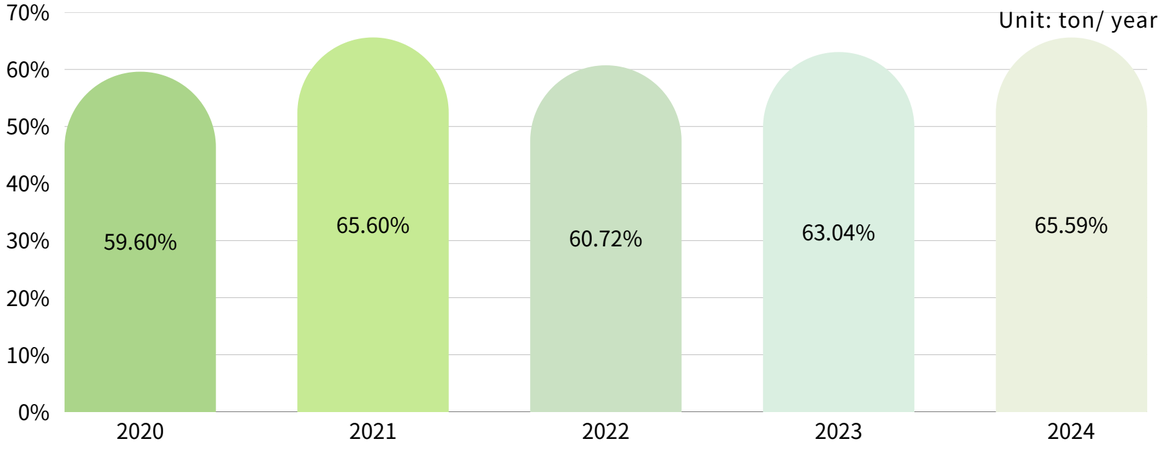
▲ Outsourced Hazardous Industrial Waste Volume



▲ Outsourced Non-Hazardous Industrial Waste Volume



▲ Total Outsourced Industrial Waste Volume



▲ Total Waste Recycling Rate

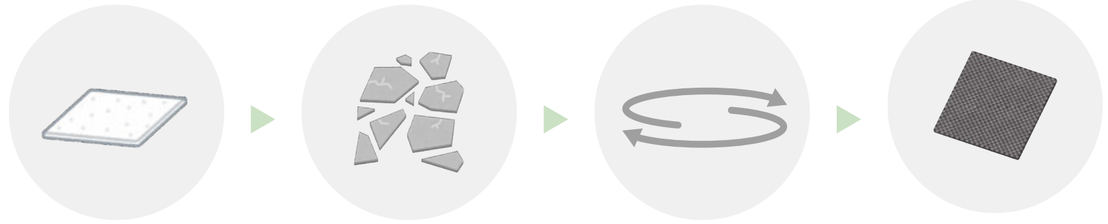
6.4.3 Introducing Circular Economy – Waste Resource Recovery

The traditional linear economy model of "take, make, dispose" not only causes resource depletion but also increases environmental burdens. Therefore, the Company actively introduces circular economy principles to enhance the efficiency of waste resource recovery. We are committed to transforming process by-products, scrap materials, and other recyclables into reusable resources, thereby reducing landfill and incineration. This approach achieves waste reduction and value regeneration, strengthens industry competitiveness, and contributes to a low-carbon future.

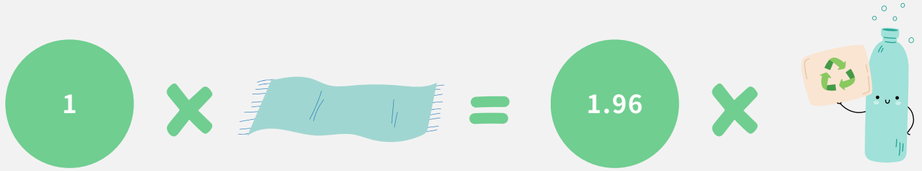
Case 1 ◆ Tray Circular Economy Model

In the semiconductor industry, trays are essential logistics and process aids responsible for carrying wafers between different manufacturing stages. However, discarded trays contribute to resource waste and environmental pollution issues. In order to implement sustainable development and reduce resource consumption, Chipbond actively responded to the circular economy, starting from the three major aspects of "Reduce, Reuse, Recycle", promoting the internal circulation of plastic raw materials, and creating the "Tray Scrap Recycling and Remanufacturing Project". We recycled the scraps and waste materials generated in the production process, crushed them and mixed them with new raw materials to make recycled plastics, and reintroduced them into the process to reduce plastic waste and dependence on virgin plastics. Through material recycling and reuse technology, we can improve resource efficiency and achieve a more resilient green supply chain. The amount of defective materials invested in 2024 is 32,777 KG, and the recycled plastic input ratio is 17.44%. In the future, we will continue to deepen green manufacturing and circular economy strategies to achieve sustainable value.

Tray Circular Economy Process

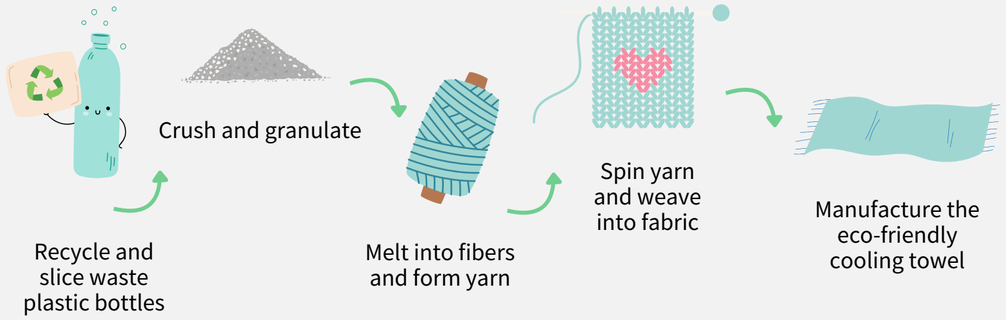


Case 2 ◆ Eco-Friendly Gifts for Shareholders & Company Anniversary



On the path toward sustainable development, Chipbond believes that every small change can accumulate into a profound impact on the earth. The gifts for last year's shareholders' meeting and factory anniversary were eco-friendly recycled cooling towels. These cooling towels were made from regenerated fiber from recycled plastic bottles, giving discarded plastics a new life and turning them into daily necessities. Through this design, resource recycling was no longer just a concept, but an action that can be touched and felt personally. In 2024, a total of 38,850 cooling towels were distributed, equivalent to recycling and reusing 76,146 plastic bottles. Sustainability is not just the Company's responsibility — it's a lifestyle we share with you. This cooling towel brings you refreshing comfort while carrying our commitment to a green future!

▲ Recycled Cooling Towel – Circular Economy Process



- Note: The data on recycled PET bottles is based on supplier figures, where 1 kg of fabric = 27 cooling towels = 53 PET bottles, meaning each cooling towel contains approximately 1.96 recycled PET bottles.

Case 3 ◆ Photoresist Remover Waste Liquid Circular Model

In 2024, 335.104 metric tons of photoresist remover waste were collected and distilled by partner processors to recover key components, which were then remanufactured into remover products and supplied to other electronics component manufacturers.



Case 4 ◆ Cyclopentanone Waste Liquid Circular Model

A total of 122.040 metric tons of cyclopentanone waste liquid was generated and processed by certified vendors via distillation, with recovered materials provided for reuse in other industries.

Case 5 ◆ Waste Silicon Sludge Circular Model

Waste silicon sludge from wafer grinding wastewater treatment at the Zhanye and Guangfu sites was processed using a Silicon Recycling System (SRS) to produce high-value SiO_2. These were reused in construction materials (calcium silicate boards, epoxy, waterproof paint), rubber products (balls, soles), and household items (yoga mats, coasters), building a silicon circular economy ecosystem. A total of 124.76 metric tons were recycled in 2024.

Case 6 ◆ Copper Sludge Circular Model

At Nanyi plant, copper ions from wastewater produced during PCB manufacturing were captured, filtered into low-moisture sludge, and treated by certified vendors. After drying and calcination, the sludge was converted into copper oxide and sold as raw material to copper smelters, supporting resource circularity. In 2024, 266.44 metric tons of copper sludge were recycled.

6.5 Air Pollution Management

Due to the characteristics of Chipbond's manufacturing processes, volatile organic compounds (VOCs) are the main air pollutants generated. The Company's air pollution control strategy prioritizes source management, implemented through comprehensive procedures such as the EHS Impact and Risk Assessment, EHS Change Management, and New Chemical Introduction Review. These measures help assess the potential for replacing raw materials to reduce VOC emissions. Additionally, high-efficiency treatment equipment is employed to remove pollutants from exhaust gases, ensuring that the final discharged pollutants comply with or are below regulatory standards.

List of Air Pollutants and Treatment Methods

Category	Treatment Method	Description
Organic	Scrubbing Adsorption Incineration	• Scrubbing：A wet scrubbing system introduces exhaust gas into a tower equipped with a spraying system. As the gas passes through the packing bed, it comes into full contact with the scrubbing liquid. Pollutants are removed based on their solubility or chemical properties, separating clean gas from the contaminated liquid and achieving air purification. • Adsorption : Activated carbon attracts and retains gas molecules on its surface through physical or chemical forces, effectively removing pollutants. • Incineration：In a zeolite rotary concentrator incineration system, VOCs in process exhaust are first adsorbed onto the zeolite rotor. The concentrated VOCs are then desorbed and introduced into a combustion chamber, where they are thermally oxidized and decomposed.
Acidic	Scrubbing	
Alkaline	Scrubbing	

To fully comply with the "Emission Standards for Stationary Sources" , the "Air Pollution Control and Emission Standards for the Semiconductor Industry", and Chipbond's internal VOC emission reduction targets, the Guangfu Plant implemented and began operation of a zeolite concentrator rotor thermal oxidation system in 2023. The Lixing Plant followed suit in 2024 with planning, installation, and operating permit applications, aiming for activation in 2025 to enhance overall emission treatment capacity. According to the permit application testing report submitted on March 12, 2025, the VOCs processed by the zeolite RTO system at Lixing Plant met regulatory requirements (concentration ≤ 14 ppm; removal efficiency ≥ 90%).



◆ The zeolite concentration rotor incineration system in Kuangfu Plant



◆ The zeolite concentration rotor incineration system in Lihsin Plant

The operation of all air pollution prevention equipment of Chipbond is incorporated into the central monitor system which is maintained by the assigned responsible personnel. The personnel on-duty implements the 24-hour strict monitoring. The changes of all operating conditions are monitored. To avoid the abnormal exhaust emission due to the equipment failure, the air pollution prevention equipment of all plants is equipped a backup system with emergency power. Thus, it can be ensured that the backup system is able to substitute for operation if the equipment failed, in order to reduce the possibility of abnormal pollutant emission. Currently, the air pollution control equipment at all plants of the Company is functioning reliably.

Chipbond had one air pollution penalty case in 2024. In response, the Company promptly submitted an application for an operational permit modification, improved pollution control equipment, revised operating procedures, and strengthened professional regulatory training for dedicated personnel; Internal audits were enhanced via cross-plant audits to ensure alignment between field operations and permit requirements. The company also promoted compliance through corporate culture initiatives such as meetings, posters, videos, and surveys to eliminate potential misconduct.

To ensure the reduction of air pollutant emissions'impact on the environment, in addition to using the zeolite concentrator rotary incineration system, activated carbon adsorption towers and exhaust gas scrubbers are also employed as control equipment. Currently, all air pollution control devices at each plant operate steadily, with daily records of operating conditions and regular pollution source inspections conducted in accordance with regulations.

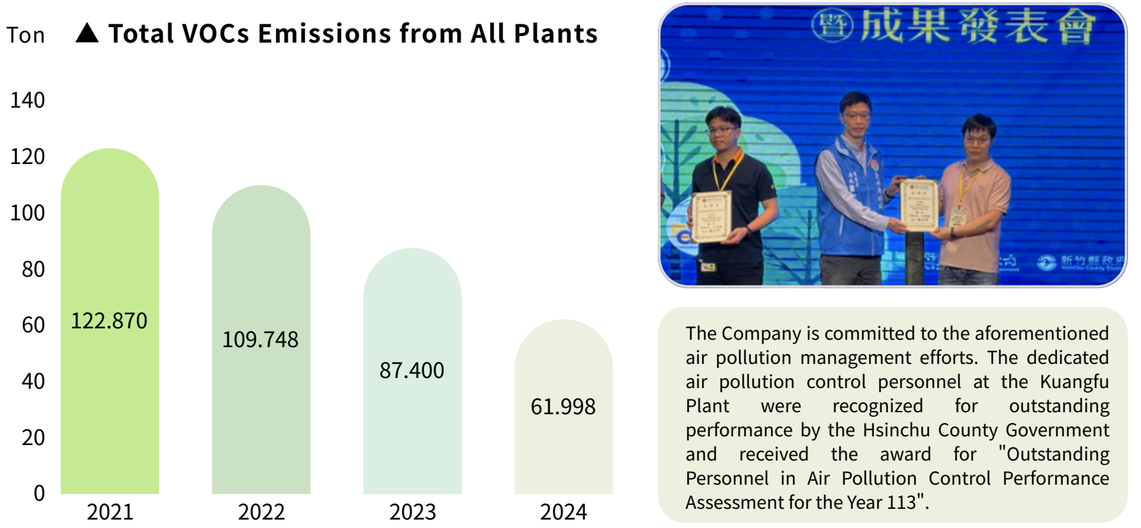
In 2024, the emission test results for stationary pollution sources at all Chipbond plants complied with the emission standards set by the Environmental Protection Administration. Quarterly reports on air pollution fees and emission volumes, as well as records for volatile organic compounds (VOCs) and inorganic acid pollution control in the semiconductor manufacturing industry, were completed. The total emissions for the year were 61.998 tons of VOCs, 0.858 tons of nitrogen oxides (NOx), 0.177 tons of sulfur oxides (SOx), and 0.055 tons of particulate matter. Although the VOCs emissions in 2024 decreased by 43.51% compared to the baseline year of 2022, surpassing the 30% reduction target set for 2025, this was partly due to lower overall production in 2024. Considering future economic and market demand, the 2025 VOCs reduction target of 30% will remain unchanged.

Chipbond's Total Emissions in the Past Four Years Unit: ton/ year

Pollutant / Year	2021	2022	2023	2024
Volatile Organic Compounds (VOCs)	122.87	109.748	87.4	61.998
Nitrogen Oxides (NOx)	2.82	2.877	0.858	0.858
Sulfur Oxides (SOx)	0.708	0.722	0.199	0.177
Particulate Matter	0.219	0.223	0.061	0.055

Note：

1. VOC emissions for 2024 were calculated based on figures submitted to the Ministry of Environment's "Integrated Air Pollution Fee and Emission Declaration System" and approved by local authorities.
2. The emissions of NOx and SOx are estimated for the entire year using emission factors specified by the "Environmental Protection Administration's regulations on emission coefficients and control efficiencies for sulfur oxides and nitrogen oxides applicable to stationary pollution sources reporting air pollution control fees".
3. NOx and SOx emissions originate from diesel consumption by diesel generators and natural gas consumption by air pollution control equipment.
4. Particulate matter emissions are estimated for the entire year using emission factors specified by the "Environmental Protection Administration's regulations on emission factors, control efficiencies, and other measurement requirements for particulate matter, lead, cadmium, mercury, arsenic, hexavalent chromium, and dioxins under the fixed pollution sources reporting and air pollution control fee system for public and private facilities".
5. Particulate matter emissions are estimated based on the diesel consumption of diesel generator operations.



The Company is committed to the aforementioned air pollution management efforts. The dedicated air pollution control personnel at the Kuangfu Plant were recognized for outstanding performance by the Hsinchu County Government and received the award for "Outstanding Personnel in Air Pollution Control Performance Assessment for the Year 113".

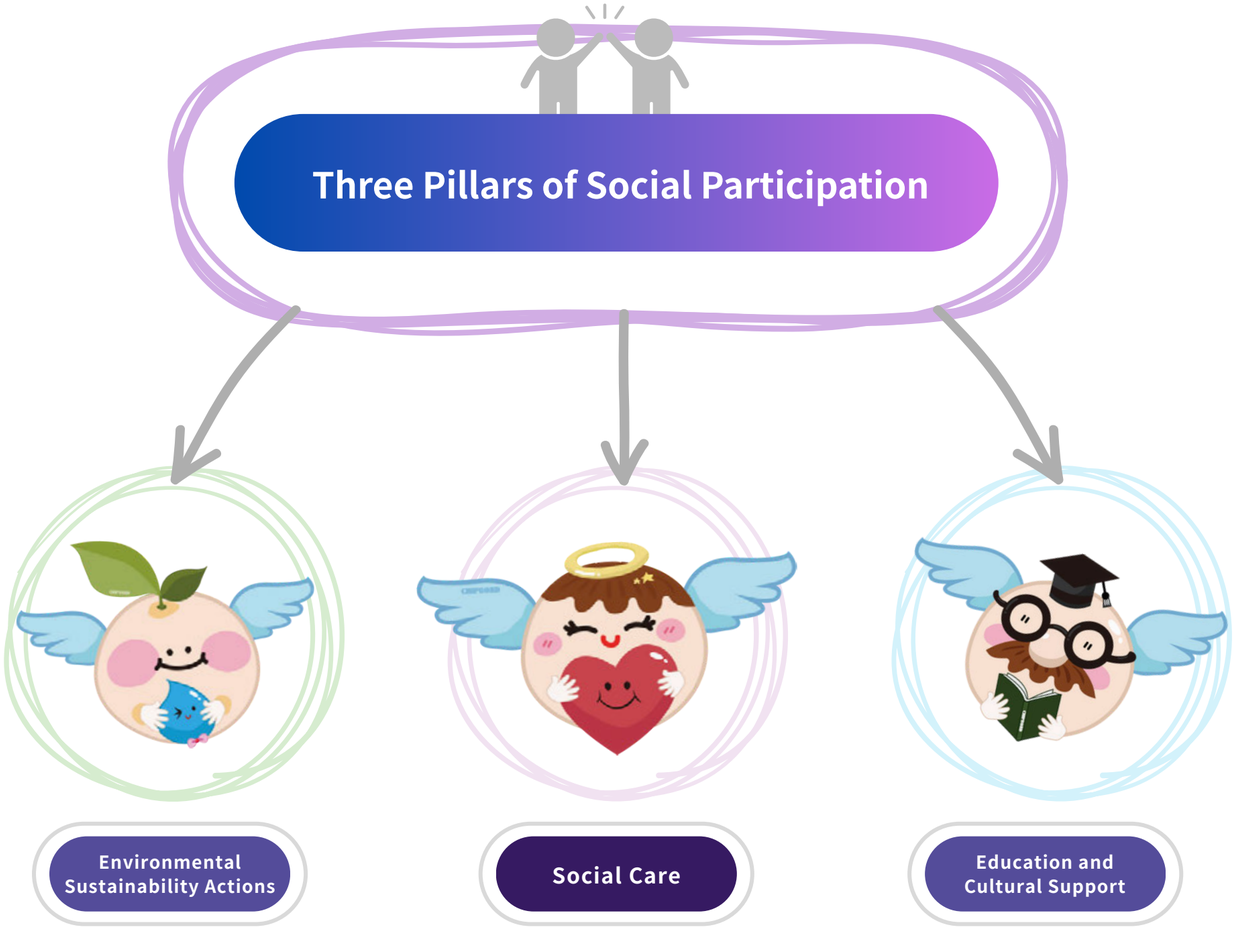
7 Social Participation

7.1 Education and Cultural Support
7.2 Environmental Sustainability Actions
7.3 Social Care

Career Exploration Journey – Cumulative Participants: **811**

Volunteer service hours: **230** person-hours

Sustainability market facilitated **NT$45,635** in green transactions



Chipbond deeply understands that while pursuing business growth, it also shoulders significant social responsibilities. The company evaluates the community conditions in Hsinchu County and Kaohsiung City, where its plants are located. These areas face challenges such as uneven urban-rural resource distribution and economically disadvantaged families due to their vast territories. Additionally, Taiwan is confronting the impact of a declining birthrate, making the effective cultivation and attraction of talented individuals a crucial issue for the Company's future. To reduce social risks and promote community development opportunities, we adhere to the philosophy of "taking from society, giving back to society". Starting from three perspectives : "education and culture, environmental sustainability, and social care", we engage in diverse social participation activities such as providing local employment opportunities, promoting industry-academia cooperation, and supporting community welfare and education programs. These efforts aim to stimulate local economic development, integrate corporate and employee resources to maximize social impact, and establish long-term partnerships with communities for mutual prosperity, thereby bringing positive and shared benefits to society.

7.1 Education and Cultural Support

Education can serve as a key driver of social mobility, empowering the next generation to be more competitive in the future. In 2024, Chipbond has contributed to education and research resources and implemented industry-academia collaboration programs, aiming to create a warmer and more opportunity-rich development platform for the future leaders of our nation.

◆ Co-organized the "Career Exploration Journey" with Boyo Social Welfare Foundation and Xinfeng Junior High School

The Boyo Social Welfare Foundation has long been dedicated to providing free after-school tutoring for underprivileged children in rural areas across Taiwan. Through free learning support materials and academic assistance, the foundation offers children from disadvantaged or remote areas access to enriched educational resources, helping them become more competitive for the future. In 2024, Chipbond continued its partnership with the Boyo Foundation to host the "Chipbond Career Exploration Journey." Leveraging its core corporate competencies, the program aims to help junior high school students supported by the foundation better understand the diversity and essence of various professions, inspiring them to reflect on their future career choices and academic paths. This year, the program was expanded for the first time to Xinfeng Junior High School in Hsinchu County, reaching even more students. A total of 24 Chipbond employee volunteers, representing various departments and specialties, served as speakers. The program began during the pandemic with online sessions and transitioned to in-person interactions as conditions improved. Through interactive activities and engaging program design, students were guided in early career exploration and planning. In 2024, 10 sessions were held, involving 202 total participants (including volunteers). **Since its launch in 2022, the program has accumulated 34 sessions and a total of 811 participants**.











Education and Cultural Support

◆ Supported the Puren Youth Care Foundation's "Refurbished Computer Donation Program"

The Puren Youth Care Foundation is dedicated to helping children from disadvantaged families by providing them with sufficient resources to transform their lives through education, driven by boundless love, dedication, sacrifice, and sustainable service. In 2024, our company participated in the "Refurbished Computer Donation Program". Our IT department assisted in sorting and preparing 10 laptops that met the required specifications. These computers were donated to children from underprivileged families through the Pu-Jen Foundation to address the lack of remote learning resources, hoping to help these students and families connect with the world and create opportunities to pursue their dreams.



◆ "Good Days in Hsinchu, Good Places Locally" Sustainable Market Co-hosted with National Tsing Hua University

Carrying forward local economic vitality and cultural traditions, the Regional Innovation Center of National Tsing Hua University and Chipbond collaborated for the first time to hold a sustainable market. Through this industry-academia partnership, we aimed to provide local producers and consumers with a direct face-to-face platform. The market gathered eight quality brands from Qionglin, Xinfeng, Guanxi, Emei, Xinpu, Zhubei, and other areas, all committed to social impact. The event highlighted three core principles of sustainable agriculture—"small people, small lands, small satisfaction"—sharing themes of land stewardship and local revitalization, strengthening local identity, and promoting a prosperous Greater Hsinchu community. Products were offered to Chipbond employees as trustworthy local produce. To support the development of domestic sustainability talent, our company provided Tsing Hua University students with opportunities for on-site observation and visits. Through participating in the event, students could translate theoretical learning into practical action, building a foundation for sustainable living and careers, while contributing to a better society and planet. Six employees volunteered for this event, helping generate a green transaction volume of NT$45,635. Chipbond will continue to leverage its positive influence to jointly practice sustainability in daily life.





Increase local employment opportunities **5** hours

Enhanced family nutrition education awareness for **800** people

Facilitated **45,635** in green transactions

◆ Promoted Industry-Academia Cooperation

Chipbond values internal talent development and is also committed to nurturing Taiwan's high-tech workforce. Over the years, the company has actively participated in the Ministry of Education's "Vocational Education Revitalization Program – Implementation of Off-campus Internship Courses," "Industry-Academia Collaboration Programs," as well as the Ministry of Labor's "Dual-Track Training Flagship Program," and has provided company visits for schools and youth governmental departments. In 2024, Chipbond collaborated with four universities on industry-academia partnerships, hosting 14 student interns (6 in academic year 112 and 8 in academic year 113). Through educational training courses and practical learning, students are guided to integrate academic knowledge with real-world work, making their learning more aligned with future workplace needs.

In 2024, the Company also launched a summer internship and pre-employment program to help students transition early into the workplace and adapt to their new roles. This internship process allows the company to identify and recruit high-potential talent. In addition to industry-academia cooperation, one corporate visit event was held in 2024, with 48 students participating. This event helped students understand the semiconductor packaging and testing industry and gain insights into workplace life.

Item	Participating Schools/Units	Number of Participants
Industry-Academia Cooperation	National Tsing Hua University, Cheng Shiu University, Lunghwa University of Science and Technology, Minth University of Science and Technology	14
Company Visit	Held on June 12 at Kaohsiung Normal University	48





7.2 Environmental Sustainability Actions

Scientists warn that the world is facing a climate emergency. The recent World Economic Forum (WEF) Global Risks Report also highlights that "natural disasters and extreme weather events" and "failure of climate change mitigation and adaptation" are significant risks humanity will confront over the next 2 to 10 years. In recent years, we have clearly experienced the normalization of extreme weather, such as droughts and intense short-term rainfall, which have gradually increased operational risks for businesses. To slow down the pace of climate change, our company not only implements energy-saving and carbon reduction measures in daily operations but also takes the following environmental sustainability actions:

◆ "Exploring the Water World" Environmental Education Program at Hsinchu Science Park Sewage Treatment Plant

Water is one of the Earth's most vital natural resources and the source of all life. Wastewater from human activities—domestic sewage, agricultural runoff, and industrial effluents—continuously cycles through the environment. If untreated wastewater is discharged into rivers, it causes pollution that threatens ecosystems and public health. Through collaboration with the Hsinchu Science Park Administration's sewage treatment plant, employees and their families participated in a field visit themed around "Water Olympics," "The Magical Journey of Sewage Treatment," and "Understanding Water Properties". Utilizing presentations, augmented reality (AR), guided tours, experiments, board games, and group discussions, participants learned about the magic of blackwater treatment and the critical role of sewage treatment plants. **A total of 26 people joined this activity to learn water-saving and pollution-reduction tips and apply them in daily life, contributing to environmental sustainability**.





◆ Sponsorship of the 4th Taiwan Perovskite Technology and Application Forum

To promote innovation and application of renewable energy technologies, our company actively supports Taiwan's green energy development. We sponsored and participated in the "Taiwan Perovskite Technology and Application Forum," co-organized by the Taiwan Perovskite Research and Industry Alliance (TPRIA) and Chang Gung University. The forum focused on "Perovskite Mass Production Kick-off" and "Technology Trends and Commercial Applications". Through financial support, we aim to foster academic research innovation and scientific advancement. Our company believes that driving forward-looking technology development is a key part of corporate environmental responsibility. We will continue to invest in this field to create more value for society and the environment. **This sponsorship amounted to NT$50,000, supporting the sustainable development of the renewable energy industry**.

◆ Tree Planting Day – "Love Earth, Plants Trees"

Scientific research shows that "tree planting" is the simplest and most direct way to combat global warming. Through photosynthesis, trees absorb carbon dioxide from the atmosphere, helping to mitigate flooding, purify water sources, stabilize soil, and regulate climate. Trees are an indispensable part of the Earth's ecosystem. In 2024, our company provided six native Taiwanese tree seedlings— "Lilac," "Japanese Black Pine," "Taiwan Lily," "Variegated Gardenia," "Chinese Tallow Tree," and "Sweet Osmanthus"—for employees to adopt. **A total of 360 colleagues enthusiastically participated**, joining efforts to plant trees and reduce carbon emissions, together building a sustainable green future!







Environmental Sustainability Actions

◆ Co-organized the Hsinchu Science Park "Creative Comic Contest" - Part of the "Occupational Safety and Environmental Protection Month"

In August 2024, Chipbond assisted the Hsinchu Science Park Administration in organizing the "Occupational Safety and Environmental Protection Month – Creative Comic Contest." The contest focused on five themes: "Low Carbon and Energy Saving," "Environmental Protection," "Ecological Conservation," "Workplace Safety," and "Healthy Workplace." Through simple and engaging comic artworks, the event aimed to instill concepts of safety, hygiene, and environmental protection in children and youth, while also inspiring their interest in artistic creation. **A total of 69 students participated, with 18 Chipbond employees volunteers, contributing a total of 54 volunteer hours**.









7.3 Social care

We firmly believe that providing greater care and support to vulnerable groups can create a better society. Chipbond demonstrates its commitment through action, caring for disadvantaged communities and hoping to unite collective strength to keep the cycle of goodwill spreading throughout our society.

◆ Assisting the Andrew Charity Foundation's ''Food Bank Program''

Andrew Charity Association is dedicated to assisting vulnerable groups through its core missions of "support for disadvantaged individuals, emergency relief, disaster assistance, and educational outreach." The Association focuses on caring for children in fragile families and disadvantaged elderly. Through the “Food Bank Program,” customized food boxes—such as baby, staple, vegetarian, senior, and special project boxes—are prepared and distributed to disadvantaged families, helping to alleviate hunger among children and elderly in need. In 2024, the Chipbond Volunteer Club partnered with the Andrew Charity Association of R.O.C to organize the ''Love Food Action of Chipbond'', calling on volunteers to participate in assisting in the packaging of food boxes. This activity includes carton assembly, food packing, pasting of logistics stickers, etc. We have established a complete production line of love from scratch and completed a total of 300 food boxes, hoping to deliver happiness to every assisted family. There were 47 volunteers assisted in this event, totaling 141 man-hours.









Social care

◆ Christmas event "Heartfelt Gingerbread House" with Boyo Social Welfare Foundation

Christmas is a time to share love and care with family, friends, and the wider community. On the eve of the holiday, Chipbond's volunteer group partnered with the Bo-Yo Foundation to host the "Heartfelt Gingerbread House" event. The activity invited children to share their good deeds and kind words, alongside a DIY frosting gingerbread house workshop. The event fostered gratitude and self-reflection through making, giving participants a chance to express thanks to someone special. A total of 17 students and teachers took part in this heartwarming and festive activity.





◆"Wear Happy Socks, Do Good Deeds" Supported Maria Social Welfare Foundation

"Merry Young Happy Socks" is a social enterprise brand created by the Maria Social Welfare Foundation. The socks feature original artwork by youth with intellectual disabilities and are made from eco-friendly, antibacterial PET fabric. In 2024, Chipbond purchased 140 pairs of Merry Young socks as prizes for the Company's internal "Sustainability Mission," an initiative aimed at enhancing employees' sustainability literacy. This action demonstrated our active support for inclusive employment and helped empower youth with disabilities to integrate into society and realize their self-worth. These socks offer not sympathy, but courage.



◆ Moon Festival - Chipbond's Blessing

The Moon Festival is a day in the Chinese community where blessings are conveyed through mooncakes. In order to combine the concept of diverse employee benefits and social welfare, Chipbond integrates social welfare elements into the options for Moon Festival gift boxes. Colleagues can choose the desired package according to their individual needs, allowing vulnerable groups to feel the care and warmth from society. The achievements for 2024 execution are as follows:



項目	成果說明
"Eat Pomelo, Take Care of Children" Pomelo Gift Box Subscription	In combination with the Rural Education Assistance Program, we **purchased 253 boxes of pomelo gift** sets from farmers who practice eco-friendly farming in Hualien. **A total donation of NTD 12,650 was made**. The collaborating farmers will contribute a portion of their earnings to the Life Insurance Cultural and Educational Foundation as scholarships for underprivileged students in rural areas.
Blueseeds Mid-Autumn Festival Gift Box Subscription	The colleagues of Chipbond subscribed to ESG enterpriseto - the **Blueseeds Mid-Autumn Festival Gift Box, a total of 319 boxes**, support Blueseeds 5% of revenue to invest in social welfare, develop all-natural, 0 artificial chemical addition of essential oils and washing supplies, to achieve a symbiotic life between human and the environment.
Social Welfare Donation	Donated to the Social Assistance Account of Hsinchu County to help caring households in Hsinchu County. **The total social welfare donation amounted to NTD 55,250**.

Appendix

Appendix 1. GRI Content Index
Appendix 2. Sustainable Disclosure Indicators-Semiconductor Industry
Appendix 3. SASB Standards Corresponding Table
Appendix 4. TCFD climate-related information index
Appendix 5. Assurance Statement
- Sustainability Report Verification Statement
-Greenhouse Gas Emissions Verification Statement

APPENDIX

Appendix 1. GRI Index

Terms of Use	Chipbond Technology has reported the information referenced in the GRI Content Index, in compliance with the GRI Standards (2021), for the period from January 1 to December 31, 2024.
Use of GRI 1	GRI 1:Foundation 2021
Application of GRI Industry Guidelines	None

General Disclosures

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
1. The organization and its reporting practices					
• GRI 2: General Disclosures 2021	2-1	The organization and its reporting practices	About the Report 1.1.1 Manufacturing Base	04 10	
	2-2	Entities included in the organization's sustainability reporting	About the Report	04	
	2-3	Reporting period, frequency and contact point	About the Report	04	
	2-4	Restatements of information	6.5 Air Pollution Managemen	113	In 2024, VOCs emissions were calculated based on the figures submitted via the "Ministry of Environment's Air Pollution Control Fees and Emissions Reporting Integrated Management System" and approved by local environmental authorities.
	2-5	External assurance	Appendix 5. Assurance Statement	140	

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
2. Activities and workers					
• GRI 2: General Disclosures 2021	2-6	Activities, value chain and other business relationships	1.1 Introduction of Chipbond 5.3 Supplier Management	10 86	
	2-7	Employees	4.1.1 Staff structure and diversity	54	
	2-8	Workers who are not employees	4.1.1 Staff structure and diversity	54	
3. Governance					
• GRI 2: General Disclosures 2021	2-9	Governance structure and composition	3.1 Governance Organizational Structure	37	
	2-10	Nomination and selection of the highest governance body	3.1.1 Board of Directors	37	
	2-11	Chair of the highest governance body	3.1.1 Board of Directors 3.2.1 Ethical Business	37 46	
	2-12	Role of the highest governance body in overseeing the management of impacts	2.1.2 Organizational Structure of Sustainability Management 2.2 Stakeholder Engagement	22 23	
	2-13	Delegation of responsibility for managing impacts	2.1.2 Organizational Structure of Sustainability Management	22	
	2-14	Role of the highest governance body in sustainability reporting	About the Report	04	

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
3. Governance					
• GRI 2: General Disclosures 2021	2-15	Conflicts of interest	3.2.1 Ethical Business	46	
	2-16	Communication of critical concerns	2.1.2 Organizational Structure of Sustainability Management 3.1.1 Board of Directors	22 37	
	2-17	Collective knowledge of the highest governance body	3.1.1 Board of Directors	39	
	2-18	Evaluation of the performance of the highest governance body	3.1.1 Board of Directors	38	
	2-19	Remuneration policies	3.1.3 Compensation Committee	43	
	2-20	Process to determine remuneration	3.1.3 Compensation Committee 4.2 Remuneration and Welfare	43 58	
	2-21	Annual total compensation ratio	---	Omitted	Due to confidentiality, details of the full compensation structure and ratios can be found in Section 4.2 Remuneration and Welfare.
4. Strategy, policies and practices					
• GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	Words from the Chairman 2.1.2 Organizational Structure of Sustainability Management	05 22	

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
4. Strategy, policies and practices					
• GRI 2: General Disclosures 2021	2-23	Policy commitments	2.1.1 Sustainable Development Strategies 4.4 Friendly Working Environment 4.5.1 Occupational Safety and Health Management System 5.3 Supplier Management 6.1 Environmental Policies and Management	21 67 72 86 94	
	2-24	Embedding policy commitments	2.1.2 Organizational Structure of Sustainability Management 5.3 Supplier Management	21 86	
	2-25	Processes to remediate negative impacts	3.2.1 Ethical Business 4.4.2 Human Rights Protection Practices 4.5.2 Prevention and Handling of Occupational Injury	46 68 73	
	2-26	Mechanisms for seeking advice and raising concerns	3.2.1 Ethical Business 4.4.2 Human Rights Protection Practices 4.5.2 Prevention and Handling of Occupational Injury	46 68 73	
	2-27	Compliance with laws and regulations	3.2.2 Legal Compliance	47	
	2-28	Membership associations	1.1.5 Participation in External Organizations	12	
5. Stakeholder Engagement					
• GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	2.1.1 Sustainable Development Strategies 2.2 Stakeholder Engagement 4.4.2 Human Rights Protection Practices	21 23 68	

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
5. Stakeholder Engagement					
• GRI 2: General Disclosures 2021	2-30	Collective bargaining agreements	---	---	Although the Company has not established a labor union, it holds quarterly labor-management meetings in accordance with Article 83 of the Labor Standards Act to coordinate labor relations and promote cooperation. However, since no collective bargaining requests have been submitted to the Company to date, no collective agreements have been signed.
• GRI 3: Material Topics 2021	3-1	Process to determine material topics	2.3.1 Material Issues Identification Process	26	
	3-2	List of material topics	2.3.2 Analysis Results of Material Issues	27	
	3-3	Management of material topics	2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain 2.4 Goals and Management of Sustainability	29 31	

Material Issue Disclosures

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
Information Security					
• GRI 3: Material Topics 2021	3-3	Management of material topics	2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain 2.4 Goals and Management of Sustainability 3.4 Management of Information Security	29 31 51	

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
Information Security					
• GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	5.2.1 Customer Privacy and Confidentaility Mechanism	84	
Climate Change					
• GRI 3: Material Topics 2021	3-3	Management of material topics	2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain 2.4 Goals and Management of Sustainability 6.2 Climate Change and Carbon Management	29 31 95	
• GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	6.2.3.1 Greenhouse Gas Inventory	99	
	305-2	Energy indirect (Scope 2) GHG emissions	6.2.3.1 Greenhouse Gas Inventory	99	
	305-3	Other indirect (Scope 3) GHG emissions	6.2.3.1 Greenhouse Gas Inventory	99	
	305-4	GHG emissions intensity	6.2.3.1 Greenhouse Gas Inventory	99	
	305-5	305-5 Reduction of GHG emissions	6.2.3.4 Green Carbon Reduction Actions and Achievements	103	
Energy Management					
• GRI 3: Material Topics 2021	3-3	Management of material topics	2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain 2.4 Goals and Management of Sustainability 6.2 Climate Change and Carbon Management	29 31 101	

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
Energy Management					
• GRI 302: Energy 2016	302-1	Energy consumption within the organization	6.2.3.2 Energy Usage	102	
	302-2	Energy intensity	6.2.3.2 Energy Usage	102	
	302-3	Reduction of energy consumption	6.2.3.4 Green Carbon Reduction Actions and Achievements	103	
Water Resource Management					
• GRI 3: Material Topics 2021	3-3	Management of material topics	2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain 2.4 Goals and Management of Sustainability 6.3 Water Resource Management	29 31 105	
• GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	6.3.1 Use of Water Resources	105	
	303-2	Management of water dischargerelated impacts	6.3.2 Water Resource Management and Recycling	107	
	303-3	Water withdrawal	6.3.2 Water Resource Management and Recycling	108	
	303-4	Water discharge	6.3.2 Water Resource Management and Recycling	108	
	303-5	Water consumption	6.3.2 Water Resource Management and Recycling	108	

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
Air Pollution Prevention and Control					
• GRI 3: Material Topics 2021	3-3	Management of material topics	2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain 2.4 Goals and Management of Sustainability 6.5 Air Pollution Management	29 31 113	
• GRI 305: Emissions 2016	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	6.5 Air Pollution Management	114	
Waste Management					
• GRI 3: Material Topics 2021	3-3	Management of material topics	2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain 2.4 Goals and Management of Sustainability 6.4 Waste Management and Circular Reuse	29 31 108	
• GRI 306: Waste 2020	306-1	Waste generation and significant wasterelated impacts	6.4 Waste Management and Circular Reuse	109	
	306-2	Management of significant waste-related impacts	6.4 Waste Management and Circular Reuse	110	
	306-3	Waste generated	6.4 Waste Management and Circular Reuse	110	
	306-4	Waste diverted from disposal	6.4 Waste Management and Circular Reuse	110	
	306-5	Waste directed to disposal	6.4 Waste Management and Circular Reuse	110	

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
Labor Rights					
• GRI 3: Material Topics 2021	3-3	Management of material topics	2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain 2.4 Goals and Management of Sustainability 4.4 Friendly Working Environment	29 31 67	
• GRI 401: Employment 2016	401-3	Parental leave	4.4.2 Human Rights Protection Practices	68	
• GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	---	---	The company complies with labor laws and relevant regulations by providing laid-off employees with advance notice of 10 to 30 days based on their years of service, ensuring that employee rights are fully protected.
• GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	3.1.1 Board of Directors 4.1.1 Staff structure and diversity	39 54	
	405-2	Ratio of basic salary and remuneration of women to men	4.2.1 Remuneration and Employee Welfare	58	
• GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	4.4.2 Human Rights Protection Practices	68	
• GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	4.4.2 Human Rights Protection Practices 5.3.3 Supplier Sustainable Management	68 88	
• GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	4.4.2 Human Rights Protection Practices 5.3.3 Supplier Sustainable Management	68 88	

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
Cultivation and Development of the Talents					
• GRI 3: Material Topics 2021	3-3	Management of material topics	2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain 2.4 Goals and Management of Sustainability 4.1 Overview of Human Resources 4.2 Remuneration and Welfare 4.3 Cultivation and Development of the Talents	29 31 54 58 62	
• GRI 401: Employment 2016	401-1	New employee hires and employee turnover	4.1.2 Recruitment of Talents 4.1.3 Resignation Management	56 57	
	401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	4.2 Remuneration and Welfare	58	
• GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	4.3.2 Diverse Learning Achievements	65	
	404-2	Programs for upgrading employee skills and transition assistance programs	4.3.1 Comprehensive Education and Training System	62	
	404-3	Percentage of employees receiving regular performance and career development review	4.3.3 Employee Performance Evaluation	66	
Occupational Safety and Health					
• GRI 3: Material Topics 2021	3-3	Management of material topics	2.3.3 The Significance of Material Issues to Chipbond and Its Impact on the Value Chain 2.4 Goals and Management of Sustainability 4.5 Occupational Health and Safety	29 31 72	

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
Occupational Safety and Health					
• GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	4.5.1 Occupational Safety and Health Management System	72	
	403-2	Hazard identification, risk assessment, and incident investigation	4.5.2 Prevention and Handling of Occupational Injury	73	
	403-3	Occupational health services	4.5.4 Achievement of Healthy Workplace	78	
	403-4	Worker participation, consultation, and communication on occupational health and safety	4.5.1 Occupational Safety and Health Management System	72	
	403-5	Worker training on occupational health and safety	4.5.2 Prevention and Handling of Occupational Injury	75	
	403-6	Promotion of worker health	4.5.4 Achievement of Healthy Workplace	78	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.5.5 Contractor Management	81	
	403-8	Workers covered by an occupational health and safety management system	4.5.1 Occupational Safety and Health Management System	72	
	403-9	Work-related injuries	4.5.3 Statistics of Occupational Injuries	76	
	403-10	Work-related ill health	4.5.3 Statistics of Occupational Injuries	76	

Other Special Topic Disclosures

GRI Standards	Disclosures		Corresponding section	Page No./URL	Omitted/note
• GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from the local community	4.1.1 Staff structure and diversity	55	
• GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructureinvestments and services supported	7. Social Participation	116	
• GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	5.3.4 Local Procurement	89	
• GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	3.2.1 Ethical Business	46	
	205-3	Confirmed incidents of corruption and actions taken	3.2.1 Ethical Business	46	
• GRI 308: Supplier Environmental Assessment 2016	308-2	Negative environmental impacts in the supply chain and actions taken	5.3.3 Supplier Sustainable Management	88	
• GRI 414: Supplier Social Assessment 2016	414-2	Negative social impacts in the supply chain and actions taken	5.3.3 Supplier Sustainable Management	88	
• GRI 201: Economic Performance 2016	201-3	Defined benefit plan obligations and other retirement plans	4.2.3 Retirement System	61	
	201-4	Financial assistance received from government	4.3.2 Diverse Learning Achievements	65	
• GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	7. Social Participation	116	
• GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	5.4 Hazardous Substance Management 5.5 Conflict Mineral Management	90 92	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	---	---	No related incidents occurred.

Appendix 2. Sustainable Disclosure Indicators-Semiconductor Industry

Number	Indicator	Indicator Category	Annual Disclosure Status	Page No.	Note
一	• Total energy consumption, percentage of purchased electricity and renewable energy utilization rate.	Quantification	• 6.2.3.2 Energy Usage	102	• Total energy consumption: 1,105,777.0632 GJ • Percentage of purchased electricity: 99.57% • Renewable energy utilization rate: 0.2149%
二	• Total water withdrawal and total water consumption	Quantification	• 6.3.2 Water Resource Management and Recycling	108	• Total water withdrawal: 1,342.858 (1,000m³) • Total water consumption: 509.323 (1,000m³)
三	• Weight of hazardous waste generated and percentage of waste recycled.	Quantification	• 6.4.1 Water Resource Management and Recycling	110	• Weight of hazardous waste generated: 1,037.908 metric tons • Percentage of waste recycled: 73.07%
四	• Description of occupational accident categories, number of incidents, and incidence rates.	Quantification	• 4.5.3 Statistics of Occupational Injuries	77	• Number of occupational injuries: 29 • Percentage of occupational injuries: 0.56%
五	• Disclosure of product lifecycle management: Includes weight of scrapped products and electronic waste, as well as the percentage of recycling.	Quantification	• 6.4.1 Waste Management and Reduction Measures	110	• Weight of end-of-life products and electronic waste: 26.960 metric tons • Percentage of recycling including end-of-life products and electronic waste: 100%
六	• Description of risk management related to main materials used.	Qualitative Description	• 3.3.2 Risk Management Operations • 5.3 Supplier Management • 5.4 Hazardous Substance Management • 5.5 Conflict Minerals Management	48 86 90 92	
七	• Total monetary losses incurred due to legal proceedings related to anticompetitive behavior regulations.	Quantification	--	--	• No related legal actions or losses.
八	• Main production volume by product category.	Quantification	• 2024 Sustainability Report Appendix 2.	134	• Bumping: 1,526 (thousand wafers) • Assembly & Testing: 9,243,895 (thousand pcs)

Appendix 3. SASB Standards Corresponding Table - Semiconductor Industry Sustainability Accounting Standards

Issue	Indicator Code	Accounting Indicator	Data	Corresponding Section	Page No.
Greenhouse Gas Emissions	TC-SC-110a.1	Total Scope 1 Global Emissions	9,614.7942 tCO_2e	• 6.2.3.1 Greenhouse Gas Inventory	99
		Total Emissions from Perfluorinated Compounds (PFCs)	7,871.1879 tCO_2e	• 6.2.3.1 Greenhouse Gas Inventory	100
	TC-SC-110a.2	Discussion of Long-term and Short-term Strategies or Plans for Managing Scope 1 Emissions, Emission Reduction Targets, and Performance Analysis Against These Targets	Please refer to the corresponding section for a description of the content.	• 6.2.2 Climate Strategy and Risk Management • 6.2.3.1 Greenhouse Gas Inventory	96
Energy Management	TC-SC-130a.1	Total Energy Consumption	1,105,777.0632 GJ	• 6.2.3.2 Energy Usage	102
		Percentage of Electricity Purchased from Grid	99.57% (Purchased electricity)	• 6.2.3.2 Energy Usage	102
		Percentage of Renewable Energy	0.2149%	• 6.2.3.2 Energy Usage	102
Water Management	TC-SC-140a.1	Total Water Withdrawal and Percentage Withdrawn from High or Extremely High Baseline Water Stress Areas	1,838,559 m^3 Water withdrawal from water-stressed areas: 0%	• 6.3.1 Use of Water Resources	105
		Total Water Consumption and Percentage Consumed in High or Extremely High Baseline Water Stress Areas	495.701 m^3 Water withdrawal from water-stressed areas: 0%	• 6.3.2 Water Resource Management and Recycling	108
Waste Management	TC-SC-150a.1	Weight of Hazardous Waste Generated from Manufacturing Processes	1,037.908 tons	• 6.4.1 Waste Management and Reduction Measures	110
		Percentage of Hazardous Waste Recycled	73.07%	• 6.4.1 Waste Management and Reduction Measures	110

Appendix 3. SASB Standards Corresponding Table - Semiconductor Industry Sustainability Accounting Standards

Issue	Indicator Code	Accounting Indicator	Data	Corresponding Section	Page No.
Employee Health & Safety	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of workers to human health hazards	Please refer to the corresponding section for a description of the content.	• 4.5.2 Prevention and Handling of Occupational Injury • 4.5.4 Achievement of Healthy Workplace	74 78
	TC-SC-320a.2	Total monetary losses as a result of legal proceedings associated with employee health and safety violations	NTD 0	• No related legal actions or losses.	---
Recruiting &Managing a Global & Skilled Workforce	TC-SC-330a.1	Percentage of employees that are foreign nationals requiring work visas	20.66% (Excluding 11 overseas Chinese students)	• 4.1.1 Staff structure and diversity	54
Product Lifecycle Management	TC-SC-410a.1	Percentage of revenue from products containing substances on the IEC 62474 declarable substance list	0%, Chipbond fully complies with the international regulatory requirements listed in the IEC 62474 Material Declaration List.	• 5.4 Hazardous Substance Management	90
	TC-SC-410a.2	Processor energy efficiency at the system level for: (1) servers, (2) desktops, and (3) laptops	Not applicable.	---	---
Materials Sourcing	TC-SC-440a.1	Description of approach to managing risks associated with the use of critical materials	Please refer to the corresponding section for a description of the content.	• 3.3 Risk Management • 5.3 Supplier Management • 5.4 Hazardous Substance Management • 5.5 Conflict Minerals Management	48 86 90 92
Intellectual Property Protection & Competitive Behavior	TC-SC-520a.1	Total monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	NTD 0	• No related legal actions or losses.	---

Appendix 4. TCFD Climate-Related Financial Disclosures Corresponding Table

1. Implementation of Climate-Related Information

Orientation	TCFD Recommended Disclosure Items	Corresponding Section	Page No.
Governance	1. Describe the oversight and governance of the board of directors and management regarding climate related risks and opportunities.	6.2.1 Climate Governance	94
Strategy	2. Describe how the identified climate risks and opportunities affect the company's business, strategy and finance (short-term, medium-term, long-term).	6.2.2 Climate Strategy and Risk Management	97
	3. Describe the financial impact of extreme climate events and transition actions.	6.2.2 Climate Strategy and Risk Management	97
Risk Management	4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	6.2.2 Climate Strategy and Risk Management	95
	5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.	6.2.2 Climate Strategy and Risk Management	96
Indicator and Goal	6. If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and goals used to identify and manage physical risks and transformation risks.	6.2.3.3 Indicator and Goal	103
	7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Chipbond Technology 2024 Annual Report 2.3.7.1 Implementation of Climate-Relate Information	46
	8. If climate-related goals are set, information such as the activities covered, greenhouse gas emission scope, planning schedule, annual achievement progress, etc. should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, information such as Explain the source and quantity of carbon reduction credits or the quantity of renewable energy certificates (RECs) being redeemed.	6.2.3.3 Indicator and Goal	103
	9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan.	Please refer to Appendix 4: 1-1 and 1-2	139

1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information
Describe the emission volume (metric tons CO_2e), intensity (metric tons CO_2e/NTD$ million) , and data coverage of greenhouse gases in the most recent 2 fiscal years.

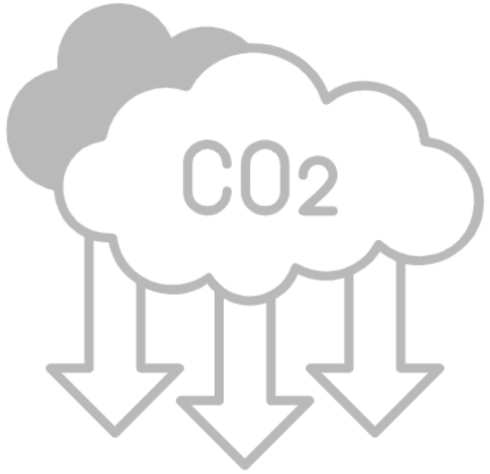
With a capital amount between NT$5 billion and NT$10 billion, the Company follows the Sustainability Roadmap for TWSE/TPEx-Listed Companies, which requires disclosure of GHG inventory data for the parent company starting this year. Since 2021, the Company proactively established a greenhouse gas inventory mechanism in accordance with the ISO 14064-1 standard. The GHG inventory covers six operational sites in Taiwan (parent company), with organizational boundaries defined using the operational control approach, ensuring that all facilities managed or operated by the Company are included in the assessment. The GHG emission data for the past two years is as follows. For detailed data and explanation, please refer to Section 6.2.3.1 "Greenhouse Gas Inventory."

Greenhouse Gas Emissions Situation Unit：tCO_2e

Item	2023	2024
Direct Emissions (Scope 1)	8,795.2743	9,614.7942
Indirect Energy Emissions (Scope 2)	145,464.9512	144,962.2824
Emissions of Scope 1 and Scope 2	154,260.2255	154,577.0766
Emissions Intensity (tCO_2e/million NTD of revenue)	7.6913	7.6006
Scope 3	40,116.1728	42,578.8855

1-1-2 Greenhouse Gas Assurance Information
Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

According to the Sustainability Development Roadmap for Listed Companies, our company is required to disclose the parent company's assurance (verification) status for the year 2026 starting from 2027. For the greenhouse gas verification activities in 2023 and 2024, our company commissioned SGS Taiwan Ltd. to conduct audits based on the ISO 14064-3:2006 standard. The verification covered six factory sites in Taiwan (parent company), with Scope 1 and Scope 2 verified at a reasonable assurance level, and Scope 3 at a limited assurance level. Please refer to "Appendix 5: Assurance Statement (2) Greenhouse Gas Verification Statement" for the verification results.



1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

1. Baseline Year and Greenhouse Gas (GHG) Reduction Targets

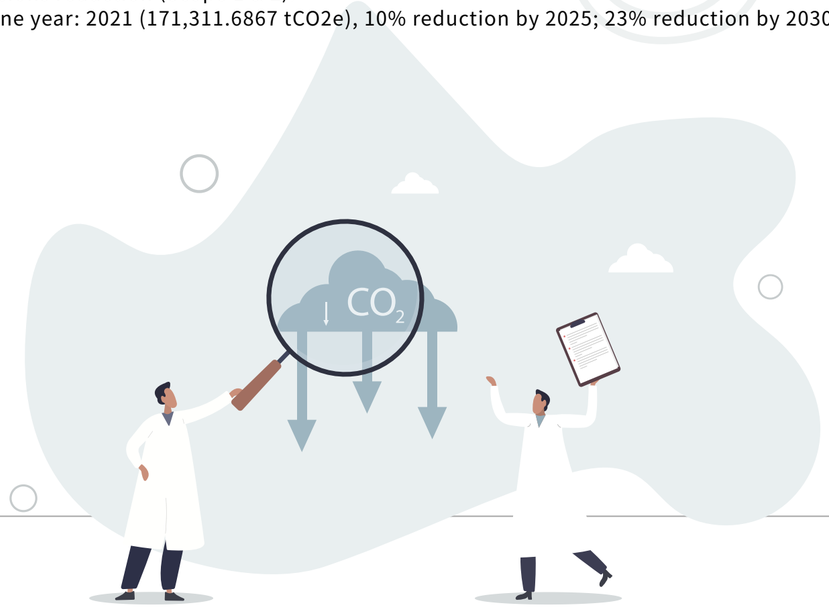
The Company's GHG emissions primarily originate from indirect emissions related to electricity consumption. To reduce emissions, the Company has established the following baseline year and reduction targets:

(1) Short-term Target (2024):

- Electricity savings: ≥1%
- Renewable energy usage: ≥700,000 kWh

(2) Mid-to-long-term Targets (2025-2030):

- Electricity savings: ≥1%
- Renewable energy usage: ≥750,000 kWh by 2025; ≥43 million kWh by 2030.
- GHG emissions reduction (Scope 1 & 2):
  - Baseline year: 2021 (171,311.6867 tCO2e), 10% reduction by 2025; 23% reduction by 2030.



2. GHG Reduction Strategies and Action Plans

(1) Conduct GHG inventory in accordance with ISO 14064-1 to assess carbon emissions and serve as a basis for carbon reduction initiatives.
(2) Identify GHG emission hotspots and implement energy-saving and carbon reduction measures (e.g., replacing energy-intensive equipment, optimizing lighting management) to improve energy efficiency.
(3) Install exhaust gas treatment systems for specific processes to reduce GHG emissions.
(4) Expand solar power generation facilities and increase the use of renewable energy to reduce dependence on purchased electricity.
(5) Implement the ISO 50001 Energy Management System to enhance energy efficiency through systematic and data-driven
(6) Establish a Business Continuity Plan (BCP) to activate emergency response mechanisms and ensure operational resilience in case of unforeseen events.

3. 2024 GHG Reduction Action Plan Implementation Results

(1) Completed 2023 GHG inventory and third-party verification. The 2024 GHG inventory results show that Scope 1 and Scope 2 emissions amounted to 154,577.0766 tons of CO2e, reflecting a 0.21% increase compared to the previous year. However, emissions have decreased by 9.77% compared to the baseline year (2021). The emission intensity also decreased by 1.18% compared to the previous year (The 2024 verification process is ongoing, and third-party verification results will be disclosed in the Sustainability Report).

(2) Implemented 29 key energy-saving initiatives, with an estimated electricity savings of 6,674,092.979 kWh (The electricity savings rate is approximately 2.13%). In 2024, renewable energy usage reached 787,726 kWh (meter reading), achieving the target of ≥700,000 kWh. Of this, 660,000 kWh were obtained through renewable energy certificates, marking an increase of 626,000 kWh compared to the previous year.

Appendix 5. Assurance Statement

(1) Sustainability Report Verification Statement

SGS

ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE CHIPBOND TECHNOLOGY CORPORATION'S ESG REPORT FOR 2024

NATURE AND SCOPE OF THE ASSURANCE
SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by Chipbond Technology Corporation (hereinafter referred to as Chipbond) to conduct an independent assurance of the ESG Report for 2024 (hereinafter referred to as the Report). The assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 1 Moderate level during 2025/3/3 to 2025/4/29. The boundary of this report includes Chipbond Taiwan and oversea operational and production or service sites Chipbond.
SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT
This Assurance Statement is provided with the intention of informing all Chipbond's Stakeholders.

RESPONSIBILITIES
The sustainability information in the Chipbond's ESG Report of 2024 and its presentation are the responsibility of the directors or governing body and management of Chipbond. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE
The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3), a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the AccountAbility Principles (AA1000AP,2018).

Assurance has been conducted at a type 1 moderate level of scrutiny.

SCOPE OF ASSURANCE AND REPORTING CRITERIA
The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria Options	
1	AA1000 Accountability Principles (2018)
2	In Accordance with GRI Standards

- AA1000 Assurance Standard v3 Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) is conducted at a moderate level of scrutiny, and therefore the reliability and quality of specified sustainability performance information is excluded.
- The evaluation of the report against the requirements of GRI Standards, includes GRI 1, GRI 2, GRI 3, 200, 300 and 400 series claimed in the GRI content index as material and is conducted in accordance with the standards.

TWLPP 5008 Issue 2502

ASSURANCE METHODOLOGY
The assurance comprised a combination of desktop research, interviews with relevant employees, superintendents, Sustainability committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

LIMITATIONS
Financial data drawn directly from independently audited financial accounts, Greenhouse Gas Emission, SASB related disclosures, and non-material topics and the related indicators have not been checked back to source as part of this assurance process.

INDEPENDENCE AND COMPETENCE
The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Chipbond, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with professional qualifications such as ISO 26000, ISO 20121, ISO 50001, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

FINDINGS AND CONCLUSIONS
ASSURANCE OPINION
On the basis of the methodology described and the assurance work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the AA1000 AccountAbility Principles (2018).

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)
INCLUSIVITY
Chipbond has demonstrated commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, client, suppliers, government, sustainability experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns.

MATERIALITY
Chipbond has identified and fairly represent topics from a wide range of sources that are material to the business. Evaluating the relevance of identified material sustainability topics based on suitable and explicit criteria.
Formal review has identified stakeholders and those issues that are material to each group. Chipbond are encouraged to have in place a materiality determination process that is applied across the organization to show the integration of implementation in materiality assessment.

RESPONSIVENESS
The report includes coverage given to stakeholder engagement and channels for stakeholder feedback. Chipbond is encouraged to integrate this process into the organization, including through relevant organizational processes, such as risk management, compliance and strategy development.

TWLPP5008 Issue 2502

IMPACT
Chipbond has demonstrated a process on identify and fairly represented impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and services, as well as any related performance. To integrate identified impacts into key management processes are to be expected to carry out in the next disclosure.

ADHERENCE TO GRI
The report, Chipbond's ESG Report of 2024, is reporting in accordance with the GRI Universal Standards 2021. In GRI 2: General Disclosures 2021, Chipbond is suggested to fully adopt the GRI-recommended methodology for calculation and disclosing corresponding indicator. The significant impacts were assessed and disclosed in accordance with the guidance defined in GRI 3: Material Topic 2021 and the relevant 200/300/400 series Topic Standard related to the material topics claimed in the GRI content index. The report has properly disclosed information related to Chipbond's contributions to sustainability development.
For future reporting, it is recommended that Chipbond establish a robust, systematic and ongoing materiality determination process under the governance of senior management, with key cross-functional involvement. Additionally, strengthening internal coordination and cross-functional communication is essential to effectively manage impacts at the group level and support stakeholder communication in the next disclosure.

Signed:
For and on behalf of SGS Taiwan Ltd.

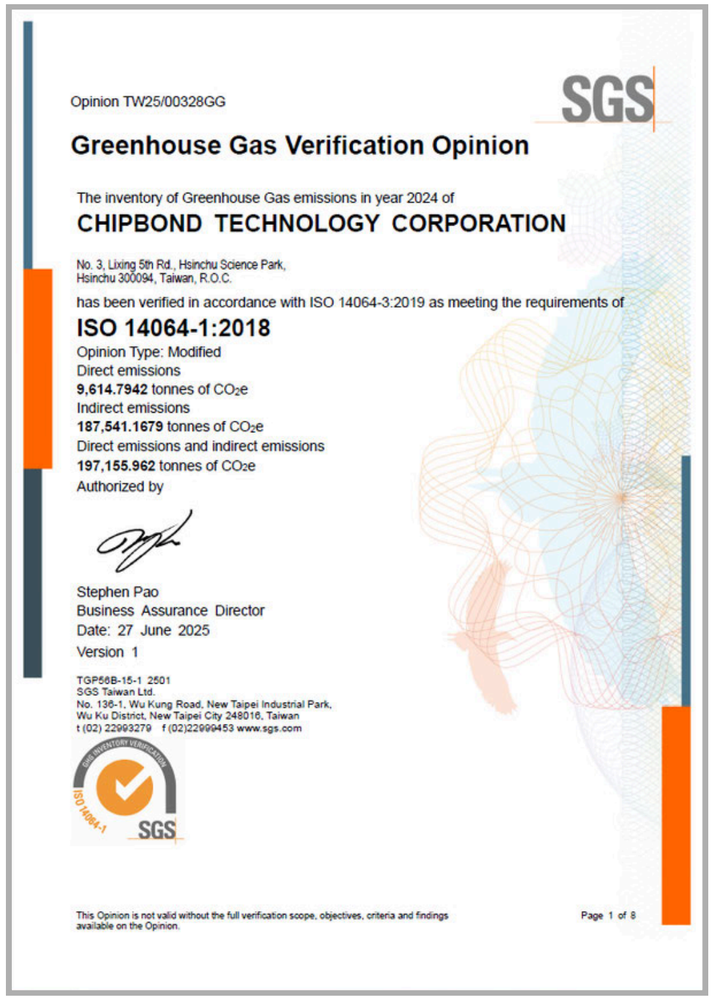
AA1000
Licensed Report
000-8/V3-RDYZ5

Stephen Pao
Business Assurance Director
Taipei, Taiwan
21 June, 2025
WWW.SGS.COM

TWLPP5008 Issue 2502

Appendix 5. Assurance Statement

(2) Greenhouse Gas Verification Statement



Opinion TW25/00328GG

SGS

Greenhouse Gas Verification Opinion

The inventory of Greenhouse Gas emissions in year 2024 of

CHIPBOND TECHNOLOGY CORPORATION

No. 3, Lixing 5th Rd., Hsinchu Science Park,
Hsinchu 300094, Taiwan, R.O.C.

has been verified in accordance with ISO 14064-3:2019 as meeting the requirements of

ISO 14064-1:2018

Opinion Type: Modified
Direct emissions
9,614.7942 tonnes of CO_2e
Indirect emissions
187,541.1679 tonnes of CO_2e
Direct emissions and indirect emissions
197,155.962 tonnes of CO_2e
Authorized by

Stephen Pao
Business Assurance Director
Date: 27 June 2025
Version 1

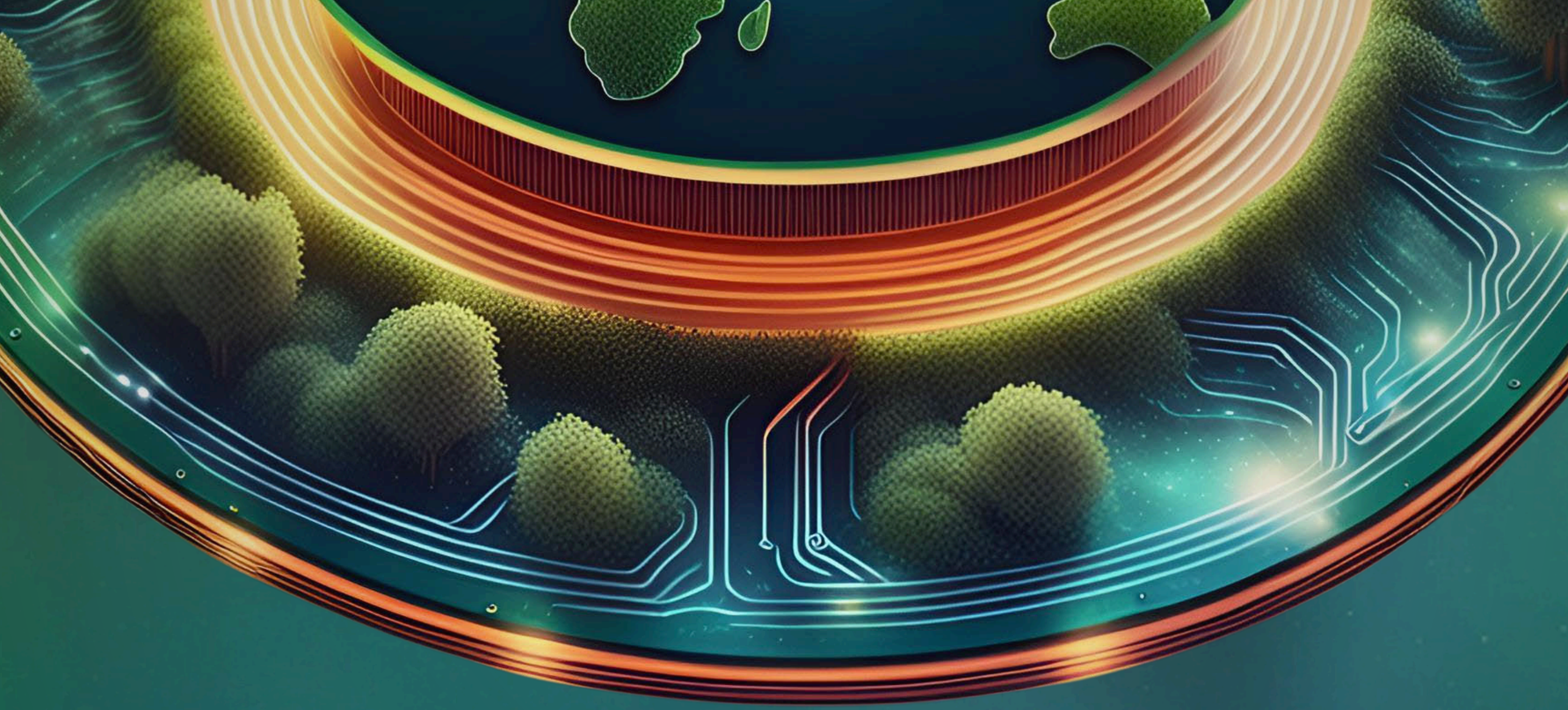
TGP56B-15-1 2501
SGS Taiwan Ltd.
No. 136-1, Wu Kung Road, New Taipei Industrial Park,
Wu Ku District, New Taipei City 248016, Taiwan
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GHG INVENTORY VERIFICATION ISO 14064-1 SGS

This Opinion is not valid without the full verification scope, objectives, criteria and findings available on the Opinion.

Page 1 of 8





CHIPBOND

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