NANYA

2024 HRDD Report

Human Rights Due Diligence Report

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1 Introduction

In line with global trends, there is growing attention and increasing demand worldwide for companies to safeguard and manage human rights. Nanya Technology is committed to protecting human rights, implementing corporate social responsibility, and complying with international human rights regulations. These include the EU Corporate Sustainability Reporting Directive (CSRD), the Universal Declaration of Human Rights, the UN Guiding Principles on Business & Human Rights, the International Labour Organization's (ILO) International Labour Standards, the Responsible Business Alliance (RBA) Code of Conduct, the SA 8000 Social Accountability Standard, the EU General Data Protection Regulation (GDPR), along with relevant local laws. These frameworks guide the formulation of our human rights protection policies and management mechanisms.

Additionally, we believe that conducting human rights due diligence and performing risk assessments are essential for ensuring the thorough implementation of human rights policies. This approach not only strengthens the Company's reputation and credibility, but also enhances our support and competitive advantages in the global business environment. As a result, Nanya Technology has compiled a Human Rights Protection and Due Diligence Report in accordance with the Universal Standards 2021—the latest sustainability disclosure standards released by the Global Reporting Initiative (GRI) in 2021. The report covers relevant stakeholders such as employees, suppliers, joint ventures, customers, and communities, and regularly discloses our management effectiveness. This report provides a clear overview of the Company's human rights risk management system and offers a detailed explanation of the methods and performance at each stage of the human rights due diligence process. It concludes with an explanation of the diverse communication channels utilized, along with the implementation status and outcomes of each channel. In the future, we will regularly publish this report to share the Company's human rights protection policies, practices, and outcomes. This will enable stakeholders interested in Nanya Technology's human rights efforts to understand the Company's commitment to human rights issues, as well as the specific measures and social responsibility initiatives implemented to protect human rights.

2 Human Rights Risk Management System

2.1 Human Rights Due Diligence

Human Rights Due Diligence

I. Human Rights Policies and Drafting/Revisions

Nanya Technology formulates its human rights policies based on fundamental human rights principles, including the UN Guiding Principles on Business & Human Rights, the Universal Declaration of Human Rights, the International Bill of Human Rights, Principles 1 and 2 of the UN Global Compact, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. These policies also take into account the Responsible Business Alliance (RBA) Terms and applicable local laws. The Company remains attentive to global human rights development trends and guidelines, evaluating the need to revise its human rights policies or to incorporate human rights issues into its human rights risk assessment criteria.

II. Human Rights Risk Identification

Nanya Technology conducts an annual cyclical review based on multiple sources, including the RBA labor and ethics management system, the Company's workplace health and environmental policy, sustainable supply chain management system, and the analysis of stakeholder survey results. Through this identification framework, Nanya Technology regularly evaluates risk exposure by identifying labor and ethics-related hazards and risks within relevant business operations, reviewing workplace health and environmental management information, auditing human rights practices throughout the sustainable supply chain, and taking into account material risk issues of concern to stakeholders.

III. Identifying Material Human Rights Risks

Nanya Technology regularly assesses stakeholders and business units affected by human rights issues and conducts human rights risk assessment.

IV. Formulating Mitigation and Compensation Measures

Nanya Technology formulates annual guidance and improvement measures based on the assessment results, establishes future goals for mitigating human rights risks, and evaluates the need to revise human rights management systems and practices.

V. Tracking Implementation Status and Outcomes

Approved and feasible management plans should be assessed for effectiveness to ensure alignment with relevant products, activities, services, and management goals. Appropriate additions or revisions should be made within operational systems, and progress should be continuously tracked until the desired improvement objectives are achieved.

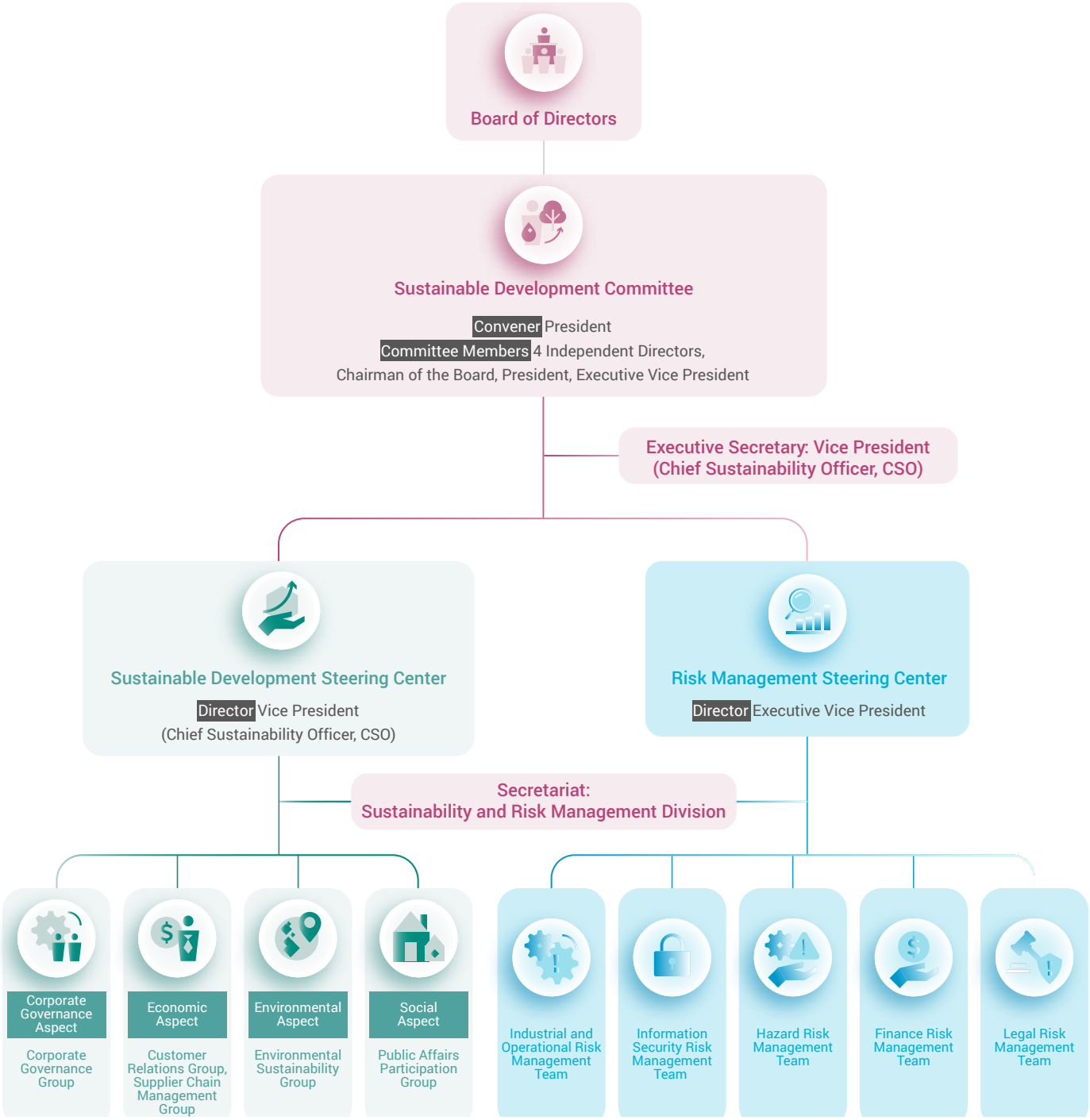
VI. Due Diligence Report Disclosure

Nanya Technology regularly discloses the results of human rights risk assessments and the effectiveness of management actions.

2.2 Sustainable Governance and Organization

Nanya Technology has established a dedicated Sustainable Development Committee that adheres to international standards and applicable regulations, driving the implementation of Sustainable Development Policy and human rights protection measures across all areas. The Committee conducts risk assessments and management, cultivating an inclusive, diverse, and welcoming workplace.

The Sustainable Development Committee was established in 2018, with the President serving as the Committee Chair. Senior executives at the Assistant Vice President level and above are appointed as members. Additionally, a dedicated unit, the Sustainability and Risk Management Division, is located within the President's Office, functioning as the Secretariat. In 2022, to strengthen the Company's sustainable development management hierarchy, a Sustainable Development Committee was established under the Board of Directors, merging the previous Risk Management Committee. The internal committees were renamed as the Sustainable Development Steering Center and the Risk Management Steering Center, respectively. The Sustainable Development Committee integrates and oversees the implementation progress and effectiveness across the four key dimensions of corporate governance, economic, social, and environmental sustainability. Additionally, it addresses complex situations by identifying, reviewing, and managing risks, ensuring that controllable risks are embedded in the Company's daily operations while monitoring uncontrollable risks for response (as shown in the organizational chart below).



3 Human Rights Due Diligence Procedures

3.1 Human Rights Policies and Drafting/Revisions

I. Human Rights Policy

Nanya Technology supports and adheres to fundamental human rights principles as well as local laws and regulations, including the UN Guiding Principles on Business & Human Rights, the Universal Declaration of Human Rights, the International Bill of Human Rights, Principles 1 and 2 of the UN Global Compact, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. The Company further reinforces the protection of human rights by following the Responsible Business Alliance (RBA) Code of Conduct:

1. This policy applies to all employees, subsidiaries, customers, suppliers, joint ventures, and any individuals with whom the Company maintains business relationships.
2. We comply with relevant labor and environmental regulations in all operating locations to ensure that employees are provided with fair working conditions and a safe, healthy workplace.
3. We are committed to fostering a workplace that promotes equal employment opportunities, fair compensation, and a work environment free from discrimination and harassment. No employee shall be treated differently based on race, nationality, age, gender, marital status, political affiliation, religious beliefs, etc.
4. We strictly prohibit forced labor, human trafficking, and the employment of child labor. We respect privacy rights, and employees' freedom of association and the right to engage in collective bargaining.
5. We have established effective channels for labor-management communication and provided grievance mechanisms. In cases of human rights violations, prompt investigations will be conducted, followed by the implementation of corrective actions, guidance, and improvements.
6. We conduct regular reviews and assessments of relevant human rights policies and practices.

Scope of Human Rights Policies

Nanya Technology is committed to protecting human rights by implementing human rights risk assessments and management practices, while cultivating an inclusive, diverse, and welcoming workplace. This human rights policy applies to all employees, subsidiaries, customers, suppliers, joint ventures, and any individual with whom the Company maintains business relationships. As a global citizen, Nanya Technology creates a harmonious and inclusive working environment effectively through human rights due diligence processes.

II. Labor and Ethic Policy

Nanya Technology Corporation actively advances corporate social responsibility. We are committed to the following practices:

1. Valuing labor rights, pursuing a shared vision, and advancing sustainability with integrity and honesty.
2. Establishing labor and ethics management systems to ensure that all Company activities comply with the Responsible Business Alliance (RBA) Code of Conduct, the SA8000 Standard, and various labor and business ethics regulations.
3. Implementing labor and ethics policies, regularly reviewing the operation of organizational management systems, and driving continuous improvement to protect employee rights.

III. Other Relevant Policies

Policy	Meaning
Sustainable Development Policy	While striving for excellence in professional memory manufacturing, we are equally committed to fostering strong relationships with stakeholders—including employees, shareholders, customers, suppliers, and society—and actively fulfilling our corporate social responsibilities to achieve sustainable development in the future.
Code of Business and Ethical Conduct	This Code of Conduct applies to employees, customers, suppliers, and stakeholders of the Company, including its subsidiaries and joint ventures. It aims to prevent misconduct and ensure adherence to the following principles: • Operate with integrity and refrain from personal gain. • Comply with laws and regulations, and refrain from any illegal activities. • Disclose information with zero tolerance for falsification or misrepresentation. • Protect the environment by promoting eco-friendly practices and caring for the Earth. • Create a happy workplace by treating employees with care and sharing profits. • Embrace sustainability principles that support local communities and promote social inclusion.

Policy	Meaning
Prohibiting Workplace Violation Statement	To protect the health and well-being of our employees, the Company maintains a zero-tolerance policy toward all forms of workplace violation. We are committed to ensuring that no employee is subjected to physical or psychological harm that could lead to physical or mental illness while performing their duties. This written statement reinforces our commitment to fostering a working environment of zero workplace violation, prohibiting workplace bullying by any level of management, as well as misconduct such as acts of violence by colleagues, visitors, customers, or strangers toward our employees.
Anti-Discrimination and Anti-Harassment Statement	Nanya Technology clearly declares a zero-tolerance policy toward all forms of workplace violation, prohibiting both tangible and intangible acts of discrimination and harassment in the working environment. We expect our subsidiaries, suppliers, and partners to fully comply with this standard as well. Discrimination based on race, skin color, nationality, gender, sexual orientation, age, marital status, political affiliation, religious beliefs, or any other personal characteristic unrelated to job performance is prohibited in the workplace. This includes, but is not limited to, verbal discrimination or using these attributes as criteria for hiring, performance evaluations, and promotions. Anti-discrimination and anti-harassment training is provided to all employees to cultivate a workplace culture that is safe, dignified, free from discrimination and harassment, inclusive, and built on mutual respect and equal opportunity.
Responsible Minerals Procurement Policy	Nanya Technology is committed to conflict-free mineral management and responsible procurement practices. We manage the procurement of tantalum, gold, tin, tungsten, and cobalt responsibly to meet both current and future expectations of the market, as well as applicable laws and regulations.
Hazardous Substances Free Policy	Nanya Technology is committed to maintaining hazardous substances free practices across product design, manufacturing processes, and the supply chain to ensure compliance with customer requirements and applicable laws and regulations.
Supplier Code of Conduct	As a responsible corporate citizen, Nanya Technology actively promotes professional and ethical standards in its business conduct. We believe that the long-term operation and success of the Company depend on the implementation of sustainable development and corporate social responsibility. The supply chain is a crucial partner for our Company. We actively foster its development, collaborate with suppliers to build stable relationships, and work together to achieve sustainable business practices. We ensure that our supply chain provides a safe working environment, where labors are treated with respect and dignity, and operate in accordance with fair practices and ethical standards.
Information Security Policy	We are dedicated to continuously enhancing our information security to ensure the confidentiality, integrity, and availability of information. This protects the rights of our customers, shareholders, employees, and suppliers, while fulfilling our social responsibilities.
Privacy Protection Policy	Nanya Technology has established the Privacy Protection Policy, Confidential Information Management Procedure, and Personal Data Management Rules, in compliance with ISO 27001, the international standard for information security management systems, as well as personal data protection laws. Through robust information security management and personal data privacy protection measures, the Company has built a data governance framework. This includes the formulation of data standards and classification levels, enforcement of data access control, and implementation of data ownership review mechanisms to ensure that data access and sharing are properly governed and protected, preserving data availability, integrity, and confidentiality.
Water Resource Management Policy	Committed to sustainable corporate development and strong stakeholder engagement, Nanya Technology is dedicated to the timely sharing of water-related information and the active implementation of a sustainable water management system. We pledge to the following commitments: • Through employee training, organizational planning, and the implementation of water conservation and emergency response systems, we continuously optimize water resource management across our facilities. • We disclose quantifiable water performance indicators, with a core objective of continuously enhancing water usage efficiency. • Aiming to improve effluent quality, we continuously enhance our water treatment systems to reduce the impact of our operations on local basins. • Through environmental education and continuous monitoring, we strive to safeguard the health of vital water-related areas. • We have implemented comprehensive environmental hygiene measures and drinking water quality systems across our facilities to reduce the risk of infectious disease.

3.2 Human Rights Risk Identification

I. Labor and Ethics Management System

In accordance with Nanya Technology's Labor and Ethics Management Manual, each department is required to continuously identify labor- and ethics-related hazards and risks within its scope of responsibility during the second half of each year. This process is guided by the "Labor and Ethics Risk Assessment Items and Standards" and the "Labor and Ethics Risk Assessment Form," with necessary control measures implemented. The risk indicator in the Risk Assessment Form = Asset Level (A) * Threat Level (T) * Vulnerability Level (V) * Consequence Level (C). During risk assessments, if a vulnerability is rated as Level 3 or the risk indicator is equal to or greater than 16, it is considered a high-risk item. In such cases, the respective department is required to complete the "Labor & Ethic Objectives, Targets and Programs Implement Evaluation Form" to evaluate and implement improvement measures. Feasible management plans approved by management representatives should be assessed for effectiveness using the "Labor & Ethic Objectives, Targets and Programs Result Form." These solutions must align with relevant products, activities, services, and management goals. Appropriate additions or revisions should be made within operational systems.

Labor and Ethics Risk Assessment and Identification Form

Department: | Compiler name: | Date: mm/dd/yyyy | No.: NDCA-0008-3/Ver.1

Serial No. (xxx)	Main asset categories (A)	Main activity areas/work description	Description of safety threats (T)	Potential vulnerabilities (V)	Description of current control measures	SOP No.	Risk assessment indicator (before taking actions)					Action					Risk assessment indicator (after taking actions)				
							Asset level (A)	Threat level (T)	Vulnerability level (V)	Consequence level (C)	Risk index (all)	Proposed management plans or improvement measures	Responsible personnel	Estimated completion date	Result: Description of measures implemented	Result: Completion date	Asset level (A)	Threat level (T)	Vulnerability level (V)	Consequence level (C)	Risk index (all)
001											0										0

II. Workplace Health and Environmental Safety

Nanya Technology is dedicated to fostering a culture of safety through continuous improvement. All operational sites are certified under the ISO 45001 management system. To prevent occupational accidents and ensure the safety, health, and a quality working environment for all workers, we have formulated the NDAZ-0002 Environmental, Health, and Safety Management Manual and related regulations in alignment with the ISO 45001 management framework principles. This framework empowers our workforce to anticipate hazards during business activities and proactively prevent occupational accidents, with the goal of achieving zero work injuries and zero occupational diseases.

III. Sustainable Supply Chain Management System

To manage sustainability risks and gain a deeper understanding of suppliers' sustainable development practices, Nanya Technology conducts an annual review and survey of all suppliers. This includes evaluating the locations where suppliers operate, procurement amounts, and the types of products supplied, as part of the initial risk assessment process.

Risk factors during initial assessment:

1. **Supplier location:** Assessing risks related to conflict minerals, natural disaster exposure, and human rights risk factors in the region.
2. **Types of products supplied:** Assessing whether the materials used in production contain hazardous substances (e.g., RoHS, PFOS, PFAS) and if alternative materials are available.
3. **Supplier operations:** Assessing the operational risks faced by the supplier and determining if they have established emergency response plans.

Human rights assessment aspects:

1. **Labor:** Freedom of employment choice, working hours, wages and benefits, human rights, non-discrimination, employee feedback, participation, and grievance mechanisms.
2. **Health and safety:** Occupational safety, emergency preparation, workplace injuries and occupational diseases, industrial hygiene, public health, dining, and accommodation.

IV. Environmental Protection Management System

In alignment with our commitment to environmental protection and environmental impact assessments, Nanya Technology regularly monitors key environmental impact factors within our development sites, such as air quality, noise and vibration, surface and underground water quality, traffic flow, as well as the ecosystem for animals and plants. Nanya Technology also collaborates with regulatory authorities to confirm that our development sites are not located in environmentally sensitive or areas with designated purposes. In accordance with our environmental, health, and safety policy, we are dedicated to promoting waste reduction and resource recycling to meet regulatory requirements and fulfill our environmental protection commitments. Each year, we evaluate opportunities for waste reduction, as well as the types and quantities of recyclable waste and wastewater. Based on this evaluation, we establish annual goals and incorporate these plans into our annual budget and work schedule.

For water resource management, Nanya Technology manages every drop of water from its source, through the usage process, to final discharge. We continue to apply effective and practical management practices, maintain the ecological environment, and enhance water usage efficiency. In alignment with the AWS International Water Stewardship Standard, we actively implement the five key outcomes of the AWS framework. This ongoing, systematic approach ensures the sustainable management of water resources while protecting the environmental rights of communities. As a key player in the semiconductor industry, Nanya Technology is committed to preventing environmental pollution and damage. Water pollution prevention has become an essential focus in recent years, especially as government regulations on effluent quality have become stricter to ensure the protection of environmental ecosystems. Additionally, in addressing water resource risks, Nanya Technology conducts quarterly reviews of water-related risks during the Risk Management Steering Center quarterly meetings. In line with the Company's operational risk management procedures, we assess the significance of risks and opportunities presented by various scenarios related to natural factors and climate change. Relevant response plans are developed and regularly confirmed by senior management. To effectively manage water-related risks, we conduct annual evaluations using the water risk assessment tool presented by the World Resources Institute (WRI) to identify the water risk indicator levels at our facilities. In terms of water pollution prevention, Nanya Technology has established key water pollution indicators and tracks them regularly. Annual optimization goals are set to reduce the risk of effluent pollution.

2030 water resource management indicators:

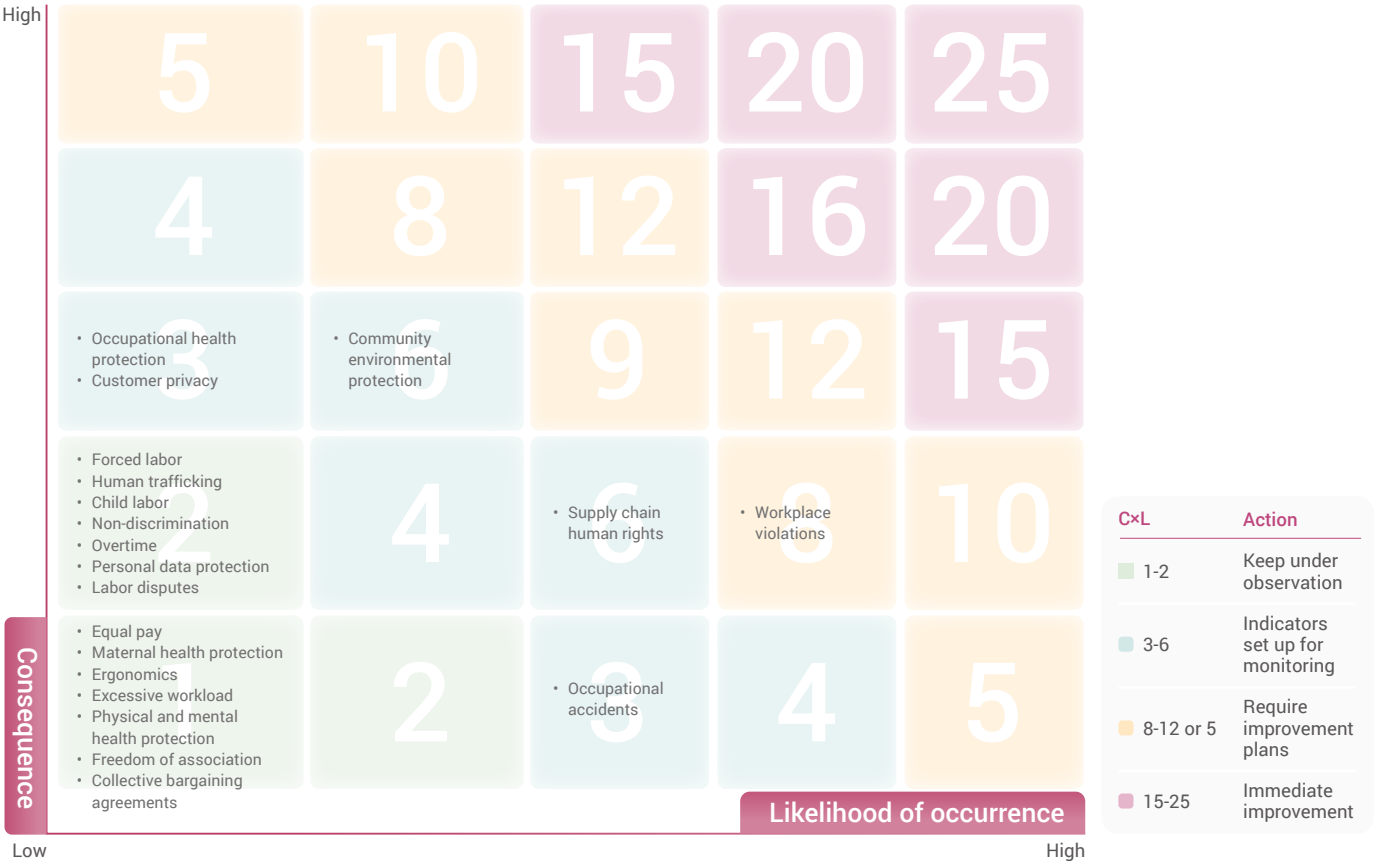
Achieving a **37 %** reduction in total water consumption per unit of production capacity compared to 2017 since 2018.

Production losses due to water restrictions: **0 wafer.**

Average percentage in key water pollution indicators exceeds regulatory standards by **60%.**

3.3 Identification of Material Human Rights Risks

Nanya Technology adopts the RBA standards across labor, health and safety, environmental, and supply chain management, alongside government occupational health and safety regulations. With a robust risk management system as its benchmark, the Company effectively identifies, analyzes, assesses, controls, addresses, and continuously monitors various risks by evaluating employees' risk exposure. With this approach, we can ensure that risks remain within acceptable thresholds while maximizing the integrity, effectiveness, and benefits of risk management efforts. The Company regularly identifies key human rights issues, vulnerable groups, and at-risk business units, and conducts human rights risk assessments. Based on the results, the Company formulates annual guidance and improvement measures, and sets future goals to mitigate human rights risks.



List of Nanya Technology's Human Rights Risks Assessment Tools

Target	Humane rights issues	Assessment tools
Employees	Freedom of choice in employment, young workers, no discrimination, work hours, wages and benefits, humane treatment, freedom of association, occupational health and safety, personal data protection, workplace violation	RBA SAQ, RBA VAP, internal and external audits, grievance channel, Occupational Injury Report Form, Department of Labor Annual Average Frequency-Severity Indicator by Industry (excluding commute-related incidents), Health Examination Report Indicator
Suppliers (joint ventures)	Labor human rights, occupational health and safety, personal data protection, workplace violation	Supplier audits, independent third-party verification
	Responsible minerals procurement, hazardous substances free	Inspection tools (CMRT/EMRT etc.), due diligence, independent third-party verification, compliance (testing) report
Communities	Water resources, air pollution, noise, traffic issues	Government regulations, facility wastewater discharge quality monitoring, air quality monitoring, noise frequency monitoring, traffic flows assessment and monitoring
Customers	Personal data protection and information security	Annual risk assessment, internal audits, and external independent verification

3.4 Formulating Mitigation and Compensation Measures

Based on assessment results, Nanya Technology identifies material human rights issues, formulates annual guidance and improvement measures and future human rights risk mitigation goals for its Taiwan facilities, evaluates and revises its human rights management systems and procedures, and actively promotes improvements across its suppliers.

Target	Material human rights issues		2024 mitigation measures	2024 compensation measures
Employees	Occupational health and safety	Occupational accidents	[Occupational Health and Safety Management System] (1) Hazard identification and risk assessment: Regular and ad-hoc reviews of hazard identification and risk assessment results. We conducted a total of 38 internal audits in 2024, resulting in 11 corrective action requests. (2) Proactive risk mitigation measures: High-risk units actively develop and propose safety and health improvement action plans, reducing medium- and high-level risks and increasing opportunities for systematic improvement. A total of 33 management plans were proposed in 2024. (3) Regular performance assessment system: Safety and health performance reviews conducted by each unit, environmental inspection proposals submitted by the Safety and Health department and independent inspection proposals submitted by each department (independent inspection rate reached 96.3% in 2024, exceeding the annual goal of 93.9%). [Promoting and Establishing Safety Culture] (1) Safety Walk and Talk (SWAT): We conducted 48 Safety Walk and Talks, including on-site sessions led by executive-level managers, as well as sessions with employees led by the Safety and Health department or department managers. (2) Safety & Environment Event Tracking System (SETS): We had 1,555 cases of employee-initiated proposals for tracking and improving clean room environment deficiencies.	[Emergency Response and Preparation] (1) We have established the Abnormal Situation Emergency Response Procedure, which outlines emergency response plans and includes drills for high-risk units; a total of 58 sessions have been conducted. (2) We cooperated with local authorities to conduct ad-hoc emergency response and disaster drills for public hazardous materials and toxic chemicals leaks, continuously enhancing our disaster response measures. [Accident Investigation and Constant Improvement] (1) In the event of unforeseen incidents or occupational accidents, the responsible unit(s) and the Safety and Health department will form an Accident Investigation Taskforce. The responsible unit(s) need to propose corrective actions and review relevant procedures with the Safety and Health department for tracking and continuous improvement. In 2024, a total of 21 near misses were recorded, with liquid-related cases identified as the key improvement area, accounting for the highest proportion (15 cases or 71.4%). Key improvement efforts focused on preventing issues such as pipeline joint leaks. Corresponding improvement and prevention measures were submitted accordingly. (2) The Safety and Health Committee convened on a monthly basis, exceeding the frequency required by relevant regulations. The responsible unit(s) report on the causes of occupational accidents and promote improvement plans to prevent similar incidents in other units. [Compensation for Occupational Accidents] (1) In the event of occupational accidents, we promptly initiate emergency medical treatment and provide comprehensive medical assistance afterwards. We also offer leave and wage compensation in accordance with legal requirements.
		Occupational Health Protection	All Employees: To enhance health management awareness, we organize the following health promotion activities: (1) Hosting at least one health promotion lecture per quarter. In 2024, we conducted 27 lectures, with a total of 1,528 participants. (2) Hosting annual weight-loss and quit-smoking pledge events, with a total of 478 participants. (3) Providing employees with relevant health information regularly (via posters and emails).	General compensation principles are as follows: (1) Employees with abnormal health examination results are continuously tracked and provided with ongoing health management. Regular medical consultations and health guidance are also provided. (2) An on-site clinic is established and doctor visits are arranged to provide professional medical and consulting services for employees.
			Engineers: (1) Implementing programs for the prevention of diseases related to abnormal workloads. (2) Identifying and assessing high-risk groups. (3) Providing special health examinations as well as health management and health promotion plans.	General compensation principles are as follows: (1) Arranging doctor appointments and providing health guidance. (2) Advising the department manager and further investigating the situation.
	Workplace violation (sexual harassment)		The following preventive measures are in place to address workplace violations: (1) We've implemented training to prevent workplace violations, including bullying and sexual harassment, achieving a 100% completion rate in 2024. (2) We've established a comprehensive grievance procedure with confidential investigations conducted by a dedicated taskforce. The Grievance Review Committee will make impartial final decisions on grievance cases.	1 case of sexual harassment in 2024 General compensation principles are as follows: (1) Implementing measures such as adjusting job duties or work environment as appropriate to prevent the recurrence of workplace violations against the complainant. (2) Providing or referring the complainant to consultation, medical or psychological counseling, social welfare resources, and other necessary services. (3) A thorough investigation will be conducted into the grievance case. If violations are substantiated, appropriate disciplinary actions and measures will be taken against the perpetrator. If criminal offenses are involved, we may also refer the case to the judicial authorities for legal proceedings. (4) We will continuously track, assess, and monitor substantiated cases to prevent future incidents of workplace violations. (5) Retaliation against complainants, whistleblowers, or individuals assisting with investigations is strictly prohibited. Violators will be subject to disciplinary action in accordance with company management regulations.

Target	Material human rights issues	2024 mitigation measures	2024 compensation measures
Suppliers (joint ventures)	Work hours, wage and benefits, humane treatment, workplace violation	To ensure the suppliers' commitment to sustainability, we implement the following measures: (1) We conducted sustainability risk assessments for all Tier 1 suppliers, including Tier 1 suppliers of concern, encompassing a total of 370 suppliers with a 100% completion rate. (2) We enforced audits on high-risk suppliers, identifying a total of 61 non-conformances. Nanya Technology assists these suppliers in making improvements, achieving a 100% remediation rate. (3) We evaluate potential impacts across supplier governance, social and environmental aspects, and continuously encourage suppliers to conduct risk management and identification measures. (4) We requested our joint venture Formosa Advanced Technologies to promote human rights due diligence and RBA VAP to proactively identify and mitigate human rights risks in order to prevent human rights violations. Please refer to Formosa Advanced Technologies' Sustainability Report for the disclosure of relevant due diligence findings. https://www.fatc.com.tw/esg/download.php	0 human rights violations in 2024 General compensation principles are as follows: Suppliers are required to make improvements and comply with local regulations.
	Responsible minerals procurement, hazardous substances free	[Responsible Minerals Procurement Management] (1) Monitoring evolving trends in the requirements of responsible mineral procurement management and developing a corresponding responsible mineral procurement management list. (2) Employing effective tools (CMRT/EMRT, etc.) to conduct regular due diligence. (3) Aiming for 0 deficiencies during independent third-party verifications. [Hazardous Substances Free Management] (1) Identifying the relevance of regulations to customer products and developing a corresponding hazardous substance management list. (2) Conducting regular due diligence and providing effective compliance (testing) reports. (3) Aiming for 0 deficiencies during independent third-party verifications.	0 human rights violations and hazardous substances incidents in 2024 General compensation principles are as follows: Suppliers are required to make improvements and comply with local regulations.
Communities	Air pollution Water resource	Implementing the following measures to ensure environmental sustainability: (1) Discharging wastewater in compliance with regulatory standards and continuously reducing discharge volumes: A. Air pollution reduction: Reducing volatile organic compounds emission. According to third-party verification in 2024, the efficiency of our processing equipment is above 98%, which results in a 70% reduction in volatile organic compounds emission compared to 2022. B. Water resource shortage: (a) Diversifying water sources and enhancing storage: We have constructed a water reservoir with a capacity of 43,000 metric tons and built 7 additional wells in our facilities, providing a combined daily water supply of 5,500 metric tons. (b) We collaborate with nearby Formosa Plastics Group facilities to establish an emergency response organization for water shortages, enabling mutual sharing of water resources during emergencies within the organization. (c) Water conservation and rainwater/wastewater recycling: Beyond rainwater reuse initiatives, we recycled a total of 5,590,000 metric tons of wastewater in 2024. (d) Establishing response measures aligned with government-issued water situation lights. C. Effluent quality maintenance: (a) Collected wastewater is classified and directed to the appropriate sewage facilities for treatment. Our treatment efficiency has improved over the years. (b) We have established a real-time effluent quality monitoring system linked to the Environmental Protection Department of the municipal government, enabling joint monitoring to ensure effluent quality remains within normal parameters. (2) We conduct monthly environmental inspections. (3) We collaborate with local communities to form an Environmental Quality Supervision Committee. Feedback from local stakeholders is gathered through quarterly Nanlin Technology Park Management Committee meetings.	0 complaints from communities in 2024 General compensation principles are as follows: (1) Paying close attention to the evolutions of regulations and adopting corresponding measures. (2) Actively engaging with local schools, organizations, and groups to implement educational initiatives such as environmental conservation.
	Social engagement	We commit to engaging in public affairs and caring for the local communities, exerting social influence and promoting community development through the following measures: (1) Talent cultivation: We partner with schools to instill ESG sustainability concepts in youths and promote sustainability education to 1,536 students. (2) Environmental conservation: We connect with diverse non-profit organizations to raise environmental awareness, maintain biodiversity, and move towards a low-carbon society, with 523 employees participating in 4 environmental conservation events. (3) Community harmony: We participate in neighborhood (nearby community) public affairs to create a harmonious and mutually beneficial living environment, benefiting 16,671 people. (4) Humanistic care: We integrate local resources to promote local culture, with 552 employees participating in cultural events in 2024.	
Customers	Personal data protection and information security	We implement the following information security management measures to protect customers' rights: (1) We established the Confidential Information Management Procedure and Personal Data Management Rules, requiring all employees to read. (2) We conduct monthly information security awareness campaigns, and require employees to complete information security training courses and pass relevant assessments once every year to enhance personal data protection awareness. The completion rate was 100% in 2024. (3) The Company's confidential information is archived in the Document Control Center in accordance with internal procedures and classified by confidentiality level. Unauthorized disclosure of the Company's confidential information is prohibited, and relevant evaluation mechanisms have also been established. (4) Metal detectors have been installed at entrances to inspect information security-related items. (5) We regularly apply for ISO 27001 international information security management certification.	0 information breach incidents in 2024 General compensation principles are as follows: We will inform the customers immediately and provide proper remedies.

3.5 Tracking Implementation Status and Outcomes

Approved and feasible management plans should be assessed for effectiveness to ensure alignment with relevant products, activities, services, and management goals. Appropriate additions or revisions should be made within operational systems, and progress should be continuously tracked until the desired improvement objectives are achieved.

I. Labor and Ethic Objectives, Targets and Programs Implement Evaluation

During risk assessments, if a vulnerability is rated as Level 3 or the risk indicator is equal to or greater than 16, it is considered a high-risk item. In such cases, the respective department is required to complete the Labor & Ethic Objectives, Targets and Programs Implement Evaluation Form to evaluate and implement improvement measures. In 2024, no high-risk items were identified within the departments.

II. Labor and Ethics Internal Independent Inspections and Audits

In alignment with the Labor and Ethics Management Manual, each department performs goal measurement and audit monitoring to ensure proper control and maintenance of labor and ethics management goals. Each organizational department's performance is managed and controlled by designated personnel, who conduct an annual independent inspection based on the Labor and Ethics Independent Inspection Form. The Human Resources Division supervises the achievement of labor and ethics management goals across all departments. In 2024, no non-compliant issues were identified, and no corrective or preventive measures were required from the responsible departments.

III. 2024 Management System Implementation Effectiveness

Aspect	Management goal	Implementation status
Labor	***Zero*** workplace violation cases	***0*** cases
	Zero sexual harassment cases	***1*** case
	Unsafe Workplace Behavior and Prevention (Sexual Harassment Included) Training, completion rate: ***100%***	1 physical course, completion rate: ***100%*** TDS read by all employees, completion rate: ***100%***
	Personal Data Protection Training, ***100%***	Completion rate: ***100%***
Ethics	Labor and Ethics Regulations Training, ***100%***	Completion rate: ***100%***
	Zero corruption cases	***1*** case
	Anti-Corruption Training, completion rate: ***100%***	Completion rate: ***100%***
	Insider Trading Prevention Training, completion rate: ***100%***	Completion rate: ***100%***
Others	Labor regulatory compliance (***zero material penalties***)	***Zero*** penalties
	Obtain ***RBA VAP*** certification	Score: ***193.8*** (Silver)
	Supplier audit ***CAR resolution rate***	Resolution rate: ***100%***

Historical RBA VAP Verification Results

Audit	Audit Results
2012	182
2015	173.8
2017	174.3
2018	200
2020	193.6
2022	200
2024	193.8

Responsible Business Alliance
Advancing Sustainability Globally

Recognition that

FAB 3A, Nanya Technology Corp.

No.98,115, Nan-Ling Rd., New Taipei City , New Taipei City, New Taipei City, 243
Chinese Taipei

Completed the RBA Validated Assessment Program, achieving SILVER Status without any priority findings, earning a score of 193.8

Validated Audit Report: VAR-20240520-TW-05A01-1
Audit date: May 20, 2024
Certificate issue date: August 12, 2024
Expiration date: May 21, 2026

Robert F. Lederer
CEO, RBA

IV. Healthy workplace environment

To ensure alignment with ISO 45001 management framework principles, we utilize internal and external audits, Safety and Health department environmental inspections and proposals, and departmental independent inspection proposals (with a 2024 independent inspection rate of 96.3%, surpassing the 93.9% annual target). We also conduct safety and health performance evaluations for each unit and internal audits by the Safety and Health department. In 2024, these efforts included 38 internal audits, leading to 11 corrective action requests. Moreover, we foster bilateral communication through internal audits, conduct annual third-party external audits, and leverage the Safety & Environment Event Tracking System (SETS), where employees proactively propose and track the mitigation of environmental deficiencies (1,555 cases).

V. Incident management and analysis

Upon confirmation of occupational accidents, near misses, or events affecting mental and physical well-being, the affected units and the Safety and Health department will form an Accident Investigation Taskforce. The affected units propose corrective actions, which the Safety and Health department reviews, examines, and continuously tracks for improvement. The department where the incident occurred must conduct a Root Cause Analysis (RCA), identifying direct, indirect, and basic causes, and effectively propose improvement and prevention measures to prevent recurrence before case closure. We convene a monthly Safety and Health Committee meeting, exceeding legal requirements. During these meetings, affected units present and promote awareness of the causes of occupational accidents and the related improvement plans to prevent similar occurrences in other departments. In 2024, a total of 21 near misses were recorded, with liquid-related cases identified as the key improvement area, accounting for the highest proportion (15 cases or 71.4%). Key improvement efforts focused on preventing issues such as pipeline joint leaks. Corresponding improvement and prevention measures were submitted accordingly.

Nanya Technology Incident Investigation Procedures

Incident occurrence

Immediately report the incident to the central control room, and notify personnel in the affected unit as well as safety and health staff.

Assist with on-site first aid for the injured and send them to the hospital.

Incident Investigation Taskforce

Staff from the affected unit and Safety and Health department immediately collect evidence at the scene of the incident, and begin a preliminary investigation and analysis of the cause.

The affected unit proposes corrective actions, which are reviewed and examined by the Safety and Health department.

Corrective actions

The Safety and Health department conducts a follow-up review of the corrective actions and continuously tracks improvements.

The Safety and Health department reviews and closes the case.

VI. Occupational injury and occupational diseases statistical analysis

In 2024, the on-site employee disabling injury frequency rate (number of disabling injuries per million working hours) was 0.41, and the disabling injury severity rate (lost workdays per million working hours) was 5, which indicates that we failed to reach the goal of zero disabling injuries. When occupational injury incidents occur, thorough investigation and analysis are conducted to determine the root cause, and guidance along with improvement measures is proposed. Occupational injuries are categorized as physical, chemical, ergonomic, biological, and psychological. In 2024, all 3 incidents (100%) were classified as physical hazards, including 1 fall and 2 pinch injuries.

Year	2021	2022	2023	2024	2024 goals
Total work hours (hr)	6,872,456	7,073,064	7,174,192	7,310,688	-
Number of occupational injuries on record (person)	0	0	3	3	-
Occupational Injury Incident Rate on Record (Disabling Injury Frequency Rate, FR)[Note 2]	0	0	0.41	0.41[Note 5]	0.18
Number of Severe Occupational Injury (person)[Note 1]	0	0	0	0	-
Severe Occupational Injury Incident Rate	0	0	0	0	-
Disabling Injury Severity Rate (SR)[Note 3]	0	0	18	5	6.2
Frequency-Severity Indicator	0	0	0.09	0.05	-
Number of Diagnosed Occupational Disease	0	0	0	0	0
Occupational Disease Diagnosed Rate	0	0	0	0	0
Absence Rate	0.33%	0.23%	0.35%	0.45%	0.55%
On-Site Independent Inspection Rate[Note 4]	99.3%	94.1%	95.2%	96.3%	93.9%
Number of Proposals Involving All Employees for Safety and Health	1,215	1,440	1,215	1,555	

Note 1: In 2024, we had zero occupational injury-led fatalities. The rate of severe occupational injuries (excluding fatalities and cases with lost workdays exceeding six months) is calculated per million working hours.

Note 2: The Frequency Rate (FR) and Severity Rate (SR) of disabling injury are based on the Company's reported occupational accident statistics. They do not include contractor injuries, injuries sustained during employees' commutes to and from work, or minor injuries resolvable with on-site first aid.

Note 3: The absence rate includes sick leaves, personal leaves, occupational injury leaves, and menstrual leaves.

Note 4: Independent inspection rate = (Number of deficiencies from each department's proposals on Kaizen Proposal System/Number of deficiencies from Safety and Health Department proposals) * 100%.

Note 5: In 2024, there were 3 incidents (100%), all physical hazards (1 fall and 2 pinch injuries). The relevant guidance and improvement measures include safety awareness campaigns on walking, mandatory two-person material pushing to prevent deviation, and ensuring sufficient material handling space.

VII. Subcontractor Safety Management

Nanya Technology adheres to Formosa Plastics Group's internal regulations as the basis for contractor requirements, and establishes comprehensive contractor management standards, such as the Construction Safety and Health Engineering Guidelines. Every collaborating contractor is required to sign a construction contract (agreement) and a workplace safety notice which inform them of the working environment, potential hazards, and relevant safety and health regulations. Furthermore, subcontractors are guided to conduct Job Safety Analysis (JSA), and their personnel are strictly required to execute work according to the review results, in order to achieve zero incidents and zero accidents. All contractor personnel must receive our "Pre-Entry Safety and Health Training for Contractors" before commencing any work on-site. The purpose of the training is to inform them about workplace environmental hazards, mandatory regulations, and to enhance their safety awareness.

Contractor Total Work Hours and Occupational Accident Statistics

Year	2021	2022	2023	2024
Total work hours (hr)	339,387	562,977	409,371	423,265
Number of injuries	1	0	1	1
Workdays lost	7	0	8	10

Contractor Pre-Entry Safety and Health Training and Coverage Rate

Year	2021	2022	2023	2024
Number of training participants	1,753	2,829	2,292	3,121
Total training person-hours	68,367	169,740	112,308	205,986
Coverage rate	100%	100%	100%	100%

VIII. Supply chain sustainability audit

The results of the sustainability risk assessment questionnaires from suppliers are analyzed to identify high-risk suppliers. Based on supplier characteristics, additional audits and support are conducted. Any deficiencies found during the audit lead to the issuance of Corrective Action Requests, with suppliers required to submit improvement plans and implement guidance and improvement actions within two years. If a supplier fails to meet the deadline, the issue is reviewed by the Material Review Board (MRB) of the Supplier Review Committee. For serious cases, actions such as continued communication, order reduction, reassignment, or termination of cooperation may be taken to effectively control and mitigate risks.

High-Risk Supplier Sustainability Audit Statistics

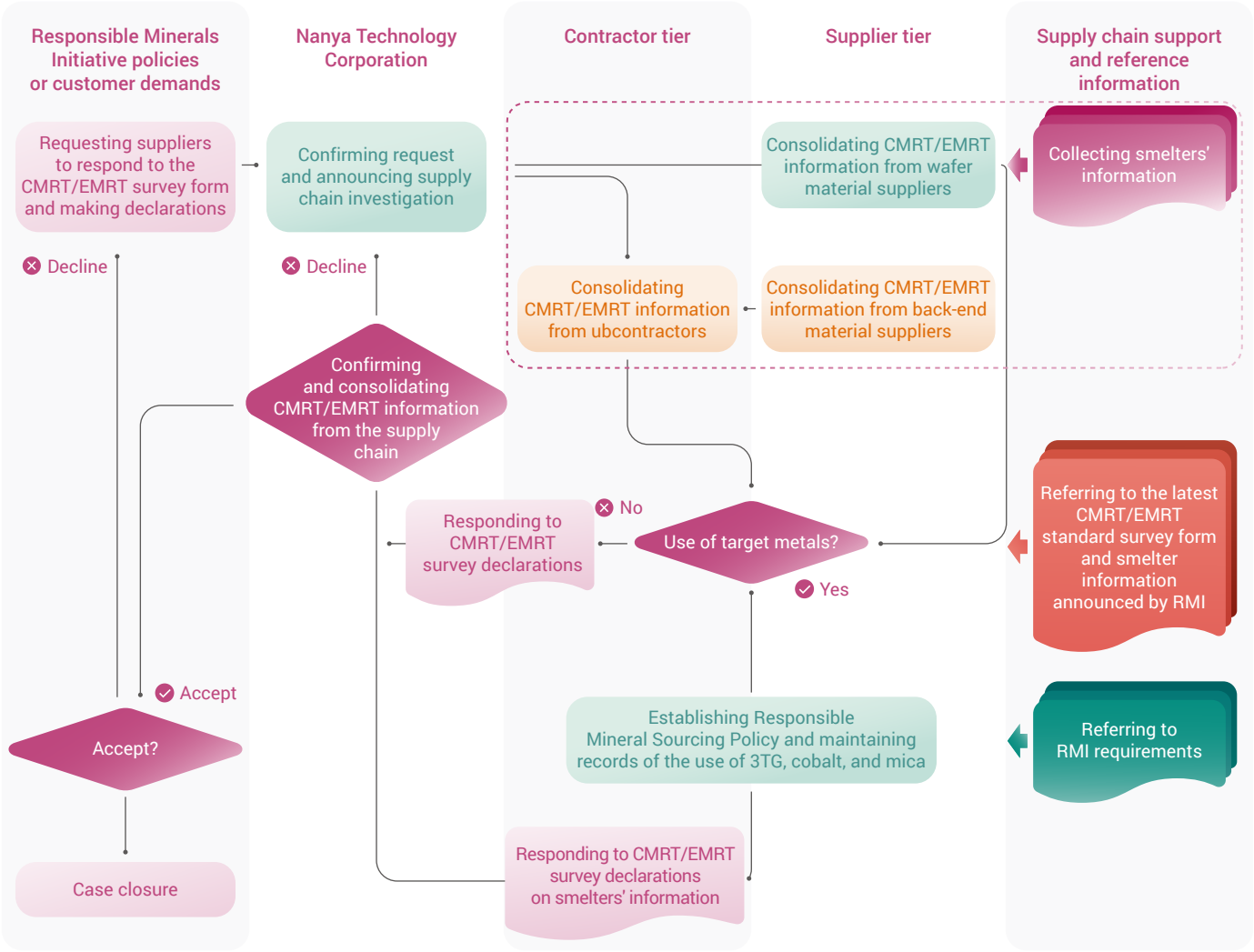
Year	2022	2023	2024
Average audit score	89.97	90.45	93
Number of non-compliant items	74 in total	59 in total	61 in total
Labor and Ethics	50	43	43
Improvement rate	100%	100%	100%
Environmental, Safety and Hygiene (ESH)	24	16	18
Improvement rate	100%	100%	100%

IX. Responsible minerals procurement

Nanya Technology is committed to conflict-free mineral management and responsible procurement practices. We manage the procurement of tantalum, gold, tin, tungsten, and cobalt responsibly to meet both current and future expectations of the market, as well as applicable laws and regulations. We comply with responsible metal procurement requirements, uphold the commitments of the Responsible Business Alliance (RBA), and support the objectives of the Responsible Minerals Assurance Process (RMAP). Since 2009, in response to customer demands, Nanya Technology has investigated the sources of metals such as gold, tantalum, tin, tungsten, cobalt, and mica within its supply chain. The Company requires subcontractors and raw material suppliers to use the Responsible Minerals Initiative (RMI)'s survey tool templates to gather relevant information, enabling the supply chain to collaboratively conduct ethical and responsible metal procurement and minerals sourcing surveys. Additionally, in 2024, Nanya Technology expanded its responsible mineral procurement sourcing surveys to include aluminum, copper, nickel, zinc, natural graphite, and lithium, in response to global supply and demand strategies and customer requirements for adding critical minerals.

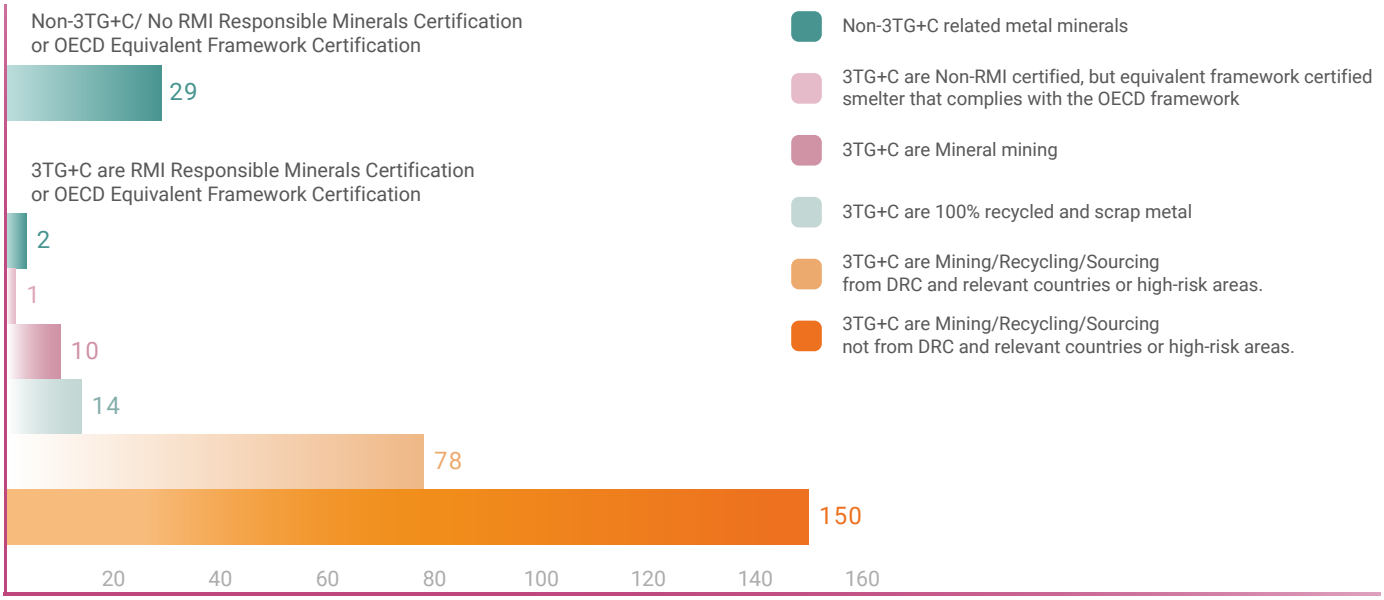
As a result, Nanya Technology conducts at least one supply chain survey on responsible mineral procurement annually. Suppliers handling gold, tantalum, tin, and tungsten (3TG) are required to complete the "Conflict Minerals Reporting Template" (CMRT), while those handling cobalt and mica must use the "Extended Minerals Reporting Template" (EMRT). These survey tools help collect information on smelters and mineral sources on gold, tantalum, tin, tungsten (3TG), cobalt, and mica to ensure the supply chain does not illegally finance warlords or armed groups, nor engage in activities that violate fundamental human rights. All 3TG and cobalt-related suppliers and subcontractors are also required to sign a Dutiful Mining Policy and Conflict-Free Metals Commitment, in order to reinforce their adherence to requirements of responsibly source minerals.

1. Suppliers of 3TG and cobalt-related materials are required to sign the Dutiful Mining Policy and Conflict-Free Metals Commitment.
2. Suppliers of 3TG and cobalt-related materials are required to collect relevant data using standardized survey tools provided by the Responsible Minerals Initiative.
3. Suppliers of 3TG and cobalt-related materials are required to use qualified smelters that are either RMAP-validated or meet equivalent OECD requirements.



Since conducting conflict-free mineral supply chain surveys, Nanya Technology has embraced the management principle of continuous improvement by aligning with RBA-RMI management guidelines and the latest customer requirements based on survey results. The Company continues to communicate with suppliers, identifies survey criteria, analyzes findings, and adjusts its conflict-free management indicators and Responsible Mining Policy as needed, demonstrating the management outcomes of cyclic management. As smelter data collection in response to the Responsible Minerals Initiative (RMI) becomes a norm, various natural resources are gradually depleting, many of which are under the management and control of a few countries or governments due to geographic factors. The extraction of these resources often entails significant energy consumption, water pollution, land degradation, and even human rights violations. Therefore, companies should fulfill their social responsibilities by focusing on environmental protection, labor rights and fundamental human rights. They should uphold the principles of lawful procurement and extend these management indicators to their suppliers. Over the past decade, Nanya Technology has addressed customer and societal demands by conducting surveys on materials such as rare-earth elements, semi-metals, and volatile organic compounds. Nanya Technology actively incorporates alternative vendors into its qualified supply chain, ensuring that all suppliers actively participate in surveys and progressively align with corporate indicators. This approach not only meets legal requirements but also fulfills customer expectations and supports sustainability.

The Disclosure and Certification Status of Responsible Metal Extraction of Smelters



X. Green product management

Nanya Technology's green products comply with the Hazardous Substances Free Policy, adopting a source control approach to manage hazardous substances potentially used or involved in processes, products, and packaging. This ensures that hazardous substance management aligns with environmental protection, safeguards user rights, and reduces ecological impact throughout the production process, in line with relevant sustainability indicators.

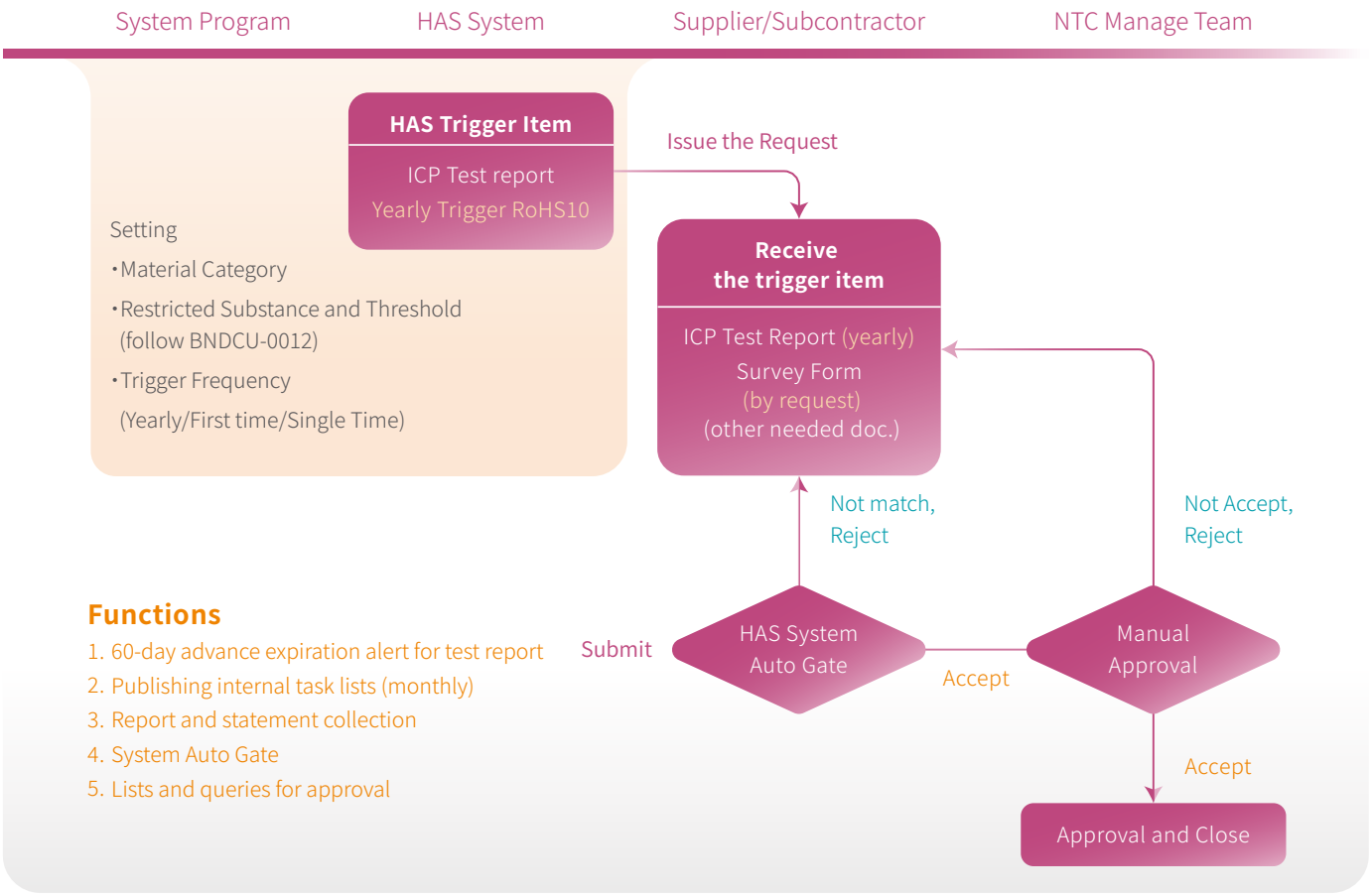
In 2005, Nanya Technology established the Green Product Promotion Committee (GPPC) to implement Hazardous Substances Free (HSF) management. During the product production process, Nanya Technology consistently implemented measures to prevent pollution, save energy, reduce waste, and avoid the use of hazardous substances under regulatory restrictions. By integrating and connecting suppliers of raw materials, process materials, and shipping packaging materials, as well as subcontractors providing back-end packaging, Nanya Technology successfully created an effective green product supply chain. This supply chain, involving both upstream and downstream vendors, complies with current international environmental regulations and trends, while fulfilling our social responsibility to promote and protect the environment and human rights.

Nanya Technology, through its Green Product Promotion Committee, establishes the General Rules for "Environment-Related to be Controlled" Substances in Parts and Materials by referencing national regulations from the EU and other regions, as well as hazardous substance management standards from major international customers. The Company adopts a tiered control system for environmentally hazardous substances, classifying and managing chemicals that may pose environmental risks according to the following categories.

1A/3A/2A	Prohibited Substances: The use of substances in this category must be immediately prohibited if their concentration exceeds the specified limits.
1B	Restricted Substances: The use of substances in this category must be prohibited after the specified period.
1C	Contains Regulated Substances: The use of substances in this category, if intentionally added, must be disclosed to verify the use of environment-related substances to be controlled within the product.

By implementing a tiered management system for hazardous substances and maintaining effective control over the sourcing for raw materials and related products, the Company strives to reduce the environmental impact associated with product manufacturing processes.

To ensure compliance with hazardous substance free management and support continuous survey on substances of concern across the supply chain, Nanya Technology has established a hazardous substance free management system. All homogeneous materials used in Nanya Technology's green products must be accompanied by documentation, such as Green Product Commitment and RoHS test reports, demonstrating compliance with relevant regulations. This ensures source control on homogenous material within products and supports the goal of reducing waste. Furthermore, Nanya Technology continuously manages prohibited and restricted substances of concern in accordance with regulatory requirements and customer demands, including EU REACH SVHC, EU POP, GADSL, US TSCA 5 PBTs, EU PFAS, US TPCH, and other applicable regulations or proposed regulations on relevant restrictions. The Company continues to collect survey information on substances of concern across the supply chain. In 2024, no incidents involving toxic substances were reported.



Compliant with Regulatory Standards

Green products that comply with the requirements of BNDCU-0012 General Rules for "Environment-Related to be Controlled" Substances in Parts and Materials align with the following international regulatory standards:

[EU] WEEE Directive 2002/96/EC and 2012/19/EU WEEE (recast)
[EU] RoHS Directive 2011/65/EU and its amendments
[EU] REACH Regulation (EC) No.1907/2006: Registration, Evaluation, Authorization, and Restriction of Chemicals, REACH Regulation:
- The compliance of the product with the Annex XVII (forbidden substances).
- The compliance of the product with the Candidate List substances in articles of EU REACH regulation, also means REACH (SVHC).
- The compliance of the product with the Persistent Organic Pollutants (POPs) Regulation (EC) No.2019/1021 (forbidden substances).
- The compliance of the product with the REACH Regulation (EC) No.1907/2006 Candidate List for Authorization.

[EU] REGULATION (EU) 2025/40 on Packaging and Packaging Waste (PPWR)

Compliant with Customer Demands

- Halogen-Free (Standard) IEC 61249-2-21
- SONY (Standard) SS-00259
- Global Automotive Declarable Substance List (GADSL)
- [UK] Registration, evaluation, authorization and restriction of chemicals (REACH)
- [US]TSCA Section 8(a)(7) Reporting and Recordkeeping Requirements for Perfluoroalkyl and Polyfluoroalkyl Substances (PFASs)

XI. Environmental Protection Management

Since its establishment, Nanya Technology has collaborated with the local community to form the Environmental Quality Supervision Committee. Every quarter, Nanya Technology commissions a third-party organization to conduct monitoring surveys on the local ecology, hydrology, and air quality around the facilities. The survey results are then reported to the Environmental Quality Supervision Committee. The Company also engages with the Environmental Quality Supervision Committee to understand community concerns and incorporates relevant issues into its ISO 14001 management system for regular evaluation. Since 2014, there have been no recorded violations of environmental regulations.

To ensure compliance with effluent quality standards and address concerns from residents in discharge areas, Nanya Technology conducts quarterly effluent testing through third-party agencies and reports the results to the relevant authorities. A real-time effluent monitoring system has also been implemented and linked with the Department of Environmental Protection to enable real-time joint monitoring and ensure compliance with effluent quality standards. In 2024, all effluent quality testing results complied with government standards, with no violations or penalties related to water pollution.

	Testing item	Unit	Regulatory standard	Testing result			Compliance with standards
				Minimum	Average	Maximum	
FAB 3A	pH	-	6-9	7.1	7.4	7.6	Yes
	Chemical oxygen demand (COD)	mg/L	<100	15.3	23.1	31.7	Yes
	Suspended solids (SS)	mg/L	<30	1.25	3.5	6.5	Yes
	Fluoride ions	mg/L	<15	9.89	11	11.6	Yes
	Ammonia nitrogen	mg/L	<30	0.2	4.3	11.1	Yes

In terms of water shortage risk assessment, the WRI Aqueduct Tool analysis results show that both the short-term and long-term (up to 2050) water stress risks are categorized as medium to low (10-20%). According to the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), under the RCP 8.5 scenario for the mid-century period (2036-2065), northern Taiwan is expected to see a 12% increase in annual average rainfall, though spring rainfall will decrease by 5%. In summary, the water sources at Nanya Technology's operational sites are located in areas with medium to low short-term risk, while the number of consecutive dry days in northern Taiwan may increase by 1.2 to 2 days on average in the future. To address the high water demand of its production processes, Nanya Technology has identified an increased risk of operational disruption and has implemented multiple response measures aligned with government-issued water situation lights. In 2024, no production disruptions caused by water shortage were reported.

4 Human Rights Protection Measures

4.1 Training

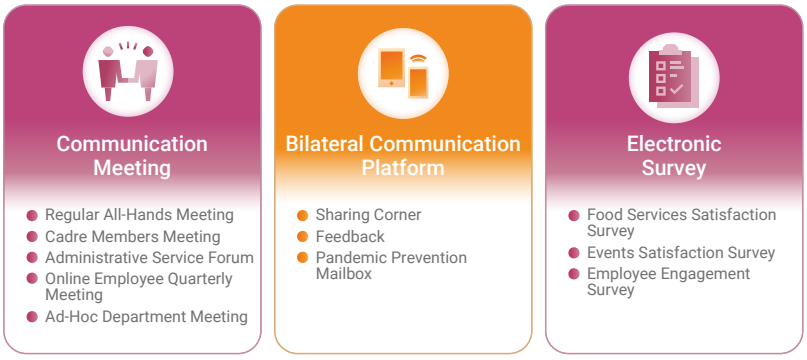
Nanya Technology is dedicated to ensuring the health and well-being of its employees by fostering a workplace culture that is safe, respectful, inclusive, non-discriminatory, and grounded in dignity and equal opportunity. To support this commitment, the Company conducts annual training on human rights policies and procedures. In 2024, mandatory courses included "2024 Policy and Code of Conduct Training," "2024 Unsafe Workplace Behavior and Prevention Training," and "2024 Personal Data Protection Training." The participation rate was 100%, with a total of 14,547 training person-hours completed by all employees.

2020–2024 Human Rights Policy and Procedures Education Programs Training Hours

Year	2020	2021	2022	2023	2024
Total training person-hours	7,333	7,228	10,872	10,947	14,547

4.2 Diversified Communication Channels

To cultivate harmonious labor relations, promote cooperation between labor and management, and enhance employee welfare, we have established diverse and transparent communication channels. These enable employees to express their views on fundamental working condition issues, including health and safety and employee benefits. We actively seek to understand employee concerns and address issues promptly to foster positive labor-management communication. For reporting illegal activities, we have a grievance channels, a whistleblower hotline, and a sexual harassment prevention hotline in place. Employees can also provide feedback on Company rules and regulations through the Management System Improvement Opinion Form. Employees can openly communicate with management on various public and private matters, working conditions, compensation and benefits, or personal opinions through the following channels:



Regularly Holds Biannual All-Employee Meetings

Feedback Section for Two-Way Interactions

Number of complaints submitted through feedback platform in 2024	156
Average response time	5 days
• 68 regarding transportation/parking/shuttle service (43.58%) • 64 regarding office/facilities environment (41.02%) • 17 regarding food services (10.89%)	Top 3 complaints

Nanya Technology employees established a labor union in April 2012. For a long time, the Company and the labor union have actively maintained bilateral communication channels and harmonious relationships. We exchange information and communicate on employment conditions through various channels, allowing the labor union to fully exert its functions and express opinions, thereby enhancing harmonious labor relations and welfare. Despite the establishment of a Company labor union, the union has not yet proposed collective bargaining to the Company, and a collective bargaining agreement has not been signed to date because the labor union has been negotiating with the Company through diverse and smooth communication channels, and the Company has been actively responding to these communications.

Number of Labor Union Members in Taiwan Over the Past Three Years

Year	2022	2023	2024
Number of participants	86	88	88
Employee participation rate	2.40%	2.49%	2.45%

4.3 Employee Protection: Zero-Tolerance for Harassment and Discrimination

Nanya Technology has established a Prohibiting Workplace Violation Statement signed by the highest-level executive, representing its zero-tolerance commitment to workplace violations. This policy is intended to ensure that no employee is subjected to physical or psychological harassment and discrimination that could lead to physical or mental illness while performing their duties. Nanya Technology maintains a zero-tolerance policy toward workplace bullying by any managerial-level supervisor, as well as any form of workplace violation such as workplace violence among employees, or by visitors, customers, and strangers towards our employees. All employees at Nanya Technology are responsible for maintaining and ensuring a working environment free from workplace violations. Anyone who witnesses or becomes aware of such incidents is required to report them immediately via the employee grievance hotline (02-29045858 #1132, #1136) or through the internal grievance mailbox (protection@ntc.com.tw). The Human Resources Division is the designated unit responsible for handling grievance. Grievance cases will be investigated confidentially by the Grievance Investigation Taskforce and arbitrated by the Grievance Review Committee. If the allegations are substantiated, disciplinary action will be taken in accordance with company management regulations. If criminal offenses are involved, we may also refer the cases to the judicial authorities for legal proceedings. The Company will enforce disciplinary actions based on approved decisions. We will continue to track, review and monitor relevant cases to prevent future incidents of workplace violation. Retaliation against complainants, whistleblowers, or those assisting with investigations is strictly prohibited, with offenders subject to disciplinary actions in accordance with company management regulations. Additionally, we will strictly maintain the confidentiality of the complainant's identity and provide assistance and compensation measures such as health guidance, work adjustment or reassignment, and follow-up on physical and mental well-being.

Nanya Technology Upholds a Zero-Tolerance Policy for Harassment and Discrimination

Policy Statement	To protect all employees from physical or psychological violations that may cause physical or mental illness while performing their job duties, Nanya Technology has established a Prohibiting Workplace Violation Statement.
Zero Tolerance	We are committed to ensuring a zero workplace violation working environment, which includes absolutely no tolerance for workplace bullying by any managerial-level supervisor, nor any tolerance for workplace violation such as workplace violence among employees, or by visitors, customers, and strangers towards our employees.
Grievance Channels	All employees have a responsibility to jointly maintain and ensure a working environment free from workplace violations. Anyone who witnesses or becomes aware of any workplace violation incident should immediately call the employee grievance hotline or use the internal grievance mailbox to report the incident. (Grievance Hotline: 02-29045858 #1132, #1136; Grievance Mailbox: protection@ntc.com.tw)
Training	We conduct workplace violation prevention training for all employees at least once every two years. Supervisory seminars are held as needed to enhance employee communication and reduce stress and frustration.
Disciplinary Measures	Grievance cases will be investigated confidentially by the Grievance Investigation Taskforce and arbitrated by the Grievance Review Committee. If the allegations are substantiated, disciplinary action will be taken in accordance with company management regulations. If criminal offenses are involved, we may also refer the cases to the judicial authorities for legal proceedings.
Remedial Measures	We will strictly maintain the confidentiality of the complainant's identity and provide assistance and compensation measures such as health guidance, work adjustment or reassignment, and follow-up on physical and mental well-being.

Note 1: Definition of Workplace Violation
Incidents where employees experience maltreatment, threats, harassment, discrimination, or attacks in a working environment (including commute) that clearly or implicitly endanger their safety, well-being, or health. Forms of workplace violation include:

I. Non-sex or non-gender related violation
- Physical abuse: Acts of violence or physical aggression causing harm (e.g., assault, scratching, punching, kicking, etc.).
- Psychological abuse: Mental harm through coercion or humiliation (e.g., threats, bullying, severe verbal abuse, etc.).
- Verbal abuse: Language offenses through inappropriate words or tone (e.g., bullying, intimidation, interference, etc.).
- Discrimination: Making employment decisions or impairing working conditions based on characteristics unrelated to the specific job requirements.
- Harassment: Repeated or continuous interference or disruptive behavior against a specific person's will, causing discomfort or a sense of threat.

II. Sex or gender related violations
- Sexual harassment: Sexual advances against a person's will (e.g., inappropriate sexual innuendos and actions, etc.).
- Gender harassment: Remarks with gender discrimination or prejudice, particularly those that are insulting, demeaning, or hostile towards a particular gender.

Each department regularly conducts employee protection, hazard identification, and risk assessments. Potential risk groups are identified for targeted management to proactively prevent and reduce risks. Furthermore, policy advocacy and commitments are made to division, department, and section-level managers, who utilize a self-assessment checklist to ensure the prevention of workplace violation. The Company has established a counseling room and collaborated with the Teacher Chang Foundation for on-site counseling services, providing employees with a channel for confiding and consultation. We also conduct regular seminars on workplace mental health promotion to offer employees relevant stress-relief resources.

Establishing Norms	Implemented Actions
• We integrated the Workplace Sexual Harassment Prevention, Grievance and Disciplinary Policy and the Nanya Technology Corporation Employee Complaint Guidelines into the Nanya Technology Employee Protection and Complaint Regulations in 2019, and made relevant revisions in 2020 and 2023 respectively to enhance the comprehensiveness of our regulations. • We've established the Workplace Sexual Harassment Prevention, Grievance and Disciplinary Policy based on regulatory mandates in 2024	• Conducting annual online "Unsafe Workplace Behavior and Prevention Training" for all employees • Conducting employee protection, hazard identification and risk assessments for each department to further manage potential at-risk groups • Strengthening the grievance investigation mechanism by establishing a permanent Grievance Review Committee • Establishing a counseling room and collaborating with the Teacher Chang Foundation for on-site counseling services • We've implemented the revised Workplace Sexual Harassment Prevention, Grievance and Disciplinary Policy in 2024 and engaged external experts, such as scholars and lawyers in relevant fields, to participate in complaint investigations.

4.4 Grievance and Whistleblowing Channels

Nanya Technology has established various grievance channels in accordance with the Nanya Technology Employee Protection and Complaint Regulations, the Workplace Sexual Harassment Prevention, Grievance and Disciplinary Policy, and the Nanya Technology Reporting Procedure. These channels provide employees with avenues to report any illegal or unethical conduct when they witness illegal or inappropriate behavior that significantly affects the rights and interests of individuals or the Company, or when someone attempts to exploit their role for improper gains. A dedicated department is responsible for investigating and addressing these issues. Additionally, a dedicated whistleblower hotline (02-29061001) and mailbox (audit@ntc.com.tw) are published on the Company's official website to allow stakeholders to report incidents of rights infringements. Based on the details, category, nature and sensitivity of the cases, as well as the level of the reported individuals, an appropriate case handler will be assigned, or a taskforce will be formed for investigation. Cases involving managers or directors will be investigated by a taskforce composed of directors from the Management Audit Department. To protect whistleblowers, case handlers will maintain confidentiality by strictly prohibiting the disclosure of case details to irrelevant personnel during investigations. When relevant individuals are under investigation, discussions will be limited to aspects directly related to their involvement in the case to protect the complainants' identity. All relevant data will be handled and archived as confidential documents.

Number of Grievance and Reporting Cases Received in the Past Years, by Channel

Year			2021			2022			2023			2024		
Grievance channel	Letters of complaint (including anonymous reports)		5			4			0			3		
	Employee Grievance Form		0			0			2			3		
	Whistleblowing hotline and mailbox		1			1			1			1		
	Total		6			5			3			7		
Cases			Rejected	Accepted		Rejected	Accepted		Rejected	Accepted		Rejected	Accepted	
				O	X		O	X		O	X		O	X
Case type	Cases related to the Code of Business and Ethical Conduct	Corruption and bribery	0	0	0	0	0	1	0	1	0	0	1	0
		Illicit gains	0	0	2	0	0	0	0	0	0	0	0	0
		Fair competition	0	0	0	0	0	0	0	0	0	0	0	0
		Questionable donations	0	0	0	0	0	0	0	0	0	0	0	0
		Conflicts of interest	0	0	0	0	0	0	0	0	0	0	0	0
		Money laundering or insider trading	0	0	0	0	0	0	0	0	0	0	0	0
		Intellectual property protection	0	0	0	0	0	0	0	0	0	0	0	0
		Personal privacy/data protection	0	0	0	0	0	0	0	0	0	0	0	0
		Sexual harassment	0	0	0	0	0	0	0	2	0	0	1	0
		Harassment	0	0	0	0	0	0	0	0	0	0	0	0
		Discrimination	0	0	0	0	0	0	0	0	0	0	0	0
		Environmental protection	0	0	0	0	0	0	0	0	0	0	0	0
		Occupational health and safety	0	0	0	0	0	0	0	0	0	0	0	2
	Others		0	0	4	0	1	3	0	0	0	0	1	2
	Total		0	0	6	0	1	4	0	3	0	0	3	4
				6			5			3			7	
Resolved cases			6			5			3			7		
Resolution rate			100%			100%			100%			100%		

O : Substantiated X : Dismissed

In 2024, there were a total of 7 reported grievance and whistleblower cases. Among these, 3 cases were substantiated, with 1 corruption case, 1 sexual harassment case, and 1 management issue. The case details are as follows:

Corruption case (1)

During multiple procurement processes, the individual violated company operating procedures by leaking confidential company information, requiring specific vendors to engage in bid rigging, favoring specific vendors, engaging in improper financial dealings with specific vendors, and accepting gifts, all of which constitute violations of the labor contract and work rules.

Measures taken by the Company:

[Disciplinary actions]: Upon receiving the complaint, we immediately launched an investigation. After the issue was substantiated, the offender was removed from their job in accordance with the Human Resources Management Regulations. This case has been referred to judicial authorities.

[Compensation]: To prevent future corruption, we regularly conduct anti-corruption training and publish awareness campaigns through company-wide computer systems and bulletin boards on-site. Anti-corruption and illicit benefit audits have been incorporated into the scope of quality assurance.

Sexual harassment case (1)

An individual exploited their position and the guise of business instruction to engage in prolonged physical harassment, inappropriate touching, and other unreasonable behavior towards multiple female colleagues in the workplace. Following the investigation processes, the allegation was substantiated.

Measures taken by the Company:

[Disciplinary actions]: Upon receiving the complaint, we immediately separated the employees involved in the workplace. Relevant counseling was provided after the case was substantiated. Based on the severity of the circumstances, the offender received a major demerit and was transferred to another department in accordance with the Human Resources Management Regulations. We also instructed the department to reinforce training on the understanding of various forms of sexual harassment.

[Guidance]: We provided with or referred the complainant to consultation, medical services, counseling, social welfare resources, and other necessary services. Relevant guidance was also enforced on the offender to ensure non-recurrence of the misconduct.

[Compensation]: To prevent recurrence, we have adjusted the offender's job duty and reassigned their working environment. We will continue to track, review and monitor the substantiated cases to prevent future incidents of workplace violation. Retaliation against complainants, whistleblowers, or those assisting with investigations is strictly prohibited, with offenders subject to disciplinary actions in accordance with company management regulations.

Management issue case (1)

After investigation, dereliction of duty during overtime work on a rest day is substantiated after the investigation by the department.

Measures taken by the Company:

[Disciplinary actions]: The offender was rated as a bottom performer in performance evaluation and the incident was included in the year-end performance appraisal. A minor demerit was issued in accordance with the Human Resources Management Regulations, and the offender was required to return the overpaid overtime wages.

[Compensation]: To effectively manage overtime and ensure productivity, Nanya Technology establishes work KPIs, conducts internal audits, and implements comprehensive operational management measures.

The Company also continuously reviews departmental performance through internal management procedures.

4.5 Supplier Human Rights Engagement

In addition to consistently implementing human rights protection measures within the Company, we recognize the growing importance of reinforcing human rights throughout the supply chain. We are committed to extending human rights requirements to our supply chain. To ensure that suppliers understand corporate sustainability and gradually implement relevant practices, we have established the Supplier Code of Conduct and provided comprehensive training, achieving 100% training coverage. The Code of Conduct incorporates the Formosa Plastics Group Supplier/Contractor Code of Conduct, the Responsible Business Alliance (RBA) Code of Conduct, and conflict-free minerals requirements. Prior to contract signing, suppliers must agree to complying with the corporate social responsibility standards outlined in the Commitment. The Company also conducts regular audits to monitor and assess human rights risks among suppliers, helping them establish robust human rights management systems.

Since 2022, building on our experience and achievements in human rights protection, we have launched the Three-Zero Human Rights Program to encourage suppliers of concern to independently maintain a comprehensive and positive human rights management cycle. This cycle includes: supplier audits → system development → risk assessment → mitigation and remediation → self-auditing and management. The suppliers of concern are expected to gradually extend their influence on their suppliers. By the end of 2024, a total of 31 suppliers of concern have signed Nanya Technology's Three-Zero Human Rights Program initiative, aligning with the Company's supplier sustainability efforts. The Three-Zero Human Rights Program is planned to continue until 2030. From 2022 to 2023, the Company will engage in communication and guidance with suppliers who have responded to the Three-Zero Human Rights initiative, in line with the audit schedule. Suppliers who have not yet joined the Three-Zero Human Rights initiative will continue to be informed and communicated. From 2024 to 2025, we provided guidance and tracked the progress of suppliers in establishing human rights policies. From 2026 to 2028, we will support suppliers in developing risk identification and compensation measures to reduce adverse impacts. From 2029 to 2030, we will assist suppliers in conducting human rights due diligence and regularly disclosing relevant information.

The short, medium and long-term goals of the "Three-zero Human Rights Program"

Year	2022-2023	2024-2025	2026-2028	2029-2030
Goal	Total number of suppliers			
Respond to initiatives	20 suppliers (Cumulative total: 23 suppliers)	35 suppliers (Cumulative total: 31 suppliers)	50 suppliers	60 suppliers
Establish human rights policies	-	10 suppliers (Cumulative total: 14 suppliers)	15 suppliers	20 suppliers
Conduct risk identification and compensation	-	5 suppliers (Cumulative total: 1 supplier)	10 suppliers	15 suppliers
Human rights due diligence disclosure	-	1 supplier (Cumulative total: 0 supplier)	5 suppliers	10 suppliers

5 Conclusion

Nanya Technology remains committed to enhancing human rights education by encouraging and training employees to understand human rights protection and relevant regulations. Our aim is to embed human rights as a core value for all employees and incorporate human rights risks into our overall risk assessment and management system. We encourage suppliers to independently maintain a positive human rights management cycle, enabling its impact to extend throughout the supply chain. We also work closely with stakeholders to collaboratively strengthen human rights protection. We are committed to regularly disclosing our human rights protection policies, practices, and outcomes to stakeholders. This approach allows the Company to self-regulate while remaining open to public review, ultimately driving continuous improvement and supporting our vision for corporate sustainability.

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