Unimicron 2020 Corporate Social Responsibility Report

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Unimicron 2020 Corporate Social Responsibility Report
Dear stakeholders,

While pursuing operational growth, Unimicron deeply recognizes that sustainability is a necessary ingredient for innovation, integrity, and inclusion, as well as a driving force to help stakeholders realize value creation. Therefore, we hope to combine the strengths of our industry chain to jointly face sustainability issues and seek solutions to become a world-class PCB leader.

The impacts of the COVID-19 pandemic, the China-United States trade war, changes in raw material prices and exchange rate changes in 2020 have added many uncertainties to the global economy, but the booming electronics-related industries under the huge business opportunities of 5G, High Performance Computing (HPC), Artificial Intelligence of Things (AIoT) and big data development continue to drive the growth in the PCB industry.

Our operators set new records in 2020 with net income after-tax of NT$546 billion, earnings per share of NT$3.74, and a market capitalization of NT$4.6 billion, a record high for years. In addition to the outstanding operating results, Unimicron has also made some achievements in sustainability. Unimicron has been selected as a constituent stock of the "Taiwan Employment Index" and the "Taiwan Sustainability Index" in 2020, and has become the first PCB manufacturer in Taiwan to achieve platinum certification under the Water Stewardship Standard (AWS Standard). The Company has also been awarded the Gold Award or higher in the Corporate Sustainability Report for seven consecutive years, which is a testament to our efforts and persistence in sustainability. In addition, we continue to strive for sound governance, environmental sustainability and social inclusion, and attempt to simultaneously disclose industry indicators through the Sustainability Accounting Standards Board (SASB). In terms of R&D innovation, we have increased our R&D expenses year by year in recent years, up 51% from the previous year; the number of patents granted has reached 90, also up from 2019, and we will invest NT$12 million in 2020 to jointly develop new high-frequency and high-speed technologies with ITRI to drive industrial innovation.

In terms of environmental sustainability, in addition to achieving AWS Platinum certification, we have introduced Task Force on Climate-related Financial Disclosures (TCFD) to identify the opportunities and risks associated with climate change and to analyze the transformation scenarios and financial impacts. At the same time, wastewater treatment efficiency continued to improve, with discharge intensity per unit of revenue reduced by approximately 2% compared to the previous year. In terms of social inclusion, we continue to invest in a lot of resources internally to provide a more satisfying work environment for our employees, and evaluate the return on investment in training resources, while the retention rate of unpaid parental leaves has increased by 4.22% compared to the previous year, and the number of people under ergonomic risk prevention and control has reached 12,092. We have also returned the Sports Enterprise Certification from the Sports Administration and the National Occupational Safety and Health Award- Enterprise Benchmarking Award in 2020.

In order to deepen sustainable development to the core of our operations, we have set long-term goals and defined six SDGs, development strategies and performance indicators related to Unimicron’s core competencies. In order to meet the six SDGs, Unimicron will continue to reduce emissions and waste from production and operations to protect the natural ecosystem; establish a climate change adaptation program to help the city adapt to climate change and recover from disasters; develop green and sustainable products to mitigate the impact of climate change; set greenhouse gas reduction targets, improve energy efficiency, and mitigate the negative impact of the greenhouse effect on the ecosystem. We actively work with community partners to reduce the harmful impact of urban areas on the environment, implement green procurement, implement sustainable supply chain management, enhance our ability to negotiate with customers, and assist our suppliers in continuously improving and monitoring operational disruptions that may be caused by climate change risks. We establish long-term partnerships with suppliers with excellent environmental performance, require important suppliers to cooperate with the audits under the RBA Code of Conduct, and provide guidance to suppliers to meet the RBA and other supply chain management requirements.

Unimicron deeply recognizes that sustainability is a necessary ingredient for innovation, integrity, and inclusion, and a driving force to help stakeholders create value. By actively integrating the strengths of the industry chain and aiming to solve sustainability issues, we are committed to becoming a World-Class PCB Leader.
Overview

Organizational Chart of Unimicron

Proportion and the Status of the Shareholding of the Affiliated Enterprises

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Various Development Trends of Products

Terminal electronic products are designed with multi-performance integration, high-speed computing, large screen, energy-saving and miniaturisation as the mainstream application. The growth potential of market application products comes from network communication products such as servers and data centers, automotive electronic control equipment driven by electric vehicles and the intelligentization of vehicles, and new applications such as 5G and AIoT in the future. With the launch of high-speed computing products and 5G-related devices, the demand for high-end substrate manufacturing processes has increased significantly, enhancing customers’ design freedom and product reliability, and enabling continuous improvement and upgrading of product signal transmission stability, speed and low-latency technologies. The demand for FPC and RF products mainly benefited from the trend of multifunctional, light and thin handheld electronic devices. Customers’ designs largely adopt FPC unique features such as lightness, thinness, and flexural strength to connect the signal transmission between the modules and the motherboard in a limited space, to effectively reduce the internal space and weight of the device. As the complexity of terminal products increases, the packaging technology’s requirements for high frequency, high performance, and low power consumption make the chip design move toward high I/O density and fine pitch, high heat dissipation, and superior electrical characteristics, which in turn drive the related Carrier requirements of 3D system packaging, embedded components, ultra-fine lines, low power consumption, and others. Some products are affected by market competition and structural changes, and the demand for low-cost solutions cannot be ignored. However, in terms of overall technology trends, in conjunction with the new generation of process development in the semiconductor industry, the Carrier industry continues to develop relevant high-level processes and cooperate with customers to expand product applications.

Major Products’ Sales by Region

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales regions</td>
<td>Amount</td>
<td>%</td>
<td>Amount</td>
</tr>
<tr>
<td>Domestic</td>
<td>16,574,348</td>
<td>23%</td>
<td>16,166,898</td>
</tr>
<tr>
<td>Asia</td>
<td>52,964,511</td>
<td>70%</td>
<td>56,417,465</td>
</tr>
<tr>
<td>America</td>
<td>1,308,351</td>
<td>2%</td>
<td>2,099,395</td>
</tr>
<tr>
<td>Other</td>
<td>4,859,782</td>
<td>6%</td>
<td>5,378,895</td>
</tr>
<tr>
<td>Subtotal</td>
<td>59,358,444</td>
<td>78%</td>
<td>63,948,555</td>
</tr>
<tr>
<td>Total</td>
<td>75,732,780</td>
<td>100%</td>
<td>82,535,553</td>
</tr>
</tbody>
</table>

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Financial Performance

Unimicron’s consolidated revenue for 2020 is NT$ 87,893 million and consolidated net income is NT$5,318 million. Unimicron is a professional manufacturer of PCBs. According to Prismark’s production value data, Unimicron’s consolidated PCB revenue will account for approximately 4.5% of the global PCB production value in 2020.

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global PCB output value (unit: USD million)</td>
<td>58,845</td>
<td>62,396</td>
<td>61,311</td>
<td>65,219</td>
</tr>
<tr>
<td>Market share of Unimicron’s consolidated PCB operating revenue</td>
<td>3.6%</td>
<td>4.0%</td>
<td>4.3%</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

Note: The source of the global PCB output value data is Prismark Institute’s research report in February 2020.

In 2020, in response to the development of 5G technology, the Company’s IC substrates made significant progress in operational performance, due to the development of 5G technology, optimization of customer product portfolio and continuous improvement in yield rate. Although the substrate-like and HDI are still affected by seasonal risks, revenue will improve with the increase in applications and the launch of new models in the peak season in the second half of the year. Our products are key components of various electronic products, which are used in computers, communications, and various consumer electronic products and devices, and in recent years, they are widely used in automotive, industrial, medical, military, and aerospace fields, etc.

Note: The source of the global PCB output value data is Prismark Institute’s research report in February 2020.

Financial Performance by Year

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
<th>Unit</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt to asset ratio</td>
<td>57.42</td>
<td>56.12</td>
<td>55.4</td>
<td>55.2</td>
<td>%</td>
<td>Consolidated</td>
</tr>
<tr>
<td>(Earnings per share) EPS</td>
<td>3.74</td>
<td>2.24</td>
<td>1.15</td>
<td>0.28</td>
<td>NT$</td>
<td>Consolidated</td>
</tr>
<tr>
<td>Non-consolidated income tax (expense) benefits</td>
<td>-773</td>
<td>(-757)</td>
<td>(-310)</td>
<td>128</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Consolidated income tax (expense)</td>
<td>-917</td>
<td>(704)</td>
<td>(462)</td>
<td>(485)</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Non-consolidated total assets</td>
<td>100,419</td>
<td>86,091</td>
<td>81,726</td>
<td>79,434</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Consolidated total assets</td>
<td>124,710</td>
<td>110,202</td>
<td>104,616</td>
<td>104,236</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>15,047</td>
<td>15,047</td>
<td>15,049</td>
<td>15,291</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Non-consolidated total revenue</td>
<td>54,076</td>
<td>47,405</td>
<td>43,682</td>
<td>38,732</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Consolidated total revenue</td>
<td>87,893</td>
<td>82,536</td>
<td>75,733</td>
<td>64,993</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Non-consolidated net profit before tax</td>
<td>6,215</td>
<td>3,817</td>
<td>2,016</td>
<td>286</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Consolidated net profit before tax</td>
<td>6,214</td>
<td>4,038</td>
<td>2,282</td>
<td>1,077</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Total market capitalization</td>
<td>94,603</td>
<td>54,140</td>
<td>29,194</td>
<td>26,239</td>
<td>NT$ million</td>
<td>Based on the stock price at the end of each year (Calculated based on annual average price)</td>
</tr>
<tr>
<td>Non-consolidated operating expense</td>
<td>5,212</td>
<td>4,180</td>
<td>3,581</td>
<td>2,823</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Consolidated operating expense</td>
<td>8,859</td>
<td>7,811</td>
<td>7,002</td>
<td>5,806</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Retained earnings</td>
<td>21,707</td>
<td>21,877</td>
<td>18,840</td>
<td>18,797</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Employee benefit expense</td>
<td>21,546</td>
<td>19,037</td>
<td>17,064</td>
<td>14,580</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Average employee revenue</td>
<td>2.81</td>
<td>2.71</td>
<td>2.74</td>
<td>2.35</td>
<td>NT$ million</td>
<td></td>
</tr>
<tr>
<td>Dividend (per share)</td>
<td>1.4</td>
<td>1.1</td>
<td>0.8</td>
<td>0.5</td>
<td>NT$</td>
<td></td>
</tr>
<tr>
<td>Donation expenses</td>
<td>4.7</td>
<td>2.6</td>
<td>5.1</td>
<td>4.5</td>
<td>NT$ million</td>
<td>Individual</td>
</tr>
</tbody>
</table>

Note: Total market capitalization = average stock price × weighted average number of shares.
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2020 Sustainability Highlights

Contributions to Environmental Sustainability

- Total water use intensity per unit of revenue has reduced by 4%.
- Water recycling rate: 23%.
- Total waste water intensity per unit of revenue has reduced by 2%.
- The achieving rate of product HSF quality target is 100%.

Solid Governance Quality

- The cumulative number of R&D grants has reached 2,200.
- The cumulative amount of R&D expensed NT$ 987.59 million.
- Earnings per share increased by 67% from the previous year.
- Total market value increased by 74.74% from the previous year.
- The parental leave without pay rate was 85.87%, a new high in three years.

Social Prosperity Concept

- The rate of R&D for training cost was 14.15%.
- The total discount offered by Sunrise Charity Convenience Store to the employees amounted to NT$ 9.82 million.
- The rate of pollution and hazardous substance reduction is reduced by 4%.

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#### Industry Organizations

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<thead>
<tr>
<th>Organization</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taiwan Printed Circuit Association (TPCA)</td>
<td>Member/Managing Director / Convener of Environmental Safety Committee</td>
</tr>
<tr>
<td>China Printed Circuit Association (CPCA)</td>
<td>Executive Director</td>
</tr>
<tr>
<td>Shanghai Economic and Technological Development Area Electronic Industry Association</td>
<td>Vice President</td>
</tr>
<tr>
<td>Suzhou Printed Circuit Association (TPCA)</td>
<td>Member</td>
</tr>
</tbody>
</table>

#### Cooperative Organizations

<table>
<thead>
<tr>
<th>Organization</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional joint Defense organization of Guishan Industrial Park</td>
<td>Vice President/Member</td>
</tr>
<tr>
<td>Guishan Industrial Park Manufacturer Promotion Association</td>
<td>Director</td>
</tr>
<tr>
<td>TPCA</td>
<td>Director of the Fifth</td>
</tr>
<tr>
<td>Taiwan Merchant Association-Shenzhen</td>
<td>Member/Director</td>
</tr>
<tr>
<td>Taiwan Composites Investment Enterprise Association of Kuoshan (Branch of National New &amp; High-Tech Industrial Development Zone)</td>
<td>Standing Supervisor</td>
</tr>
<tr>
<td>Kuoshan National New &amp; High-Tech Industrial Development Zone Safety Production Association</td>
<td>Governing Unit</td>
</tr>
<tr>
<td>Taiwan Composites Investment Enterprise Association of Huangshi City</td>
<td>Executive Vice President</td>
</tr>
</tbody>
</table>

#### Non-Profit Organizations

<table>
<thead>
<tr>
<th>Organization</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hsinchu County Nurses Association</td>
<td>Committee Member</td>
</tr>
<tr>
<td>Taoyuan City Nurses Association</td>
<td>Committee Member</td>
</tr>
<tr>
<td>Zhongshan Culture and Education Foundation</td>
<td>Director</td>
</tr>
<tr>
<td>Taoyuan City Fire Protection Association</td>
<td>Consultant</td>
</tr>
<tr>
<td>Hsinchu County Fire Protection Association</td>
<td>Consultant</td>
</tr>
<tr>
<td>Taoyuan City Police Association</td>
<td>Vice Chairman</td>
</tr>
<tr>
<td>Taoyuan City Government Labor Safety and Healthy Family</td>
<td>Committee Member</td>
</tr>
<tr>
<td>Taiwan Printed Circuit Foundation (TPCF)</td>
<td>Consultant</td>
</tr>
<tr>
<td>Kuoshan Volunteer Federation</td>
<td>Member</td>
</tr>
<tr>
<td>China-Green Development Alliance, China Environmental Press</td>
<td>Governing Unit</td>
</tr>
</tbody>
</table>

Unimicron received the Taiwan Printed Circuit Association (TPCA) to develop industry-specific equipment safety regulations for PCB industry production equipment since 2016, hoping to create a green, safe and sustainable PCB industry. Ovens, electroplating and etching standards have been completed, and screen printing and laminating related safety standards are being developed and are expected to be completed by 2023.
Special Report - Circular Economy

Background
Unimicron frequently brings materials and equipment into the site every month, so there are many discarded wooden pallets in Plants. According to statistics from July to December 2020, the average number of wooden pallets per month is 995. However, these pallets cannot be reused due to the load bearing capacity and material restrictions, and the Company must consign vendors to scrap them. The monthly cost of wood pallet disposal is NT$ 940,000 on average.

Main Goals
The dismantled wood pallets are sorted according to the characteristics of the material, and in cooperation with external vendors, they are made into various kinds of recycled furniture according to the characteristics of the wood material.

Implementation Content
We also introduce the Company’s Standard Operating Procedure (SOP) and quality management concept and assist the vendor to decompose the wood pallets in the Plant, and then sort them according to the main assembly materials, secondary assembly materials, and reinforcement materials. After removing all defective materials, we carry out the front manufacturing process such as polishing and sawing, and then process the wood into a usable state, making recycled furniture such as wooden chairs, bunk beds and dressers, according to the needs of the Company’s dormitories.

Innovative Features
Emphasis is placed on the green recycling economy, and wood pallets are recycled to be made into furniture products.

Resources Invested
The research and development of plant technology has introduced a variety of standardized documents and quality control management to improve the recycling rate of wood pallets and produce various kinds of standardized furniture, which can also reduce the number of trees cut down for furniture and indirectly achieve the effect of protecting forestry.

Economic Benefits
The benefits of saving the cost of disposing of wood pallets and reducing the cost of purchasing dormitory furniture reached NT$3.87 million.

Environmental Benefits
This technology can be transferred to interested companies to reduce the waste of wood pallets and standardize furniture production in the future by using this standardized operation to achieve the concept of the circular economy.

Social Benefits
The pallets that originally would be scrapped are remade into furniture products that can be sold, reducing the waste of raw materials and achieving the concept of circular economy and green sustainability.

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Special Report - Value of Orange

Background
The average annual output of oranges is 146,000 metric tons in Taiwan, and there is often a problem of overproduction and slow sales. Our Unicuisine Eatery also follows the trend of introducing fresh fruit juices and providing employees with freshly squeezed juices, but the problem that follows is that disposal of pomace.

The Plant Technology R&D team of Unimicron hopes to increase the reuse rate of pomace to increase its value, and design the orange recycling chain. The orange pomace and off-grade bread are fermented to make orange beer, and the fermented orange pomace is reprocessed into orange jam. In addition to being sold directly, orange jam can also be made into orange bread. The orange jam is used into bread whiles, and the vanilla from the mix with pomace and bread is made into compost for soil improvement, which is friendly to the land and protects the environment. In 2020, 60 kg of pomace was used for trial production of orange beer and orange jam.

Main Goals
Promote the concept of simple recycling and environmental sustainability.

Implementation Content
The orange pomace and scrab bread are fermented to make orange beer. The fermented pomace and bread mixed with the wads are used to replace some of the feed to raise chickens in the Yangmei farm. In addition, the mature chickens are provided to the Bistro 181 as special ingredients, the kitchen waste could be made into organic compost to exchange the orange fruit with orange farmers, which is then provided to the Unicuisine Eatery as raw material for fresh juice.

Innovative Features
Emphasize the recycling of resources, and provide the products to Bistro 181 as ingredients, so that more people can taste the special flavor.

Resources Invested
Use primary equipment to add value to the N-th power of oranges.

Economic Benefits
From Aug. 2020, We had produced 700 kg of orange fertilizers and revenue of NT$ 8,750 has been obtained (The output value is calculated at NT$ 250/20 kg).

Environmental Benefits
Unimicron hopes to transfer this technology to interested manufacturers. In addition to solving the problem of Taiwan’s abundance of oranges, it can also reduce the disposal cost of orange waste and achieve the goal of a green economy and sustainable environment.

Social Benefits
In addition to reducing waste disposal costs, the residues of all final products can be used as soil conditioners and fertilizers, which is friendly to the land.

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To further strengthen the spirit of corporate sustainability, we have formulated a Corporate Social Responsibility Policy with "Planet, People, and Performance" as the three pillars, along with seven commitments. We create positive value for employees, shareholders, and all stakeholders, and gradually implement the corporate vision of a world-class, high-tech Company with high added value, high quality, high productivity and an emphasis on innovative service. We also pursue customer, employee, and shareholder satisfaction, and fulfill our social responsibility, thereby ensuring our sustainable growth.

1.1.1 Three Pillars and Seven Commitments of CSR

Unimicron adheres to the principles of fairness and diversified employment, treat all employees equally, and takes the right person in the right place as the main consideration. The only considerations are finding the appropriate candidate for the appropriate position, and creating fair and diverse employment opportunities for all operation sites to promote local economic growth. Unimicron raises the Company’s growth momentum through various recruitment channels. We have established complete recruitment standards and mechanisms to ensure that employees can develop their talents and perform jobs they are apt for through appropriate tests and interviews. Unimicron adheres to the principle of "taking from society and giving back to society," with long-term investment, combining internal and external resources of the group and cooperating with stakeholders, to actively promote the three main social welfare pillars of local participation, caring for the disadvantaged, and diversity and equality. The Company hopes to exert positive social influence, drive continuous progress of the society, bring warmth to more people, and exert more positive influence.

Economic aspect: Maintain close cooperative relations with the material and equipment suppliers around the world, and have close cooperation with domestic and foreign research units and academia. Developing products that meet market trends and customer needs; win customer satisfaction and trust through effective R&D resources and high interaction with customers, to ensure that products are in the leading position in the world. Provide excellent quality, reasonable prices, and competitive delivery service to satisfy customers.

Environmental aspect: Reduce carbon emissions from production by improving the efficiency of energy and resource usage to reduce operational risks. Reduce raw material consumption and environment discharge by improving waste reuse rate and the efficiency of wastewater treatment to reduce operating costs and impacts on the environment. Through green procurement and manufacturing, products of the Company comply with non-hazardous substance regulations and customer specifications as well as stakeholders’ expectations to strengthen environmental protection and reduce operational risks.

Social aspect: Through the operation and consistent improvement measures of the Occupational Safety and Health (OSH) management system, the Company’s OSH performance is improved. Formulate labor policies in accordance with the labor laws and regulations of the location of the operating base; cooperate with global customers and international standards and regulations, to build an equal, safe and stable employment and development environment.
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Chapter 1 Solid Corporate Governance

Seven Commitments

• To implement corporate governance, enhance information transparency, and protect and respect the interests of shareholders and stakeholders.

• To promote company management with high ethical standards, and require all employees to fully abide by laws and integrity codes, respect human rights, protect intellectual property rights, and prevent improper profit sharing from harming the interests of the company, customers, and suppliers.

• To strictly abide by the local labor laws and regulations, customer requirements, and international norms, such as the Responsible Business Alliance (RBA) Code of Conduct, to ensure the satisfaction of fair employment, humane treatment, employee communication, working conditions, etc.

• To establish a supplier management system and specifications, and communicate with them regularly to establish a stable and sustainable win-win strategic partnership, as well as to expand the procurement of eco-friendly products and ban the use of conflict minerals products.

• Based on the concept of “taking from society and giving back to society,” we participate in community outreach and emergency relief activities to share love, give back to the community, and fulfill social responsibilities.

• In accordance with the Hazardous Substances Free (HSF) quality policy, we continue to cultivate our technology and innovation to meet customer and market needs, and actively invest in green and low-cost processes in order to facilitate our sustainable competitiveness.

• We comply with OHS, environmental protection and energy policies, implement the operation of environmental and hazardous substance management systems, operate in compliance with environmental protection and industrial safety regulations, respond to green environmental campaigns of “reduce usage, reuse, and recycle,” implement energy conservation and waste reduction, and create a safe and comfortable working environment.

1.1.2 Implementing the SDGs

Through the materiality analysis process, we link and rank major issues and SDGs, distinguish three different levels, and identify 17 SDGs most relevant to Unimicron’s core operations to formulate sustainability commitments and goals. The highest level is those linked to the company’s core business and can be met through the sustainable goals of SDGs through the formulation of management policies. The second is risk management, which aims to reduce the negative impact that the company may have on global sustainable development in the course of its operations. Therefore, Unimicron has established a management and measurement mechanism to mitigate various potential impacts.

Those SDGs that are not directly related to the company’s current development are defined as the lowest level but may evolve into company-related sustainability issues in the future due to the development of the international situation, and therefore they will continue to be concerned. In response to the 6 SDGs, Unimicron analyzed the SDGs relevant with Our Three Pillar X Seven Commitments to the investment of the resource more effectively.

Unimicron Strategy

Linking core competence
The company’s core business and competence can be linked to SDGs, and by formulating development strategies and performance indicators, it can actively achieve the sustainability goals expected by the SDGs.

Reducing the impacts
Focusing on reducing risk and impact, the company establishes a management and measurement mechanism, continues to pay attention to the sustainable impact that may be caused by the company’s operations, and decides on mitigation actions.

Continuing to follow trends
It is a potential sustainable issue in the future, and has no obvious direct connection with the company’s current development. In the short term, the company will mainly pay attention to international development.

Three Pillars X Seven Commitments

• Reduce the impact of emissions and waste generated by production and operations in urban areas.

• Establish climate change adaptation plans to assist cities’ capabilities in climate change adaptation and post-disaster recovery.

• Develop green and sustainable products to mitigate the impact of climate change. Set greenhouse gas (GHG) reduction targets, improve energy efficiency, and slow down the negative impact of the GHG effect on the ecosystem.

• Reduce the impact of each operation site on the natural environment and resources, protect the natural ecosystem, and live in harmony with nature.

• Implement the concept of legality and tolerance in all operating locations, so that all products can comply with the sustainable spirit of the environment and society.

• Work with community partners to reduce the harmful effects of cities on the environment. Implement sustainable management of the supply chain and enhance the ability to negotiate with customers. Assist suppliers in continuous improvement and monitoring of possible operational disruptions caused by climate change risks. Established long-term partnerships with suppliers with excellent environmental performance.

To implement green procurement and establish long-term partnerships with suppliers with excellent environmental performance.

Required important suppliers to cooperate with audits for the RBA Code of Conduct, and coach suppliers to meet the requirements of RBA and supply chain management.
### Economy

#### Technology and R&D
- Maintain close cooperation with 1st tier materials and equipment suppliers, and work closely with domestic and overseas research institutes and academia. We also work with the best industry peers to develop products that meet market trends and customer demands. Through effective R&D resources and great customer interactions, we win the satisfaction and trust of our customers and provide our products’ leading position in the world.
- Actively develop the technology needed to build high-frequency and high-speed products. Oversee the SiO2/Si3N4 market with excellent signal transmission, good heat dissipation, and highly reliable technology platforms.

#### Product Quality
- Provide excellent quality, reasonable prices, and competitive delivery service to satisfy customers.

#### Customer Relationship Management
- Establish good relationships with customers through regular visits and satisfaction surveys to keep tabs on customer needs and market trends, comply with customer specifications, and adjust the Company’s business strategy and development direction.

#### Professional Ethics
- Combine the risk management and policy for ethics and revise the Unimicron Corporate Social Responsibility Assessment Form of Group-wide.

### Environment

#### GHG Management
- Reduce carbon emissions from production by improving the efficiency of energy and resource usage to reduce operational risks.

#### Waste Management
- Reduce raw material consumption and environment discharge by improving waste reuse rate and the efficiency of wastewaster treatment to reduce operating costs and impacts on the environment.

#### Green Products
- Through green procurement and manufacturing, products of the Company comply with non-hazardous substance regulations and customer specifications as well as stakeholders’ expectations to strengthen environmental protection and reduce operational risks.

#### Water Resources Management
- Improve the efficiency of water usage and water recovery through the production process and equipment improvement to reduce water cost.

#### Energy Resource Management
- Enhance equipment and production capacity cycle efficiency, improve the efficiency of energy and resource usage, and reduce cost consumption with project management mechanisms and data analysis.
Employee Development and Training

Provide a comprehensive training system and career development direction, and attract and retain top talents, so as to expand and maintain the productivity and competitiveness of the Company.

Talent Attraction and Retention

Talent is the key to Company success in the global market. Innovative products, technologies and services can only be realized by brilliant talent.

Occupational Safety and Health

Through the operation and consistent improvement measures of the occupational CSV management system, the Company's OSH performance is improved, avoiding major accidents that may affect shipping and cause losses to the Company.

Unimicron 2020 Corporate Social Responsibility Report

Chapter 1 Solid Corporate Governance

1.1.3 Corporate Sustainability Committee

Unimicron is committed to emphasize and invest in corporate social responsibility. Other than setting up the “Corporate Sustainability Committee”, we have also established a dedicated unit, the Corporate Sustainability Task Force, under the CEO’s Office. It has 3 dedicated staff responsible for planning, coordinating, and communicating the operations of the functional committees under the “Corporate Sustainability Committee” and CSR-related business audits. This demonstrates our commitment towards corporate social responsibility.

The Chairman of the Board and the presidents of the subsidiaries serve as supervising advisors of the “Corporate Sustainability Committee,” and the unit heads are responsible for the operation of the four subordinate functional committees. The members of each functional committee are the department representatives of all the operating units of the Company, and are responsible for confirming the management guidelines and implementation of CSR issues. To ensure the full implementation of sustainability focuses and commitments, we conduct a validation analysis of the overall strategy, direction, and objectives through semi-annual regular review meetings, and propose review and improvement measures for the unachieved project items. The Committee is also responsible for reviewing content of the annual report, which is finally approved by the Chairman of the Board. In addition, to further strengthen the Board’s participation in the sustainability management mechanism and decision-making, the Board of Directors decided in August 2017 to officially include the report of the Corporate Sustainability Committee’s results in the Board meeting agenda for the first quarter of each year, to acknowledge CSR implementation results of the previous year.

Organizational Chart of Corporate Sustainability Committee

Corporation Sustainability Committee

Corporate Governance Committee

Labor and Social Relations Committee

Environmental Safety and Health Committee

Supply Chain Management & Quality Management

Overseas Corporate Sustainability Committee of Unimicron Group

Overview, Corporate Sustainability Committee of Unimicron Group

Chairman Tzyy-Jang Tseng / Exec. President Jerry Kuo / General Manager Michael Shen

General Manager Ben-Cheung Chang / President Biao-Lin Wong / President Shih-Tsai Lee

Chairman Tzyy-Jang Tseng / Exec. President Jerry Kuo / General Manager Michael Shen

General Manager Ben-Cheung Chang / President Biao-Lin Wong / President Shih-Tsai Lee

President Biao-Lin Wong / President Shih-Tsai Lee

Unimicron Germany

Unimicron (Kunshan)

Unimicron-FPC (Suzhou)

Unimicron-FPC (Kunshan)

Unimicron-FPC (Huangshi)

Unimicron-FPC (Taipei)

Unimicron-FPC (Bosung)

Unimicron-FPC (Korea)

Unimicron-FPC (Shanghai)

Unimicron-FPC (Taipei)
1.1.4 Materiality Analysis

Six Steps of the Analysis Process

To achieve effective communication between the report and stakeholders and reflect the impact of the operation process on the economy, environment, and society, Unimicron establishes a systematic analysis framework based on six major steps and decides on the materiality issues, boundaries of data collection, and stakeholders of the 2020 CSR report. At the same time, it establishes a risk management mechanism for major issues and builds the Company's operational resilience and sustainable value to meet the expectations of stakeholders on Unimicron. Based on the five quantitative aspects of sustainability issues defined in step 1, through online questionnaires, the degree of concern of stakeholders on sustainability issues was collected, and a total of 93 questionnaires were collected.

### 2.1 Sustainability Issues

- **Sustainability Issues**
  - From the feedback of internal and external stakeholders, CSR regulations/standards (CDP, GRI Standards, RBA, and SDGs), CSR reports from the industry peers, and the Company’s business objectives, 21 issues related to sustainability development were collected.

### 3.1 Stakeholders

- **Stakeholders**
  - Based on the key stakeholders defined in step 1, through online questionnaires, the degree of concern of stakeholders on sustainability issues was collected, and a total of 93 questionnaires were collected.

### 4.1 Measurement of Operational Impact

- **Operational Impact**
  - A total of 12 CSR team members and relevant business executives participated in materiality analysis, and measured the degree of relevance of each issue to increasing revenue, reducing costs, R&D innovation, customer satisfaction, and employee coherence from the internal perspective of the organization.

### 5.1 Identification of Major Issues

- **Major Issues**
  - Within the 14 major sustainability issues, 15 specific topics from GRI Standards and 2 specific topics related to Unimicron have been identified to estimate the impacts on and boundaries of the value chain as the basis for the report.
Unimicron 2020 Corporate Social Responsibility Report

Chapter 1 Solid Corporate Governance

Stakeholder Communication

Customers

**Communication channels**
- Audit, hazards, and quality questionnaires to customers; guarantee customer questionnaire survey; and RDA

**Communication frequency**
- Regularly
- Irregularly

The most concerned issues in each aspect:
- Corporate governance
- GHG management
- OSH management

Concerned content:
- Company’s risk management plan/contingency plan/operational plan
- Statutory and regulatory requirements of ISO9001
- Guarantee that products are free of harmful substances
- Product requirements for hazardous substance disclosure
- Obtain OSH Management System certificate
- Emergency response measures (including fire)
- Implementation of OSH/Disaster Prevention
- GHG emission management measures

Unimicron responses:
- Conduct risk surveys to various responsible units in accordance with the “Risk Management Operating Procedures” and present them in the Continuity Operation-Plan Report
- Confirm the compliance of the 3rd party’s lab test report of the customer’s product materials
- Provide a letter of guarantee
- Continue to post the verification of the occupational safety management
- Continue implementation of the three occupational safety “actual” and project audits
- Set GHG reduction plans and targets and disclose them
- Annual fire maintenance reporting and training drills

Shareholders/Investors

**Communication channels**
- Shareholders’ meetings; institutional investor conferences twice; annual report; management letter, website, bulletin board, suggestion box, communication post system

**Communication frequency**
- Regularly
- Irregularly

The most concerned issues in each aspect:
- Corporate governance
- Water resource management
- Talent attraction and retention

Concerned content:
- Publicly disclose information to enable external investors could be better informed the operating conditions
- The impact of climate change and water risks on the Company’s operations and countermanagers
- Major occupational safety incidents
- Major violation reports

Unimicron responses:
- Self-organize institutional investor conferences twice a year, and participate in at least one public forum organized by others
- Disclose OSH-related information regularly and include the impact of water intake and drainage into occupational risk management
- The OSH/Management System continues to operate and improve
- Continue implementation of the three-occupational safety and project audits

Employees

**Communication channels**
- Suggestion box, website, Bulletin Board, employees, Employee Committee, safety management center, training and education, and internal supervisors

**Communication frequency**
- Regularly
- Irregularly

The most concerned issues in each aspect:
- Corporate governance
- Water resource management
- OSH management

Concerned content:
- Comprehensive health-management
- ECO QC (80001) 2017 revision of requirements for hazardous substance process management system
- Regulations and HSE requirements by customers
- Whether the concentration of hazardous chemicals is harmful to health
- No occupational injury
- The actual implementation of accident response and evacuation
- Water risk management

Unimicron responses:
- Through various health promotion events and services, the physical and mental health of each employee is cared for, creating a friendly workplace that works safely and happily
- Keep records of education and training provided to employees of Unicron
- Conduct environmental testing strategy planning and testing regularly
- Improve internal safety of machines and standardization of safety operations
- Perform emergency drills regularly
- Formulate water resources management plans and goals to strengthen water efficiency and cost

Suppliers/Contractors

**Communication channels**
- Supplier conferences, Audits, Supplier Management Platform Email, Training and education

**Communication frequency**
- Irregularly

The most concerned issues in each aspect:
- Corporate governance
- Waste management
- OSH management

Concerned content:
- Announcement of the RBA Code of Conduct and co-prosperity recognition of Unimicron CSR Implementation Achievements and Supplier CSR Sustainability
- Understand Unimicron’s recognition of hazardous substance-free management
- Whether the supplier meets the customer’s RBA requirements
- Penalties and orders cancellation due to violations of OSH

Government

**Communication channels**
- The official document, On-site audits, Regular reporting and notification

**Communication frequency**
- Regularly

The most concerned issues in each aspect:
- Corporate governance
- Water resource management
- OSH management

Concerned content:
- Compliance with fire and OSH law
- Major occupational safety or fire incidents
- Participate in OSH seminars
- Reduce water usage

Community/Industrial Zone Management Center/NGO

**Communication channels**
- The official document, Company website, and telephone

**Communication frequency**
- Regularly

The most concerned issues in each aspect:
- Ethics
- OSH management
- Human rights

Concerned content:
- Focus on the priority hazards for fire incidents
- Assist in the operation and development of OSH in the industry
- Participate in OSH seminars
- Participate in regional mutual aid groups
- Reduce OSH emissions

Unimicron responses:
- Continue to operate and improve the occupational safety management system
- Proactively participate in related activities of associations
- Proactively participate in OSH seminars
- Proactively participate in regional mutual aid groups
- Continue to implement OSH reduction measures and divulge them regularly

Inclusive Workplace

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Unimicron hopes that the promotion of corporate social responsibility will not only have an impact on society, but will also have positive impacts on the Company’s revenue, innovation, operational risks, customer satisfaction, and employee cohesion. Therefore, we identify the impacts of each major issue on Unimicron’s operations individually, so that we have a clear understanding of how we can promote corporate social responsibility and how it is linked to our business objectives. Sustainable development can be incorporated as part of decision-making, as we gradually move towards a sustainable future.

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Impact Assessment of Major Issues and Risk Assessment

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1.2 Corporate Governance

1.2.1 Corporate Governance Framework

Unimicron implements corporate governance based on the Company’s vision of “a world-class high-tech Company with high added value, high quality, high productivity, and an emphasis on innovation and service” and “serving customers, employees, shareholder satisfaction and social responsibility.” The Company follows six criteria in the implementation of specific actions.

At the same time, to innovate corporate value, we have set five goals for the period from 2021 to 2024, including “creating blue ocean markets” and “meeting at least once a quarter and operates in accordance with the Company’s “Rules and Procedures of Board of Directors Meetings.” The Board of Directors meets at least once a quarter, in compliance with the Company’s provisions on the “Regulations for Election of Directors.” Unimicron has adopted an appointment system. The candidates will be elected at the Shareholders’ Meeting and cumulative voting will be used. A shareholder is entitled to one vote per share multiplied by the number of directors to be elected. The votes can be cast to one candidate or distributed to multiple candidates. The number of directors to be elected is in accordance with the stipulations of the Company’s Articles of Association and related announcements. The candidate with the most vote will be designated as the director, followed by independent directors.

Operation of the Board of Directors

Unimicron’s Board of Directors is comprised of 9 directors, including 3 independent directors. There are 5 directors between age 51 to 60 and 4 directors above 60 years old. The term of a director is three years. The selection of the directors is in accordance with the Company’s provisions on the “Regulations for Election of Directors.” Unimicron has adopted an appointment system. The candidates will be elected at the Shareholders’ Meeting and cumulative voting will be used. A shareholder is entitled to one vote per share multiplied by the number of directors to be elected. The votes can be cast to one candidate or distributed to multiple candidates. The number of directors to be elected is in accordance with the stipulations of the Company’s Articles of Association and related announcements. The candidate with the most vote will be designated as the director, followed by independent directors.

Board Governance Principles

The board of directors meets at least once a quarter, in compliance with the Company’s “Rules and Procedures of Board of Directors Meetings” to review business performance and discuss major investment issues and future development strategies, etc. A total of 9 board meetings were convened in 2020, with an average attendance rate of 98%. The major issues passed at the board meeting will be immediately conveyed in the “Market Observation Report.” The Procedures of Board of Directors Meetings clearly stipulate the guidance on recusal due to conflicts of interests. If the director himself/herself or his/her legal representative has an interest in the matter being met, the director or the legal representative shall provide an explanation on the matter at the said board meeting. It may be harmful to the Company’s interests, they shall not participate in the discussion and voting, shall be recused during discussion and voting, and shall not represent other directors in exercising their voting rights.

Unimicron’s shareholders are also able to exercise their voting rights at the shareholders’ meeting by e-voting. In 2020, the voting rights exercised by electronic voting accounted for 50.42% of Unimicron’s total issued shares and accounted for 62.68% of the attendance rate of the shareholders’ meeting in the current year.

Director Diversity

The Board of Directors of Unimicron is comprised of directors with different professional backgrounds, including management, finance and accounting, chemistry, physics, etc. The members include presidents and CEOs of listed companies, and operators of technology and investment companies, providing professional advice and opinions from a wide range of industry experience, which is very similar to Unimicron’s operation plan and direction. The Board of Directors is the highest governing body of the Company and its main responsibilities include supervising corporate performance, preventing conflicts of interests and implementing regulatory compliance. The Board of Directors meets at least once a quarter and operates in accordance with the Company’s “Rules and Procedures of Board of Directors Meetings.” Currently, there are three independent directors (including one female director) on the Board of Directors, all of whom are appointed for a term of no more than three years, and more than half of the directors are not managerial officers of the Company. The Company places emphasis on the independence and gender equality of its Board of Directors and has set a target of having at least three independent directors and at least one female director, and continues to maintain a 100% achievement rate of this target.
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1.2 Corporate Governance

Innovative Capability
2.1 Innovative Capability
2.2 Customer Relations
2.3 Supply Chain Management

Green Future
3.1 Implementing the TCFD Recommendations
3.2 GHG Emission
3.3 Energy and Resource Consumption
3.4 Pollution and Hazardous Substances

Inclusive Workplace
4.1 Talent Recruitment and Retention
4.2 Human Rights and Labor Relations
4.3 Occupational Development and Training
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Wonderful Society
5.1 Social Value
5.2 Social Participation

Annex
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Assurance Statement

Unimicron 2020 Corporate Social Responsibility Report

Unimicron has “Integrity Guidelines” and “Professional Ethic Guidelines and Code of Conduct” for all employees, clearly set rules for the employment of relatives and associates suppliers, and upholds integrity in dealing with customers. Unimicron will also ensure the implementation of the mechanism through the following measures every year, and the relevant practices cover in Taiwan Facilities and Mainland China Facilities.

- The “Company Integrity Regulations” are taught during the training of new recruits, and the relevant terms are included in the employment contract.
- Supervisors above the manager level sign the “Employee Integrity Code Compliance Contract” every year, and the signing rate in 2020 reached 100%.
- Every year, we conduct “Integrity Survey” and “Investment and Employment Status of Employees and Relatives in the Company, Associating Suppliers, or Competitors” for personnel above the administrator/level of each unit. Respondents who accepted the survey of employment of relatives and integrity regulations in 2020 were personnel in engineering management positions in Taiwan, whereas personnel in Mainland China differed for each plant; the number of people surveyed was 4,770 from Taiwan Facilities and 5,798 from the Overseas Facilities, without any violations.

If employees find any violations of ethical management, they can submit an anonymous whistleblowing report or complaint to the Unimicron Audit Team or the Human Resources Department via telephone or suggestion box in accordance with the provisions of the Integrity Code.

The undertaking unit will set up a special project team to investigate. If the whistleblowing report involves a director or senior executive, the undertaking unit shall report to the independent director or supervisor of the Group. There were no integrity-related reporting cases received and no related corruption and bribery cases occurred in 2020.

Legal Compliance

Information Disclosure
In compliance with the regulations of the competent authorities, investors can access Company-related information through the Market Observation Post System. In addition to disclosing Unimicron’s basic information, technology R&D, and corporate social responsibility, the Company’s website also has an investor relations section, providing relevant documents and regulations on the Company’s financial information and corporate governance. We hold Institutional Investor Seminars every quarter to explain the consolidated financial results, operational status, and prospects of each quarter. We also provide relevant information and video recordings on the Company’s website and the “Market Observation Post System” for the reference of investors. The Company also communicates with investors through various investor meetings, overseas visits, and investor relations’ points of contact. In 2020, Unimicron participated in 15 external and self-organized Institutional Investor Seminars and participated in more than 200 institutional/investor interviews and meetings.

None of material nature or penalties by competent authorities for major environmental protection, occupational health and safety, and labor’s management relations/human rights in 2020. In addition, all committed violations had been improved to ensure that none of its acts are prone to risks of violation.

Training of Laws and Regulations
There are many integrity management regulations in Unimicron, and we hold relevant training courses every year. The Company also provides reminders of relevant regulations from time to time, and has a consultation channel so that the regulated objects can understand the laws and regulations and comply with them accordingly.

Note 6 : There are 16,186 employees in Taiwan and 13,726 employees in Mainland China.
Note 7 : Please refer to the Unimicron CSR website to see more information.

<table>
<thead>
<tr>
<th>Course Title</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional ethics best practice principles</td>
<td></td>
</tr>
<tr>
<td>Taiwan</td>
<td>13,984</td>
</tr>
<tr>
<td>Mainland China</td>
<td>1,891</td>
</tr>
<tr>
<td>Total number of employees that should be trained</td>
<td>14,173</td>
</tr>
<tr>
<td>Total number of employees trained</td>
<td>14,173</td>
</tr>
</tbody>
</table>

| RBA | All of the Company’s employees must be trained (Including Taiwanese employees stationed in Mainland China who have been employed for 3 months) |
| Taiwan | 13,984 | 13,950 |
| Mainland China | 1,891 | 1,888 |
| Total number of employees that should be trained | 14,173 | 14,138 |
| Total number of employees trained | 14,173 | 14,138 |

| Integrity best practice principles |
| Taiwan | 13,984 | 13,950 |
| Mainland China | 1,891 | 1,888 |
| Total number of employees that should be trained | 14,173 | 14,138 |
| Total number of employees trained | 14,173 | 14,138 |

| Antrum Law |
| Job level 5 (inclusive) and higher in Taiwan (Including DL and Taiwanese employees stationed in Mainland China), Employees with job level 7 and higher in plants in Taiwan and Mainland China |
| Taiwan | 4,411 | 4,289 |
| Mainland China | 179 | 177 |
| Total number of employees that should be trained | 4,411 | 4,289 |
| Total number of employees trained | 4,411 | 4,289 |

| Advocacy of the ethical corporate management best practice principles |
| Job level 5 (inclusive) and higher in Taiwan (Including DL and Taiwanese employees stationed in Mainland China), Employees with job level 9 and higher (Not included DL) in Quoting Technology Inc. |
| Taiwan | 3,763 | 3,940 |
| Mainland China | 179 | 177 |
| Total number of employees that should be trained | 3,940 | 3,940 |
| Total number of employees trained | 3,940 | 3,940 |

| Prevention of insider trading |
| Job level 5 (inclusive) and higher in Taiwan (Including DL and Taiwanese employees stationed in Mainland China) |
| Taiwan | 4,112 | 4,289 |
| Mainland China | 179 | 177 |
| Total number of employees that should be trained | 4,289 | 4,289 |
| Total number of employees trained | 4,289 | 4,289 |
## 1.2.3 Risk Management

### Business Continuity and Risk Management

In response to several risks that may influence operation, “Unimicron established Business Continuity Management and Risk Management Committee” in 2021, which in charge of relevant integration, planning, assessment, and mitigation plan with the resource from Unimicron Group to cut down or reduce the impact of unexpectedly serious situations and speed up recovery to normal operation. The main duties included:

- Organization and Planning: Based on the concept of business continuity to build risk management mechanism.
- Risk Assessment: Review various potential risks at least once a year, classify them and score them according to the established risk index. Then, prioritize mitigation and response plans for those with higher assessed risks, and regularly report to the Board of Directors as the main goal for future improvement.
- Risk mitigation and Contingency Plan: Formulate the organization and resource planning of the corresponding crisis management team for each type of risk.
- Drill Plans and Continuous Improvement: Each department under its jurisdiction will conduct single or comprehensive drills according to plans for emergencies such as material interruption, lack of work, information system failure, natural disasters or man-made destruction, and make recommendations for review and improvement.

### Business Continuity Management and Risk Management Committee

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director General</td>
<td>Executive President Chen Shu-Lan</td>
</tr>
<tr>
<td>Executive Director</td>
<td>Sr. Manager Traffic Handling</td>
</tr>
</tbody>
</table>

### Supporting Team

<table>
<thead>
<tr>
<th>Team</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>HR</td>
</tr>
<tr>
<td>ICT</td>
<td>SBU Carrier</td>
</tr>
<tr>
<td>ADM</td>
<td>SBG PCB II</td>
</tr>
<tr>
<td>MM</td>
<td>SBG PCB I</td>
</tr>
<tr>
<td>OS</td>
<td>Sales/ EXP</td>
</tr>
<tr>
<td>H</td>
<td>Sales/ EXP</td>
</tr>
<tr>
<td>S</td>
<td>SY</td>
</tr>
<tr>
<td>S</td>
<td>RS</td>
</tr>
<tr>
<td>H</td>
<td>HS</td>
</tr>
<tr>
<td>FPC</td>
<td>Chung Hsing Plant</td>
</tr>
</tbody>
</table>

### Production Team

<table>
<thead>
<tr>
<th>Team</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>IC</td>
<td>SRU Carrier</td>
</tr>
<tr>
<td>MM</td>
<td>SBG PCB II</td>
</tr>
<tr>
<td>OS</td>
<td>SBG PCB I</td>
</tr>
<tr>
<td>H</td>
<td>Sales/ EXP</td>
</tr>
<tr>
<td>S</td>
<td>Sales</td>
</tr>
<tr>
<td>H</td>
<td>SRU</td>
</tr>
<tr>
<td>H</td>
<td>S2A</td>
</tr>
</tbody>
</table>

### Unimicron Committee of Disease Control (UCDC)

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convener</td>
<td>Tseng, Chairman Tzyy Jang (T. J.)</td>
</tr>
<tr>
<td>Deputy Commander</td>
<td>Deputy Commander (to be announced)</td>
</tr>
<tr>
<td>Commissioner</td>
<td>Senior Director Shen Szu-Chen</td>
</tr>
</tbody>
</table>

### Executive Team

- **Executive President Chia Pin Lee**
- **Executive President Jerry Kuo**
- **General Manager Michael Shen**
- **General Manager Ben Wei Liao**
- **President David Cheng**
- **President Webber Wang**
- **President Timothy Lan**
- **Executive President Chia Pin Lee**
- **Senior Director Pon Yih Feng**
- **Senior Director Liu Weidong**

Unimicron has set up the “Guideline for Unimicron COVID-19 Prevention Plan”, which developed contingency plans such as visitor entry route planning, office area, and emergency response to confirm medical treatment.

We set up an APP so that employees can quickly access government epidemic prevention news, epidemic prevention knowledge, internal epidemic prevention announcements, and abnormal temperature notification process. In addition, employees can conveniently fill out health declarations and monitor body temperature twice a day to strengthen the epidemic prevention energy of all employees.

To avoid losses caused by risks, Unimicron carries various insurances (such as property insurance, operation interruption insurance, installation engineering insurance, marine insurance, fire insurance, etc.) to ensure that when a risk occurs, Unimicron still has enough capability and resources to carry out the follow-up business recovery matters, and indeed take up the commitments to customers.

In response to the COVID-19 pandemic in early 2020, Unimicron has operated bases all over the world, and it immediately established an internal crisis department command center, composed of six major units to perform epidemic prevention work according to their powers and responsibilities. The Executive President serves as the commander and the command center is responsible for gathering epidemic prevention information, grasping supplier information, and holding weekly review meetings to grasp the status of each operating base, reduce operational risks, and ensure operations without interruption, and at the same time provides the information required by employees and customers at each base to protect the rights and interests of internal and external stakeholders.

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Unimicron 2020 Corporate Social Responsibility Report

1.2.4 Information Security

Protecting customers’ intellectual property rights and business information is the focus of our business and business ethics management. Through control via the ISO 27001 management system, Unimicron received no customer complaints for infringement of customer privacy rights or loss of customer information, and no punishment of huge fines for products or services violating the law in 2020.

Information Security Goals

In order to maintain the confidentiality, integrity and availability of the Company’s information assets, and to protect the privacy of customers and personal data, Unimicron has formulated an information security policy and hopes to achieve the following goals through the joint efforts of all employees in the Company:

- **Confidentiality**: Ensure that only authorized personnel can obtain information and avoid information leakage.
- **Integrity**: Ensure that information is not subject to unauthorized tampering and the seriousness of information processing methods.
- **Availability**: Ensure that authorized users can obtain information and use related assets when needed.

Information Security Committee

Unimicron manages the Company-level information protection mechanism through the Information Security Committee to protect customer privacy. Through the acquisition of relevant international certifications, internal information security advocacy and drills, data inventory and management, data access control and information security early warning mechanisms, we regularly provide information security reports to the chairman of the board and senior managers of business units, to reduce information security risk.

Information Security

Internal Information Security Advisory and Drill

We hold regular information security advocacy and testing for employees, we issued & arranged 8 times in 2020, held an announced social attack drill (phishing email), and conduct a companywide e-Learning information security course in the fourth quarter of each year to deepen employees’ information security awareness through actual experience.

<table>
<thead>
<tr>
<th>Stage</th>
<th>Number of employees</th>
<th>Ratio to be hacked</th>
<th>Measures to strengthen information security awareness</th>
</tr>
</thead>
<tbody>
<tr>
<td>First test</td>
<td>Employees with Email accounts</td>
<td>Open malicious link and enter account password: 1.1% (in 25% in 2018)</td>
<td>For employees who failed the exam, Unimicron has compiled the second propaganda and arranged a test</td>
</tr>
<tr>
<td>Retest</td>
<td>Employees who failed the first test</td>
<td>Open malicious link and enter account password: 0%</td>
<td>Employees will actively report abnormal emails</td>
</tr>
</tbody>
</table>

Data Access Control and Information Security Warning

- Use computer access control tools to lock computer transmission media (USB, FTP, web, file folder, etc.). If it is needed for work, a separate access request is required.
- Use the computer access control system to control the computer room, and through the sensing mechanism, automatically send out alarm when an abnormal intrusion occurs.
- CCTV system: Have 24-hour full-area video monitoring of the computer room, while retaining the entry and exit records.
- Computer Emergency Response Team (CERT) and System and Network Security Management

System and Network Security Management

According to the vulnerability database-driven Computer Emergency Response Team (CERT) and System Security Detection and Analysis Protocol (SSDAP), conduct two system vulnerability scans and vulnerability repair every year.

Terminal Computer Management

Use the security operating system (SECOS) system to perform 3 software and hardware asset sharing ( licensed sharing, unauthorized, software function restriction) and 6 access behavior controls (including surfing the Internet, printing, Bluetooth, and wireless network card control).

Information Facility Room Management

- Use network firewalls and broader intrusion detection and defense system to detect, block and alert abnormal security threats, launch the help of external information security organizations, providing Security Operation Center (SOC) service, provide 24-hour round-the-clock information security incident analysis mechanism and strengthening machine protection, base vulnerability and machine management of Intrusion/Interference wireless flow certification. The management will be connected to the network, and after the system has been installed, it has been tested by Unimicron to be virus-free, and the machine audit is regularly conducted on the machines.

Information Security Specific Management Plan

To protect customers’ intellectual property rights and corporate confidential documents, in addition to a comprehensive information security policy and annual ISO/IEC 27001 Information Security Management System certification, we completed the multi-faceted strengthening of our equipment and data protection capabilities in the second half of 2020, including external/inter-plant/intra-plant firewalls, network abnormal traffic detection and analysis systems, and other traffic monitoring equipment. In addition, it is equipped with privileged account management, regular system vulnerability scanning and repair, data backup and quick recovery mechanism, system network security enhancement, USB management, handheld/mobile camera device management, information classification and confidentiality system, printing control, employee information security training and penetration and phishing drills, etc., to enhance internal and external attack prevention detection and recovery capabilities and properly maintain customer data and information security. Nearly 100 million attempts per month by external hackers have been blocked externally, causing no damage to system data.

In order to implement Unimicron’s information security policy, we have fully implemented the mobile device access control to the plant, ensuring that information will not be arbitrarily carried out. In addition, Unimicron develops specific management solutions related to the five major aspects of terminal computer management, anti-virus and anti-attack management, system and network security management, and education and training to properly maintain customer data and information security.

Information Security Team

We are responsible for planning and implementing information security safeguard mechanisms and strengthening information security capabilities, including the following tasks:

1. Utilize intelligent tools to strengthen information security protection.
2. Measure the trustworthiness of employees.
3. Protect the network environment.
4. Promote the information security training program.
5. Implement information security early warning mechanisms.
Information Security Incident Notification Process

When an information security incident occurs, employees should immediately notify the unit head following the “Unimicron’s Information Security Incident Notification Procedure,” and the unit head will report to the information security officer, who will, following internal regulations, determine whether the information security incident is a major abnormal event, whether it is a breach of confidentiality, and whether it involves a first-level supervisor. After classification, it shall be reported to the supervisor at that level and the responsible unit, please see the information below:

A major information security incident occurred in 2020. It was caused by suspected virus infection in some information communication systems, but no data was lost. In order to enhance the Company’s overall information security capabilities, the following enhancement measures have been completed:

- Enhance multi-factor authentication and authorization control of jump hosts
- Implement endpoint computer data output record checking
- Improve data backup and fast recovery framework
- Enhance vulnerability scanning, 24-hour service and abnormal traffic detection and analysis capabilities, and implement endpoint computer data output record checking
- Enhance information security monitoring
- Enhance abnormal traffic detection and analysis capabilities, and improve data backup and fast recovery framework
- Improve data backup and fast recovery framework
- Enhance abnormal traffic detection and analysis capabilities, and improve data backup and fast recovery framework
- Enhance abnormal traffic detection and analysis capabilities, and improve data backup and fast recovery framework
- Enhance vulnerability scanning, 24-hour service and abnormal traffic detection and analysis capabilities, and implement endpoint computer data output record checking
- Improve data backup and fast recovery framework
- Enhance vulnerability scanning, 24-hour service and abnormal traffic detection and analysis capabilities, and implement endpoint computer data output record checking
- Enhance abnormal traffic detection and analysis capabilities, and improve data backup and fast recovery framework

---

<table>
<thead>
<tr>
<th>Course Title</th>
<th>Participants</th>
<th>Number of persons completed training /</th>
<th>Course hours</th>
<th>Completion rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information security training</td>
<td>4,411 / 4,552</td>
<td>2020</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

Note: There is a discrepancy between the training status on the information security and the data for 100% training completion rate at the end of 2020, mainly due to the Company’s overall information security capabilities.
### 2.1 Innovative Capability

Unimicron’s main business items are engaged in development, manufacturing, processing and sales of Printed Circuit Boards (PCB), High-Density Interconnect Printed Circuit Boards (HDI PCB), Flexible Printed Circuits (FPC), rigid-flex PCB, Carriers and IC test and burn-in system. The main products are the manufacturing and processing of PCBs (including Carriers) and IC testing and burn-in, etc.

#### 2.1.1 Products and Quality

Unimicron has obtained a patent from US NRECO to manufacture PCBeam™. It is high-speed (>10Gbps), ultra-thin, and easily customizable, following the trends of modern electronic products. It can be used in fields such as Board-to-Board, Board to Flex, Board to Device (Socket), and its markets include industries such as consumer electronics, healthcare, industrial use, and high-speed communications. The PCBeam™ team provides a range of customized solutions to customers, breaking the current restrictions on connector designs and making our products more competitive.

#### Quality Management

Total Quality Management (TQM) is deemed as an important part of Unimicron’s operations. We use customer-oriented management to promote team cooperation and cross-departmental management. The TQM Committee was established in 1998 to conduct total quality management, and a total of four sub-committees have been added over time to promote full-rounded, flawless quality management.

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**Unimicron 2020 Corporate Social Responsibility Report**

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**Chapter 2 Innovative Capability**

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**Quality Management**

- Commitment, support and leadership of senior managers
- Adopt refined policy management to move towards becoming a world-class Company
- Adopt best practices
- Construction of the quality management system
- Company-wide participation in continuous improvement
- Application and management of process flow and quality information
- Employees’ education, training and growth
- Customer satisfaction management

---

**Unimicron is committed to providing high-quality and reasonable priced products and competitive delivery and services. It has a quality policy of “customer-oriented, quality first and continuous breakthrough,” integrating high-quality culture into the core of the Company to meet customer expectations and achieve the vision of “a world-class high-tech Company with high value-added, high quality, high productivity, and emphasis on innovation and services.”**

---

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Chapter 2 Innovative Capability

2.1.2 Innovative Technology R&D

To continuously enhance the value of the Company, Unimicron actively takes the reference to and participates in the formulation of the technical blueprint for the international industry, and formulates five major strategies to meet the needs of various future products. Through the three strategies of patent portfolio, technological development and technological cooperation, we actively invest in environmental protection and low-cost manufacturing processes, and establish an industry centered on technological innovation and intellectual autonomy, to open up new business opportunities through innovation.

Integrate resources and teamwork to quickly respond to the market and customers
Sustainable green and environmental protection for fulfilling corporate responsibilities
Gain insight into the development of the industry and mastering the technology market
Benchmark learning strategy partners’ lean system process and management

Establish an effective technology and product innovation platform to develop market-leading technologies.

Patent Portfolio

With Unimicron’s strategy to stay rooted in Taiwan and expand globally, we have set up R&D centers in Taipei and Hsinchu, with different R&D strategies that are focused on developing technologies to satisfy customers’ needs and developing innovative technologies for the next three to five years. In addition to introducing advanced equipment and recruiting R&D talents of the industry, Unimicron has also invested heavily in research and development. Currently, the annual investment in research and development is about 2 - 3% of the annual income. The R&D expenditures invested in the past three years has grown exponentially, yielding patents for various products and technical capabilities.

Note: The increase of 2020 patent fee mainly was invested by new facilities and expansion of organization.

*Unimicron patented items by application year and granted year*

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Unimicron’s patent applications by year</td>
<td>28</td>
<td>27</td>
<td>22</td>
<td>21</td>
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</tr>
<tr>
<td>Number of Unimicron’s patent granted by year</td>
<td>46</td>
<td>50</td>
<td>54</td>
<td>45</td>
<td>10</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item</th>
<th>Development criteria</th>
<th>Development status and line of business</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/2 µm Fan-out technology</td>
<td>Completed development and reliability verification of Multi-chip (three-chip) Integration Packaging Technology with the structure of 6RDLs (min. L/S=2/2 µm), package size of 20mmx20mm, and 3 times after assembly</td>
<td></td>
</tr>
<tr>
<td>2/2 µm Fan-out technology</td>
<td>New technology development of the platform of 0.5/0.5mm</td>
<td></td>
</tr>
<tr>
<td>2/2 µm Fan-out technology</td>
<td>Development of 5G small cell station products, superimposed as 36 ELC and 12 ELC using TUPs docking technology platform</td>
<td></td>
</tr>
<tr>
<td>2/2 µm Fan-out technology</td>
<td>(1) L/S=2/2µm line &amp; 5µm RDL</td>
<td></td>
</tr>
<tr>
<td>2/2 µm Fan-out technology</td>
<td>(2) Chips connection structure</td>
<td></td>
</tr>
</tbody>
</table>

Note: The technology of this type is equipped with 3x3mm to 2x2mm

Technological Development

In response to major future industry trends, Unimicron will continue to invest in research and development, and cultivate high-end product technology platforms, such as 5G high-frequency high-speed PCB products, ultra-small distance pitch and LED module development, Cool PCB (High-Thermal Conductive) module development, Nickel-free surface Finished (NiF) new technology development, and high-precision PCB technology development.

After years of technology deployment and investment in research and development, results have been achieved. In the 5G IoT product development project, Unimicron developed easy PCB materials and its design, making it one of the best solutions for IoT products with System in Package (SiP) technology. After the cavity PCB board material and its design technology mature, huge business opportunities are expected to take place. At this stage, facing that the fifth-generation (5G) mobile communications are about to enter the global commercial stage in 2020, Unimicron focuses on the R&D fields of high-frequency AI circuit boards, mobile phone boards, and smart appliances, optoelectronic communication boards for optical modules, and high-speed circuit boards for various server switches and routers.

Relying on its expertise and experience in large panel manufacturing of PCB/CB Carriers, Unimicron is equipped with the existing wireless technology, based on the platform innovative multi-chip film wiring technology, to integrate materials and equipment manufacturers in the semiconductor and panel industries to form a research and development alliance. It develops the advanced packaging technology of Panel-level Fan-Out (PFO) with RDL first (Die last) and ultra-fine circuit lines (2μm/2μm line width/line spacing) to break industrial problems and technical challenges of Fan-Out Panel Level Package (FOPLP), driving the development of the overall industrial chain.

In addition, in response to the future trend of high-density multi-functional chip systemisation, based on the original platform of ultra-fine circuit technology, we adopted Multi-chip Heterogeneous Integration Packaging Technology, and the packaging size will be expanded from 20mm x 20mm to 55mm x 55mm. Embedded Trace Substrate (ETS) Carrier board technology continues to break through the bottleneck of fine line and establishes technology platform of 0.5/0.5 µm, laying the foundation for the next communication generation. We continuously develop the platform of 0.5/0.5 µm for laying the foundation of the future. As for the development of thick-board PCB technology, Unimicron took the lead in developing the Transient Liquid Phase Sintering (TLPS) docking technology platform board with a board docking alignment degree of ±0.001mm, quickly extending the thick-board technology from 3.6mm to 7.2mm.

In search of new business opportunities and breakthroughs in the areas of high-precision and high-speed R&D, we continuously make breakthroughs in the core technologies in each R&D field, which will be the main R&D investment focus for the future.

Innovative Capability

1.1 Sustainable Operation
1.2 Corporate Governance
2.1 Innovative Capability
2.2 Customer Relations
2.3 Supply Chain Management

Green Future

3.1 Implementing the TSF Recommendations
3.2 GHG Emission
3.3 Energy and Resource Consumption
3.4 Pollution and Hazardous Substances

Inclusive Workplace

4.1 Talent Recruitment and Retention
4.2 Human Rights and Labor Relations
4.3 Occupational Development and Training
4.4 Occupational Safety and Health

Wonderful Society

5.1 Social Value
5.2 Social Participation

Annex

About This Report
GRI Standards Comparison Table
SASB Indicator
Assurance Statement

Unimicron 2020 Corporate Social Responsibility Report
In 2020, we adopted MultiChip Heterogeneous Integration Packaging Technology; expand the size from 20mm x 20mm to 55mm x 55mm. With the successful development of this project, we will provide further information for the industry’s reference, which may help strengthen cross-field cooperation among Taiwan’s industries.

Many large-scale companies in the semiconductor industry have supplies from major manufacturers from Japan, South Korea, Europe and the United States. We cooperate with semiconductor manufacturer (e.g. SG-material manufacturer) to create self-development skills. Thus, the technology of equipment and materials can be self-sufficient in the domestic industry, forming a complete supply chain, increasing the overall output value of the semiconductor industry, and strengthening the overall output value of the domestic semiconductor industry to be against the emerging red supply chain. Unimicron has long-term collaboration plans with domestic universities such as Tsung Hua University. In 2020, the amount of cooperation reached NT$18.8 million. Unimicron hopes to effectively use the research results of academia to shorten the learning curve. At the same time, it also activates the research capability of domestic research institutes and academia and promotes basic sciences.

The 5G IoT product development plan and ultra-small pitch LED module development plan of Unimicron’s R&D Department are all new plans. The industry has not established a standard for product quality certification or testing. With Unimicron’s investment, once the next generation of product quality certification or testing is achieved, new specifications can be set for the industry (such as the board warpage must be less than 25 µm), thus forming an entry threshold for technology that prevents other competitors from easily entering this field and protects the Company’s commercial performance. The industry saw the ability to share these plans with the industry.

In 2020, we invested NT$ 12 million and collaborated with Industrial Technology Research Institute (ITRI) to develop new high-frequency and high-speed technology. It is hoped that through the cooperation of various manufacturers, the synergies can be used to improve the competitiveness and profit of the industry.

R&D Cooperation Plan

Unimicron continuously collaborates with Suppliers, Academia, and Government to ensure that the product is in the leading position in the world.

Cooperation with Suppliers

To ensure that the product is in the leading position in the world, we maintain close collaboration with excellent material and equipment suppliers, introduce high-performance materials and cutting-edge equipment for new product development and cooperate with domestic equipment firms. Especially, 5G higher-frequency equipment for new product development, and equipment suppliers, introduce cooperation with excellent material position in the world, we maintain close R&D Cooperation Plan cooperation with Suppliers.

Cooperation with Academia

We work closely with domestic and overseas research institutes and academies, which includes joining the System Packaging Consortium of Institute of Industrial Technology Research Institute (ITRI), German CM, and Georgia Institute of Technology Research Institute (ITRI) (conducted a series of new products and technology)

We work closely with a number of well-known universities such as Taiwan National University, National Tsing Hua University, National Chi Yen University, National Central University, Yuan Ze University, Chang Gung University, and Chung Shan Institute of Science and Technology. We have also established a cross-disciplinary research and development program to accumulate research and development at National Tsing Hua University and Yuan Ze University from 2016 to 2020, we had invested NT$457.2 million.

Cooperation with the Government

We received tax exemptions, investment tax credits and incentives for equipment, subsidies through Industrial TDP from the government. From 2016 to 2019, Unimicron had two "A" Industrial Innovation R&D Program" (A+ program) approved by the Ministry of Economics Affairs and we are leading the one of the programs to collaborate with four other companies. Unimicron received more than NT$ 86.4 million in subsidy from the government to develop panel-level ultra-fine pitch flip-chip technology. We will adopt MultiChip Heterogeneous Integration Packaging Technology and expand the package size to apply in 5G high frequency and high-speed communication that reduce power consumption and improve electrical performance.

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Unimicron 2020 Corporate Social Responsibility Report

Chapter 2 Innovative Capability

2.2 Customer Relations

Management Approach

Policy
- Three principles of quality policy: customer orientation, dedicated to Quality, and continuous improvement.
- Commitment to green products.
- Jointly commit towards sustainability to create common prosperity.

Actions
- Compliance with CSR regulations: Reduce critical deficiencies in customer CSR/RBA audits.
- Strict compliance with customer primary requirements: No cases of customer complaints due to an infringement of customer privacy or loss of customer information.

Division
- CSR Customer Service
  - Implementation Officer
  - Governance Mechanism
    - Telephone, E-MAIL, and communication software

Goals
- 1. Number of critical deficiencies in CSR/RBA audits: 0
- 2. Number of customer privacy violations: 0
- 3. Average satisfaction score of CSR/RBA audits: 100%

Other Response Measures
- Real-time feedback and continuous improvement efforts

2.2.1 Customer Services

As a world-class supplier of the PCB and Carrier industry, Unimicron’s customers are located all over the world. The goal of Unimicron is to become the best business partner for our customers, and we are committed to technological innovation and providing the best products. Unimicron uses several communication channels and actively communicates to understand customer’s needs. We are committed to providing perfect services and establishing a relationship of customer satisfaction and trust.

Regular Communication
- Setting up a customer service contact point and a customer VIP team (leaders are plant general managers, conducting weekly customer feedback discussions, quarterly meetings, regular visits, and occasional contacts).
- Issues of customer concern: Product quality, HSF quality, and service, technology, price, delivery date, and CSR.

Communicating CSR Issues
- Communicating ideas and practical experiences through the opportunities of customer-to-factory audit and discussion.

Grievance Mechanism
- CSR Customer Service
  - Implementation Officer
  - Governance Mechanism
  - Telephone, E-MAIL, and communication software

Resources Involved
- Business Unit
- Plant Manufacturing Department
- Plant Product Department
- Plant Quality Control
- Customer Service Department
- Human Resource
- Environmental Safety
- Corporate Sustainability Committee

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Unimicron 2020 Corporate Social Responsibility Report

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Customer Relationship Management

PCB Customer Relationship Management

Customer Satisfaction Survey
To implement market-oriented ideas, we fully understand and satisfy the needs and expectations of our customers through customer satisfaction surveys, as a way to improve service/HSF quality, and as a basis to adjust the Company’s business strategy and development direction.

Customer Service Management
To provide fast, efficient and thoughtful service to customers, and with the hopes of improving customer satisfaction and loyalty, this procedure is implemented for various types of services.

VIP Customer Service Team Member Evaluation
The leader of each department of the VIP customer service team needs to regularly evaluate and review the skills of members, and educate or adjust the members’ abilities to reach the requirements and improve the service and competitiveness of the VIP customer service team.

Customer Complaint Management
To enhance our customer service, we conduct immediate investigations on the problems raised when using our products and take appropriate measures to improve the satisfaction towards our products and services.

Carrier Customer Relationship Management

Customer Satisfaction Survey
In order to make satisfied requirements consistent with the Company’s business management objectives, we keep tabs on customer needs and market trends based on customer satisfaction surveys, as a way to improve service quality and as a basis to adjust the Company’s business strategy and development direction.

Safety Return
To provide customers with complete services by clearly and effectively handling customer’s returns.

Customer Complaint Management
Establish customer complaint classification corresponding to the management procedures of the plant-managing unit to reduce customer complaints and provide timely responses, as to improve customer satisfaction. Continue improving quality to meet customer needs.

2.2.2 Satisfaction Survey
In order to understand customer needs and provide quality services, Unimicron actively conducts customer satisfaction surveys every year, and based on customer satisfaction survey results, we keep tabs on customer needs and market trends, as a way to improve service quality and as a basis to adjust the Company’s business strategy and development direction. To truly grasp customer expectations, the plants in Taiwan, South China, and East China conduct customer satisfaction evaluations every 6 months or important customer every year. The survey items include price, delivery date, technology, quality, HSF quality, customer service, etc. Customer satisfaction is scored on a 5-point scale. If an item of the PCB (HDI and FPC) scores an average below 3.5 (target value) and the Carrier scores an average below 3 (target value).

Customer Complaint Mechanism and Handling

2.2.3 Complaint Mechanism and Handling
Unimicron pays considerable attention to the opinions given by our customers. We view customer complaints and comments as opportunities to assist us in continuous improvement. Thus, Unimicron has built a complete mechanism to ensure the effective communication, processing and response of customer complaints and opinions through a comprehensive, systematic and standardized processing procedure, in order to protect customer rights and interests.

Overall improvement of VIP customer/strategic customer QBR [Q/C/D/S/T] satisfaction indicator

Effectively operate the One-stop Quality Assurance PCDA to eradicate customer complaints above “Major” (inclusive) matters

Unimicron 2020 Corporate Social Responsibility Report
Unimicron categorized customer complaints into three types: “Critical,” “Major” and “Minor,” based on their severity level, with which the cases are reported, handled and have their progress tracked accordingly. It is expected that all complaints can be handled and responded to in a proper way, with the most efficient use and allocation of resources.

In 2020, Unimicron received a total of 0 “Critical” and 286 “Major” customer complaints about PCB products, 27 cases less than the previous year. The main reason for the decrease in customer complaints was the problem of abnormal functions, which decreased by 12 cases compared with 2019. The main reason for these customer complaints consisted in functional problems. After the improvement made in the plants and the timely reply and solution before the customer’s requested deadline, all the cases have been closed and there have been no recurrences.

In 2020, Unimicron received a total of 0 “Critical” and 202 “Major” customer complaints about Carrier products, 27 cases less than the previous year. The main reason for these customer complaints consisted in functional problems. After the improvement made in the plants and the timely reply and solution before the customer’s requested deadline, all the cases have been closed and there have been no recurrences.

In 2020, Unimicron received a total of 0 “Critical” and 285 “Major” customer complaints about Carrier products, 42 cases increase than the previous year. Among them, the main reason for the increase in customer complaints was the problem on a dimension by 29 cases compared with 2019, the dimension of Bump void increased the most that we have planned the strategies for, reduce the defective fraction of copper and revise the testing method and effectively detecting the issue. With the effort, all cases have been closed and there have been no recurrences.

Complaint trend for Carrier products 

<table>
<thead>
<tr>
<th>Year</th>
<th>Critical complaints</th>
<th>Major complaints</th>
<th>Minor complaints</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>0</td>
<td>27</td>
<td>12</td>
<td>39</td>
</tr>
<tr>
<td>2020</td>
<td>0</td>
<td>202</td>
<td>27</td>
<td>229</td>
</tr>
</tbody>
</table>

Complaint trend for PCB (HDI and FPC) products

<table>
<thead>
<tr>
<th>Year</th>
<th>Critical complaints</th>
<th>Major complaints</th>
<th>Minor complaints</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>0</td>
<td>130</td>
<td>727</td>
<td>857</td>
</tr>
<tr>
<td>2020</td>
<td>0</td>
<td>136</td>
<td>711</td>
<td>847</td>
</tr>
</tbody>
</table>

Complaint trend for Carrier products

<table>
<thead>
<tr>
<th>Year</th>
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<td>0</td>
<td>136</td>
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<td>847</td>
</tr>
</tbody>
</table>

Unimicron follows customers’ requirements and is committed to the improvement and refinement of the CSR management system. In addition to self-regulations, it also hopes that suppliers can co-prosper and maintain sustainability with Unimicron. Regarding the risk management of sustainable business operations, in addition to continuous implementation of supply chain risk management, Unimicron has established the RBA Code of Conduct management strategy which we have included in the RBA Code of Conduct, regulations and other supply chain potential risks in the assessment items at the end of 2018.

Supply Chain Overview

Unimicron’s suppliers mainly include seven categories of raw material suppliers, equipment, engineering suppliers, waste disposal companies, on-site companies (such as security), human resource brokers, and land, sea and air freight forwarders. In which, both raw material and equipment suppliers are the most important supplier categories, totaling 747 companies.

For the major raw material suppliers and equipment suppliers (including strategy key suppliers) involved in the manufacturing of our products, we have developed sound quality management and CSR management model for corporate social responsibility, financial risks, conflict minerals, and Business Continuity Plan to meet the principles of corporate sustainable development. At the same time, we have established positive partnerships with suppliers to oversee their CSR-related risks, strengthen audit management, and coach and assist in improvement, all to lead the overall supply chain towards a sustainable future.

2020 Supply Chain Management

Management policy

For raw material supply partners, adopt comprehensive Q/C/D/S/T management strategies and major supplier RBA supply chain management strategies, in order to ensure that the quality of supply meets customer expectations.

External technical exchanges, joint development, equipment maintenance and provision of major suppliers RBA Code of Conduct management strategy.

Importance

Provide Unimicron with timely and appropriate amounts of raw materials to manufacture products that meet customer requirements.

Provide advanced equipment and technology to assist Unimicron in producing high-quality products with a positive yield rate that meets customer requirements.

Number of suppliers per procurement category (suppliers)

477

49%

Percentage of transaction amount per procurement category (%) 497

51%
Sustainable Supplier Management

Unimicron promises to establish a supplier management system and specifications, and communicate with them every year to establish a stable and sustainable development of a win-win-strategic partnership. In order to promote the sustainable management of suppliers and build a more resilient supply chain, Unimicron has included aspects of supply chain risks, continuity operations, finances, conflict minerals, etc. in the CSR sustainable supply chain management issues and jointly mitigates supply chain risks. In addition, a cross-departmental "Supply Chain Management Committee" assists suppliers in improving and upgrading quality systems, environmental protection, green procurement, and plant safety through regular coaching and auditing, building supplier sustainability.

Unimicron integrates the management system with the procurement process in promoting sustainable supplier management, and requires raw material and equipment suppliers to sign a "Supplier Corporate Social Responsibility Letter of Commitment." The content of this commitment letter is based on the RBA Code of Conduct, the International Labor Organization Convention and the Social Responsibility SA 8000 standards, and the content covers ethics, human rights, and environmental considerations. In Taiwan, participating suppliers accounted for 57% of the transaction amount in 2020 and completed signature rate reached 70% of the participating signatures. 100% of the supplier commitment statements of the plants in Mainland China (Unimicron (Shenzhen)/Unimicron (Kunshan)/Unimicron (Huanghai)/Unimicron (Suqishou)/Unimicron (PFC (Kunshan))) have been signed. The suppliers of Quingying Technology Inc. have also been signed 84%. In response to the new version of the 2021 RBA Code of Conduct, we renewed the "Supplier Corporate Social Responsibility Letter of Commitment" and invited suppliers to commit, sign, and comply with the new code.

2020 Signature rate of Supplier Commitment Statement

<table>
<thead>
<tr>
<th>Raw material suppliers</th>
<th>Plants in Taiwan</th>
<th>Plants in Mainland China (Unimicron (Shenzhen)/Unimicron (Kunshan)/Unimicron (Huanghai)/Unimicron (Suqishou)/Unimicron (PFC (Kunshan)))</th>
<th>Quingying Technology Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>75%</td>
<td></td>
<td>100%</td>
<td>84%</td>
</tr>
</tbody>
</table>

Statement Aspects of the Supplier Commitment Letter

- Commitment to the non-use of Bergel mined raw materials
- Business ethics compliance statement
- Environmental hazardous substances non-use declaration
- Warranty of non-infringement
- Statement of social responsibility
- Risk map (Quadrant)

Sustainable Supplier Risk Management Framework

In order to strengthen the sustainability risk management of the supply chain, Unimicron gradually strengthens the sustainability performance of the supply chain, especially through four steps to improve the sustainability risks faced by the supply chain. First, we conduct a risk review to examine possible risk issues in procurement, and then through risk assessment, we quantify and classify risks, identify major key risks, and implement risk mitigation measures after the results are analyzed. Through the deployment of risk mitigation measures, supplemented by the establishment of standard operating procedures (SOPs), we finally communicate and cooperate with suppliers, through the establishment of recovery plans to require supplier attributes (single supplier) to conduct tier-2 suppliers or second-origin certification programs to gradually reduce the sustainability risks.

Procurement Risk Management Procedures

We integrate supply chain risk management into daily procurement operations and construct a Procurement Risk Management Procedure under the supply chain management framework. Using the PDCA cycle framework, we continuously review the risk status and compile the risk index through the results of quantitative risk analysis. At the same time, the risk heat map is drawn, and the risk occurrence frequency and the degree of impact are used as the assessment basis to formulate the periodic review of the mitigation plan and to implement control of the supply chain's sustainability risk.

Supplier Sustainability Risk Assessment

To improve the sustainable development of the supply chain, Unimicron has set CSR evaluation criteria for new suppliers that meet the screening requirements, and requires new suppliers to complete the "Unimicron Corporate Social Responsibility Audit Form." For existing suppliers, we restructure the top 50 suppliers in annual transactions to actively participate in self-assessment. At the same time, for existing suppliers, we also proactively send out RBA Self-Assessment Questionnaires (SAQ), which will be reviewed by the supply chain management team with on-site audit, and follow-up risk management and control is conducted. As of the end of 2020, the response rate of the supplier self-evaluation questionnaire was 89%.

Supplier Sustainability Audit and Advocacy

In 2020, we conducted a total of 48 on-site audits for important suppliers, including 11 Unimicron’s and 1 Quingying’s suppliers in Taiwan and 36 suppliers in Mainland China. Although the suppliers still have deficiencies, none of the suppliers are included in the high-risk interval level. In comparison by Unimicron, the main deficiencies of suppliers in Taiwan and Mainland China are in the aspects of labor, health and safety, material supplier risk management, and general rules (employee and supplier education and training). Unimicron requires audited suppliers to complete or propose improvement plans within the improvement deadline. The improvement completion rate of 12 Unimicron’s and Quingying’s suppliers was 88%, and that of 34 suppliers in Mainland China was 100%.

It is expected to conduct interviews and provide considerable assistance to suppliers that have not completed the deficiencies improvement or drafted plans in the second half of 2020. Unimicron will continue to require suppliers to implement audit deficiencies improvements and continue to coach suppliers to comply with the RBA Code of Conduct, to reduce supply chain risks and promote supply chain growth. Based on the actual audit and improvement delay scores, has suppliers with excellent performance in the audit results in 2019 (need to cooperate with the on-site audit and complete the improvement) will be selected from them to be awarded the top "Sustainable Co-Prosperity Award" at the 2020 Supplier Conference, as the model for other suppliers to learn from.
### Findings and Improvement Actions of 2020 Supplier Audit

#### Classification
- **RBA classification**
- **Main findings**
- **Improvement action**

#### Labor
- Free choice of employment
- Compensation and benefit
- Non-discrimination
- Ensuring the protection of foreign employees and ensuring employees' social security
- Reducing the number of days before resigning days, over the number of days in the notice period.
- Reducing the numbers of child labor in Taiwan, ensuring that employees do not work for over ten hours a day.

#### Health and safety
- Occupational safety
- Occupational hygiene
- Health and safety communication
- Workers should establish management procedures that require the right to return training records.

#### Environment
- Pollution prevention and resource conservation
- Temporarily waste storage
- Regulate the storage of waste
- Establish a contact person that all employees (including ordinary personnel) understand CSR/RBA.

#### Ethics
- Fair business, advertising and competition
- No publicity and training of the RBA Code of Conduct
- Improve the training records for at least two years.

#### Management system
- Management accountability
- No publicity and training of the RBA Code of Conduct
- Make improvements according to regulations and implement waste management procedures.

#### Ray Material supply risk management
- Supplier Training
- No publicity and training of the RBA Code of Conduct
- Improve the training records for at least two years.

#### General rules
- CSR/RBA knowledge
- No publicity and training of the RBA Code of Conduct
- Establish a contact person that all employees (including ordinary personnel) understand CSR/RBA.

### CSR Audit Practices and Number of Plants Audited in Taiwan by Year

<table>
<thead>
<tr>
<th>Year</th>
<th>Practice</th>
<th>Implementation results</th>
</tr>
</thead>
</table>
| 2018 | As of 2020, 152 copies of the "Unimicron Corporate Social Responsibility Assessment Form" have been issued and 135 copies have been recovered (including the number of on-site audits by every audit).
| 2019 | On-site audit 12 companies (re-audit 6 companies + initial audit 6 companies including equipment suppliers).
| 2020 | On-site audit 12 companies (re-audit 5 companies + initial audit 3 companies including equipment suppliers). |

In 2020, based on the supplier audit plan, we expect to audit 12 key suppliers (including re-audits of 9 suppliers to confirm the effectiveness of suppliers’ improvements and continuous implementation. We also select 3 suppliers that have not received on-site audits for auditing operations in order to implement and advocate the supply chain’s compliance with the RBA Code of Conduct.

### Construct a Supplier Communication Platform and Capacity Building

Unimicron follows international standards and regulations such as the RBA Code of Conduct, ISO 14001, ISO 45001, QC 80000, and laws on conflict minerals. We have also established comprehensive supplier management systems and regulations and hosted regular Supplier Conferences based on environmental, human rights, safety, and health principles outlined in the above international standards to promote CSR. We launch campaigns on quality improvement, health, safety, and CSR supplier management, and communicate with suppliers to create a win-win partnership.

Unimicron plans to hold a supplier conference every year. However, the COVID-19 outbreak affects that the supplier conference had changed to remote meetings. To enhance supplier platform, we include quality, industrial safety, environmental protection issues, green procurement, information security, sustainable supply chain management, CSR implementation results, and the RBA Code of Conduct. In addition, the Mainland China facilities have affected by COVID-19 so we adopt the plan with "Supplier Commitment Letter" and E-mail for propaganda to the supply chain. In response to the RBA 1.0, we will review the training materials on the supply chain online platform.

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**Note:**
- In terms of supplier audit results on raw material, there are no violations of child labor or non-compliant issues on mainland China. There are no major deficiencies. We improved the training records for at least two years.
- In terms of supplier audit results on labor, there are no violations of child labor or non-compliant issues on mainland China. There are no major deficiencies. We improved the training records for at least two years.
Unimicron adheres to the principle of sustainable corporate social responsibility and hopes to promote the sustainable development of the entire supply chain. Therefore, to promote operational activities and local economic development, Unimicron actively implements localization of materials, and supports the development of local suppliers, all to reduce unnecessary air and water freight costs, as well as the carbon footprint generated during material transportation. In 2020, the local procurement ratio of raw materials purchased by Unimicron in Taiwan was 75%. QunHong Technology Inc. had a local procurement ratio of 83%, and Mainland China facilities had a local procurement ratio of 84%.

2.3.2 Conflict Minerals Management

Unimicron complies with the RBA Code of Conduct and works together with customers promising not to use metals extracted from armed conflict areas, illegal mining, and mining in poor working environments. Meanwhile, we require our suppliers to fulfill their social and environmental responsibility and trace the sources of metal materials such as gold (Au), tin (Sn), tantalum (Ta) and tungsten (W) contained in all products to ensure these metals are not from conflict mining areas or blood mining areas. Unimicron gives priority to procurement of reused trays. In 2020, the purchase of recycled trays accounted for approximately 51% of the usage.

### Percentage of Local Procurement Amount

<table>
<thead>
<tr>
<th>Year</th>
<th>Taiwan Facilities</th>
<th>Quinhong Technology Inc.</th>
<th>Mainland China Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>68%</td>
<td>82%</td>
<td>81%</td>
</tr>
<tr>
<td>2019</td>
<td>67%</td>
<td>81%</td>
<td>84%</td>
</tr>
<tr>
<td>2020</td>
<td>75%</td>
<td>83%</td>
<td>84%</td>
</tr>
</tbody>
</table>

### Recycle of Trays

Meanwhile, we also recycle packaging materials. The trays used for Carrier shipments are collected by Unimicron’s suppliers from the customers for reuse purposes. Unimicron gives priority to procurement of reused trays. In 2020, the purchase of recycled trays accounted for approximately 51% of the usage.

### Distribution of the Countries Where the Refineries and the Smelters Are Located

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peru</td>
<td>9%</td>
</tr>
<tr>
<td>Belgium</td>
<td>9%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>18%</td>
</tr>
<tr>
<td>Thailand</td>
<td>9%</td>
</tr>
<tr>
<td>Japan</td>
<td>9%</td>
</tr>
<tr>
<td>China</td>
<td>18%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>10%</td>
</tr>
<tr>
<td>Bolivia</td>
<td>9%</td>
</tr>
</tbody>
</table>

In response to Responsible Minerals Initiative (RMI) regulations, the mining management of the metal “cobalt” has been added to the scope of conflict minerals. Therefore, we actively promote and incorporate them into the training materials of the supplier conference. In addition to requiring all suppliers of 3TGs raw materials (gold/tin/tantalum/tungsten) to comply with the RMAP certification requirement for smelters, at the same time, suppliers of raw materials that contain “cobalt” are required to participate in the RMAP certification plan.

In 2020 due to the COVID-19 pandemic, we had suspended the Annual Supplier Conference and held by digital learning.
3. Green Future

Unimicron takes the “Planet, People and Performance” as the three pillars of sustainable actions to formulate and promote various programs, and formulates short, medium and long-term goals. The concepts of pollution source reduction and clean production are incorporated into all of the Company’s operations, and the Company actively promotes various measures to realize this goal. We have continued to realize Unimicron’s commitment towards environmental sustainability based on the "Unimicron Environmental Sustainability Development Blueprint" along with each plant’s actual conduct in the year. As the Company has an environmental management system with clear duties and responsibilities and strong execution, it can thoroughly consider the environmental impacts and risks that may be caused by production activities, design accordingly to unreasonable environmental management into daily operational activities, and reduce execution risk through standardization. There were no major environmental violations in 2020 (both a few of more than NT$ 1 million). There were 2 incidents that were not major violations, and after review and confirmation, all deficiencies have been corrected and there is no danger of another violation. Regarding the channels for complaints and suggestions related to environmental issues, stakeholders could report through the CSR website contacts, CSR@unimicron.com.

3.1 Implementing the TCFD Recommendations

3.1.1 Core Framework

The Financial Stability Board (FSB) established Task Force on Climate-Related Financial Disclosures (TCFD) The climate-related risks and opportunities have become the most important sustainability issues to Unimicron, so we should assess and manage the combination of operation strategies instead of only focus on the scope of identification. In the past, the capital market only focused on economic indicators, but now more information is used as a reference for investment decisions. For pursuing a clear and efficient platform for negotiation with stakeholders by TCFD framework. TCFD concerns that transition and physical risks may affect demand for products and services and have been corrected and there is no danger of another violation. Regarding the channels for complaints and suggestions related to environmental issues, stakeholders could report through the CSR website contacts, CSR@unimicron.com.

3.1.2 Risk and Opportunity Identification

The relevant departments in the Corporate Sustainability Committee identify and analyze the potential climate change risks and opportunities within their business areas. Based on the occurrence probability (7 levels) and severity (5 levels) of each risk and opportunity, the matrix is drawn to capture significant risks and opportunities, and management methods are developed to reduce, avoid or transfer potential impacts.
3.2 GHG Emission

The 2020 annual GHG inventory is conducted following the ISO 14064-1:2018 standards. The boundary includes all plants in Taiwan and Mainland China, and the base year varies with the characteristics of each plant. The total emissions of Scope 1 and 2 in 2020 were 963,938 tons of CO2, an increase of 1.5% compared to 2019. There is an increase of 1.3% shown by the calculation of the intensity value per million revenue. The main reason for the increase in carbon emissions and intensity is that Unimicron (Huangshi) in Mainland China began to collect GHG data by the expansion of the inventory boundary in 2020. To reduce GHG emissions caused by direct energy use, Lushan II Plant and Qianfeng Dechang Plant in Taiwan have changed the boiler oil system to natural gas fuel.

3.2.1 Inventory and Reduction

GHG Emissions and Intensity

<table>
<thead>
<tr>
<th>Scope</th>
<th>Unit</th>
<th>Area</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tonne of CO₂ equivalent</td>
<td>Taiwan</td>
<td>28,920</td>
<td>25,030</td>
<td>23,612</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainland China</td>
<td>33,165</td>
<td>30,156</td>
<td>28,931</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>62,085</td>
<td>55,186</td>
<td>52,543</td>
</tr>
<tr>
<td>2</td>
<td>Tonne of CO₂ equivalent</td>
<td>Taiwan</td>
<td>9,900</td>
<td>9,900</td>
<td>9,900</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainland China</td>
<td>9,900</td>
<td>9,900</td>
<td>9,900</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>19,800</td>
<td>19,800</td>
<td>19,800</td>
</tr>
<tr>
<td>3</td>
<td>Tonne of CO₂ equivalent</td>
<td>Taiwan</td>
<td>12,768</td>
<td>11,580</td>
<td>10,785</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainland China</td>
<td>12,768</td>
<td>11,580</td>
<td>10,785</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>25,536</td>
<td>23,160</td>
<td>21,570</td>
</tr>
</tbody>
</table>

Note 1: The above data does not include QunHong Technology Inc. and Qunfeng Dechang Plant in Taiwan.

Note 2: The 2019 data of emission, reduction and total in Mainland China is revised.

Note 3: Scope 1 is the use of electricity, and the emission factor in Taiwan is 0.528 t CO₂e/kWh (2016), 0.529 t CO₂e/kWh (2017), 0.554 t CO₂e/kWh (2018) and 0.533 t CO₂e/kWh (2019) and 0.509 t CO₂e/kWh (2020). Due to the changes in the scope of the Scope 1 inventory, the emissions have increased significantly.

3.2.1.3 Transition on Scenario Analysis and Financial Implications

Based on the results of the carbon scenario sensitivity analysis, Unimicron can choose different emission scenarios, the 1.5°C NDC and BAU, to make pragmatic assumptions and financial impact estimates for the transition and physical risks. Among them, 1.5°C and NDC are the scenarios with a higher transition risk, so the risk factors are assumed to include carbon tax, total control and carbon penalty, and market. In the high-temperature scenario of BAU, we make simulations with the changes of temperature and rainfall. In the simulations of all scenarios, the financial impacts are mainly in the form of cost increase and revenue decrease; the financial impact is the highest in the lowest temperature of the 1.5°C scenario, and the financial impact is the lowest in the BAU scenario.

Note 1: The above data does not include QunHong Technology Inc. and Qunfeng Dechang Plant in Taiwan.

Note 2: The 2019 data of emission, reduction and total in Mainland China is revised.

Note 3: Scope 1 is the use of electricity, and the emission factor in Taiwan is 0.528 t CO₂e/kWh (2016), 0.529 t CO₂e/kWh (2017), 0.554 t CO₂e/kWh (2018) and 0.533 t CO₂e/kWh (2019) and 0.509 t CO₂e/kWh (2020). Due to the changes in the scope of the Scope 1 inventory, the emissions have increased significantly.

Base Year of GHG Emissions for Each Plant

<table>
<thead>
<tr>
<th>Area</th>
<th>Plants</th>
<th>Base year</th>
<th>Emissions (tonne of CO₂ equivalent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taiwan</td>
<td>Lithonia</td>
<td>2020</td>
<td>896,162</td>
</tr>
<tr>
<td></td>
<td>Lenovo</td>
<td>2018</td>
<td>73,975</td>
</tr>
<tr>
<td></td>
<td>Qualcomm Technology Inc.</td>
<td>2019</td>
<td>127,455</td>
</tr>
<tr>
<td>Mainland China</td>
<td>Lenovo</td>
<td>2019</td>
<td>171,015</td>
</tr>
<tr>
<td></td>
<td>Lenovo (Shanghai)</td>
<td>2020</td>
<td>222,689</td>
</tr>
<tr>
<td></td>
<td>Lenovo (Foshan)</td>
<td>2020</td>
<td>210,476</td>
</tr>
<tr>
<td></td>
<td>Lenovo (Huangshi)</td>
<td>2019</td>
<td>45,465</td>
</tr>
</tbody>
</table>

Note 1: Due to the changes in the scope of the Scope 1 inventory, emissions have increased significantly.
3.3 Energy and Resource Consumption

3.3.1 Raw Materials

Unimicron always aims to provide high-quality and environmentally friendly products to our customers around the world. Our procurement philosophy for raw materials is mainly based on environmental friendliness. The three major raw materials used for product production are substrates, potassium gold cyanide, and film. The usage in 2020 was about 9.042 million square meters (19.24 square meters, 2.5 kg and 170,000 rolls/5,594 Ml, respectively. There are 100% virgin materials, and no recycled materials are used. At the same time, we also promote the recycling of packaging materials. For the types used when the Carrier is shipped, we will give priority to the purchase for repeated use, and after shipping to customers, trays will be recycled by Unimicron’s supplier for reuse. In 2020, the purchased quantity of recycled trays accounted for approximately 55% of the total purchased trays.

3.3.2 Participation in Carbon Trading

Shenzhen City, Mainland China, took the lead in launching carbon emissions trading in June 2013. For companies included in the key energy consumption statistics (monthly emissions> 10,000 tons of carbon emissions, Unimicron (Shenzhen) has an average of 15,000 tons/month in 10-12 years) must conduct compulsory carbon emissions trading (i.e., emission control units). Therefore, Unimicron (Shenzhen) began to join the Shenzhen carbon trading mechanism in 2014. As of 2019, the cumulative carbon emissions were approximately 728,000 tons. Based on industrial scale, for Shenzhen, the fuel use in 2019 was about 49,300 tons, and the total cumulative quota was about 879,800 tons from 2014 to 2019. After offset, there is still a balance of 161,200 tons, which is temporarily retained without trading. Since 2016, Unimicron (Shenzhen) began to focus on the Shenzhen carbon trading mechanism. Since 2014, the Group has gradually changed the fuel of boilers from diesel to cleaner natural gas. As of 2020, energy consumption was the highest in natural gas that is used for heating equipment in boiler equipment and kitchen, and the indirect energy consumption is the highest in purchased power. Starting from 2019, the plant's liquefied petroleum gas used for kitchen has been replaced by electricity in Mainland China. Since 2014, the Group has gradually changed the fuel of boilers from diesel to cleaner natural gas. As of 2020, the total consumption of diesel fuel has been reduced by 75% compared with 2014. The total consumption of electricity is 17.68 kWh/million dollars, and the consumption intensity is 0.68 X 10$^9$ kWh/million dollars/million revenue. Among them, the direct energy consumption was the highest in the natural gas that is used for heating equipment in boiler equipment and kitchen, and the indirect energy consumption is the highest in purchased power. Starting from 2019, the plant’s liquefied petroleum gas used for kitchen has been replaced by electricity in Mainland China. Since 2014, the Group has gradually changed the fuel of boilers from diesel to cleaner natural gas. As of 2020, the total consumption of diesel fuel has been reduced by 75% compared with 2014. The total consumption of electricity is 17.68 kWh/million dollars, and has been reduced by 0.1% compared with 2019.

3.3.3 Energy Management

The fossil fuel used by Unimicron in 2020 includes gasoline (0.0024 X 10$^9$ million joules), diesel fuel (0.0166 X 10$^9$ million joules), and natural gas (0.0006 X 10$^9$ million joules), and indirect energy is electricity (5.8 X 10$^9$ million joules). The total energy consumption is 6.0 X 10$^9$ million joules, and the consumption intensity is 0.68 X 10$^9$ million joules/million revenue. Among them, the direct energy consumption was the highest in the natural gas that is used for heating equipment in boiler equipment and kitchen, and the indirect energy consumption is the highest in purchased power. Starting from 2019, the plant’s liquefied petroleum gas used for kitchen has been replaced by electricity in Mainland China. Since 2014, the Group has gradually changed the fuel of boilers from diesel to cleaner natural gas. As of 2020, the total consumption of diesel fuel has been reduced by 75% compared with 2014. The total consumption of electricity is 17.68 kWh/million dollars, and has been reduced by 0.1% compared with 2019.
### 3.3.3 Water Resources Management

Limited by the industry’s characteristics of relying on stable water resources, water source and volume have become one of the most important keys to the continued operation of Unimicron. There are significant differences in rainfall and flow volume in the current high water period and low-water period in Taiwan, and many meteorological and hydrological extremes have occurred. In response to the risk of a water shortage caused by Taiwan’s topography and climate change, the use and retention of water resources had been evaluated at the initial stage of establishing each of Unimicron facilities. Storage tanks have been set up, and the water storage capacity of each regional reservoir and the water consumption status of each plant are monitored and managed in normal times to ensure that the plant does not have an immediate-water shortage crisis due to lack of water resources, and the ability to withstand water shortages is improved. To effectively manage the use of water resources, mitigate impacts to environmental ecology and continuously enhance the water use efficiency, Unimicron implemented the world’s only sustainable water management standards from Alliance for Water Stewardship Standard (AWS) and became the first Taiwanese PCB manufacturer achieving platinum certification according to the evaluation of SGS Taiwan Ltd.

All of Unimicron facilities are not located in areas with frequent water shortages and drought, and the main water source is tap water. Unimicron's Taiwan's facilities still also use well water and rainwater. In 2020, the water consumption of each plant accounts for a small proportion of the water supply in the water intake area, and there is no significant impact on the water intake area (>5%).

#### Water Assessment Results

<table>
<thead>
<tr>
<th>Type</th>
<th>Total</th>
<th>Taiwan</th>
<th>Mainland China</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gasoline KL</td>
<td>2020</td>
<td>302,000</td>
<td>28,620</td>
<td>0</td>
</tr>
<tr>
<td>Diesel fuel KL</td>
<td>2020</td>
<td>3,256,663</td>
<td>1,572,107</td>
<td>0</td>
</tr>
<tr>
<td>Fuel oil KL</td>
<td>2020</td>
<td>1,457,626</td>
<td>728,000</td>
<td>0</td>
</tr>
</tbody>
</table>

#### The Potential Impact of Water Use

1. Increase in quantity of water discharge
2. Heavy metals in the discharged water

#### The Type of Impact

1. Legal compliance
2. Water and soil pollution, biodiversity, and human health
3. Conflict of interest with stakeholders in shared water resources. Water and soil pollution, biodiversity, and human health.

#### Mitigation Measures

1. Obtain discharge permits issued from local governments under the law and complete reporting
2. Implement wastewater treatment and discharge water monitoring management, reducing the impact of pollution in the watershed

#### The downstream manufacturers are packaging plants, which have no impacts of water intake/discharge, and it is judged to have no need for interaction measures.
We cooperate with government policies to regulate water use. Although losses and disasters caused by insufficient water sources or excessive rainfall in the areas where the plants are located seldom occur, we still establish contingency measures for water resources dispatch for drought periods. We actively carry out water resource standardization and management through the tracking of water regime. The emergency response water dispatch team is in charge of water trucks, water tanks, water sources, and other matters regarding water resources dispatching, to ensure uninterrupted operations.

In 2020, the percentage of water resources used in Unimicron’s Taiwan facilities was about 73.3%, while use amounted to 5.2% for the plants in South China and 21.5% for the 4 plants in East and Central China. The total water consumption in 2020 was 20,564,217 m³. The energy intensity rate was extremely low at 0.02%, whereas the total percentage of water consumption from wells and tap water accounted for 25% and 75%, respectively.

The average amount of well water used in the past 5 years is about 5.72 million m³ and the average amount of tap water used in the past 5 years has been maintained at about 13.5 million m³. In 2020, the use of recovered rainwater was about 4,122 m³, which was used to water green areas in substitution of tap water. We hope to save and allocate water by means of rainwater storage and utilization. From the perspective of the total water use intensity per unit of revenue, the trend has been decreasing over the past 5 years. It decreased by 4% in 2020 compared with 2019 and 10% over the past 5 years. The improvement in water efficiency is significant.

Under climate change, climatic characteristics such as temperature and rainfall will change. In addition to increasing temperature, rainfall will also be unevenly distributed in time and space. For example, the increase in rainfall during the high-water period and the decrease in the rainfall during the low-water period have led to a larger monthly difference in river flow, which may further lead to an imbalance in the water supply and demand system. Unimicron continuously improves water-saving technology to increase water efficiency and rainwater recovery storage tanks are installed in each plant to reduce consumption of water resources. In addition, we continuously add water recycling systems to reduce consumption of water resources by recycling low quality water sources produced in various processes and treating to replace water used for industrial production. The recycling rate of water resources in 2020 was 23% (4,708,998 cubic meters), and the average recycling rate in the past five years was 17%.

<table>
<thead>
<tr>
<th>Region</th>
<th>Revenue (NT$ million)</th>
<th>Well water m³</th>
<th>Rainwater m³</th>
<th>Tap water m³</th>
<th>Total m³</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taiwan</td>
<td>2,394 1,741 2,605 2,197 1,322</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mainland China</td>
<td>0 0 0 0 0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>2,394 1,741 2,605 2,197 4,122</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taiwan</td>
<td>5,954,861 5,162,935 5,849,627 6,586,175 5,173,482</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mainland China</td>
<td>0 0 0 0 0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>5,954,861 5,162,935 5,849,627 6,586,175 5,173,482</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note 1: The above data does not include Chung Hsing Plant and Chungyuan Plant in Taiwan.
Note 2: Calculation of rainwater recovery average annual rainfall in each region / cloud mound area.
Note 3: The water sources of the Kunshan and Suzhou plants are Yangcheng Lake and Taihu Lake, and the water sources of the Shenzhen plant are Songgang Wuzhipa Reservoir.
Note 4: Total water consumption = raw water + well water + tap water.
Note 5: The unit of revenue is NT$.
Wastewater Treatment

In 2020, the total wastewater discharge was about 18.96 million metric tons, which is 4% lower than in 2019, and the discharge intensity per unit of revenue was reduced by 2%. In 2020, the wastewater discharges from our plants in Taiwan and Mainland China were 14.59 million metric tons and 4.37 million metric tons respectively, for accounting for 77% and 23% of the total discharge. The wastewater discharge from each of Unimicron facilities is discharged into the designated stream or into the local exclusive sewage treatment plant after being treated by the wastewater treatment facility and confirmed to meet the effluent standards. After treatment, the wastewater from our plants in Taiwan will be legally discharged into the streams and incorporated into the local sewage treatment plants, including Nankan River, Luscit River, Dongmen River, and Zhong River. The wastewaters from our plants in Mainland China are discharged to the local exclusive sewage treatment plants, and after treatment, they are finally legally discharged to Maozhou River, Wusong River, and Taicangtang.

The wastewater discharged from our plants in Taiwan and Mainland China does not pose any threat to local marine ecology or natural water bodies. To confirm the results of wastewater treatment, we actively review and improve the plants’ wastewater pollution prevention system. At present, the discharge levels of our plants in Taiwan and Mainland China are far below the approved standards of local regulations. We take the initiative to publish quarterly third-party testing data of wastewater discharge and explain the wastewater treatment process on the Company’s official website. The wastewater discharge standards in Taiwan have been tightened following future environmental protection laws and regulations. The efficiency of existing wastewater treatment facilities is under evaluation and the current conditions can meet future emission standards. To avoid the impacts of stricter environmental protection laws and regulations, we will continue to invest in efficiency improvement and expansion of wastewater treatment facilities, reduce source pollutants, and develop internal wastewater discharge control standards that are superior to laws and regulations to reduce impacts from environmental pollution, operations, and production.

### Wastewater Discharge Volume and Discharge Intensity

<table>
<thead>
<tr>
<th>Area</th>
<th>Destination of discharge</th>
<th>Unit</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taiwan</td>
<td>Groundwater body + Local sewage treatment plant</td>
<td>m³</td>
<td>8,038,160</td>
<td>12,350,424</td>
<td>11,426,257</td>
<td>14,179,609</td>
<td>14,565,010</td>
</tr>
<tr>
<td>Mainland China</td>
<td>Local sewage / treatment plant</td>
<td>m³</td>
<td>10,835,433</td>
<td>6,558,099</td>
<td>3,825,977</td>
<td>3,897,744</td>
<td>4,571,183</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>18,873,593</td>
<td>18,908,403</td>
<td>15,256,234</td>
<td>18,077,353</td>
<td>19,136,193</td>
</tr>
</tbody>
</table>

### Total wastewater discharge intensity

<table>
<thead>
<tr>
<th>Area</th>
<th>Destination of discharge</th>
<th>Unit</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taiwan</td>
<td>Groundwater body + Local sewage treatment plant</td>
<td>m³/ Million revenue</td>
<td>301</td>
<td>245</td>
<td>201</td>
<td>221</td>
<td>216</td>
</tr>
<tr>
<td>Mainland China</td>
<td>Local sewage / treatment plant</td>
<td>m³/ Million revenue</td>
<td>207</td>
<td>180</td>
<td>195</td>
<td>210</td>
<td>209</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>508</td>
<td>425</td>
<td>396</td>
<td>431</td>
<td>425</td>
</tr>
</tbody>
</table>

Note 1: The above data do not include Dongmen River and Zhong River.
Note 2: The revenue unit is NT$.

3.4 Pollution and Hazardous Substances

3.4.1 Air Pollutant Control

The air pollutants produced in the PCB manufacturing process mainly include acid, alkaline waste gas, and volatile organic waste gas. All of them can be treated by high-efficiency air pollution prevention and treatment equipment so that the pollutant content detected by Unimicron over the years is lower than the government’s environmental protection laws and regulations. The results of the air pollution prevention and control research and development over the years include: certification of the previous stage of the acid scrubber, the removal of sulfuric acid mist can reach 70-90%, and the removal efficiency of hydrogen chloride mist can reach 91-98%; the use of the high vapor pressure of organic waste gas and the low vapor pressure of sulfuric acid mist to effectively supplement the organic waste gas, the removal efficiency of natural gas to replace diesel fuel in the Lushan II Plant and Qingyuan Daching Plant in Taiwan, the emission of sulfur oxides was effectively reduced by 78% in 2020 compared with 2018.

We changed calculation method of emission at the request of the local environmental protection agency, resulting in an increase of volatile organic compounds by 150% and NOx by 76% compared to the previous year. The total air pollution emission intensity per unit of revenue in 2020 was 2.83 kg/million revenue on average, an increase of 93% from the previous year’s revenue.
The waste produced is divided into two categories: general industrial waste and hazardous industrial waste. In 2020, the output of general industrial waste was approximately 40,000 tons, an increase of 8.3% over 2019; the hazardous industrial waste was 76,000 tons, a decrease of approximately 6.9% over 2019. In terms of total waste output intensity per unit of revenue, it was 1.31 metric tons/million revenue in 2020, which was 0.8% higher than that of 1.30 metric tons/million revenue in 2019. The output intensity in the past 5 years is decreased by 9%.

Since solid waste and high-concentration waste liquid will be generated during the manufacturing process of PCBs, improper handling will cause harm to the environment. Therefore, we pay great attention to the operation of the waste management system inside and outside the plants, as well as the storage, removal and disposal of waste, and carefully prevent pollution and harm. Especially in waste management, we screened qualified firms, have a strict firm review, and audit mechanism in place for the commissioned firms. Internally, we reduce the waste of raw materials in the process to conduct source reduction. Since Unimicron is not the manufacturer of end products, it is not easy to track the final disposal methods or the recycling status of the products used, so we cannot quantify the relevant data.

### 3.4.2 Waste Output and Reduction

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-category</th>
<th>Unit</th>
<th>Area</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>General business waste</td>
<td>Reusable</td>
<td>Ton</td>
<td>Taiwan</td>
<td>18,739</td>
<td>19,316</td>
<td>19,679</td>
<td>21,890</td>
<td>20,768</td>
</tr>
<tr>
<td></td>
<td>Non-reusable</td>
<td></td>
<td>Mainland China</td>
<td>19,938</td>
<td>15,897</td>
<td>9,595</td>
<td>9,089</td>
<td>9,089</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>38,677</td>
<td>35,213</td>
<td>29,274</td>
<td>30,979</td>
<td>30,857</td>
</tr>
<tr>
<td>Hazardous business waste</td>
<td>Reusable</td>
<td>Ton</td>
<td>Taiwan</td>
<td>15,542</td>
<td>15,988</td>
<td>14,729</td>
<td>15,469</td>
<td>22,088</td>
</tr>
<tr>
<td></td>
<td>Non-reusable</td>
<td></td>
<td>Mainland China</td>
<td>513</td>
<td>412</td>
<td>1,286</td>
<td>659</td>
<td>629</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>15,693</td>
<td>16,399</td>
<td>15,912</td>
<td>16,128</td>
<td>22,717</td>
</tr>
<tr>
<td>General + Hazardous</td>
<td>Reusable</td>
<td>Ton</td>
<td>Taiwan and Mainland China</td>
<td>37,237</td>
<td>38,395</td>
<td>30,908</td>
<td>35,039</td>
<td>52,806</td>
</tr>
<tr>
<td></td>
<td>Non-reusable</td>
<td></td>
<td></td>
<td>5,500</td>
<td>4,608</td>
<td>7,018</td>
<td>5,930</td>
<td>5,649</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>42,737</td>
<td>43,003</td>
<td>38,026</td>
<td>40,969</td>
<td>58,455</td>
</tr>
<tr>
<td>Total waste output intensity</td>
<td>Reusable</td>
<td>Ton</td>
<td>Taiwan and Mainland China</td>
<td>42,737</td>
<td>43,003</td>
<td>38,026</td>
<td>40,969</td>
<td>58,455</td>
</tr>
<tr>
<td></td>
<td>Non-reusable</td>
<td></td>
<td></td>
<td>5,500</td>
<td>4,608</td>
<td>7,018</td>
<td>5,930</td>
<td>5,649</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>48,237</td>
<td>47,611</td>
<td>45,044</td>
<td>46,899</td>
<td>64,104</td>
</tr>
</tbody>
</table>

**Note:**
- The disposal methods for the non-reusable are incineration or landfill.
- The revenue unit is NT$.
- The above data does not include Chungyuan and Chung Hsing Plant.

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**Table 1:** Waste Output and Intensity

**Table 2:** Waste Output by Category and Area

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**GRI Standards Comparison Table**

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**Letter from the Chairman**

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**About Unimicron**

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**Special Report**

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**Solid Corporate Governance**

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**Innovative Capability**

---

**Green Future**

---

**Inclusive Workplace**

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**Wonderful Society**

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**Annex**

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**Unimicron 2020 Corporate Social Responsibility Report**
Unimicron 2020 Corporate Social Responsibility Report

Chapter 4 Inclusive Workplace

4.1 Talent Recruitment and Retention

Unimicron adheres to the principles of fairness and diversified employment. In terms of recruitment, employment, evaluation, and promotion, employees of different age, gender, race, religion, political views, marital status, labor union affiliation, and backgrounds are treated fairly and equally, where the only considerations are finding the appropriate candidate for the appropriate position, and creating fair and competitive opportunities for employees of different age, gender, race, religion, political views, marital status, labor union affiliation, and backgrounds.

Employment Status

<table>
<thead>
<tr>
<th>Category/Age Region</th>
<th>China</th>
<th>Taiwan</th>
<th>Mainland China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees</td>
<td>Male</td>
<td>Female</td>
<td>Total</td>
</tr>
<tr>
<td>Direct Labor</td>
<td>9772</td>
<td>7220</td>
<td>17102</td>
</tr>
<tr>
<td>Indirect Labor</td>
<td>2750</td>
<td>1509</td>
<td>4056</td>
</tr>
<tr>
<td>Fixed-term contract employees</td>
<td>Foreign employees</td>
<td>1402</td>
<td>1397</td>
</tr>
<tr>
<td>Flexi-term contract employees</td>
<td>Student Interns</td>
<td>85</td>
<td>29</td>
</tr>
</tbody>
</table>

Unimicron strives to ensure that employees are treated fairly and equally, where the only considerations are finding the appropriate candidate for the appropriate position, and creating fair and competitive opportunities for employees of different age, gender, race, religion, political views, marital status, labor union affiliation, and backgrounds. Unimicron is committed to promoting employees' sports atmosphere. Through such measures as holding road running races, three-on-three basketball games, badminton games, physical fitness courses, establishing sports clubs, setting up gyms and sports fields, etc., it establishes employees' sports atmosphere and habits. In addition, Unimicron has won the "2020 Exercise Enterprise Certification" on November 12th from the Sports Department at the Ministry of Education. The Company attaches great importance to the physical and mental health of employees, actively realizes the CSR of caring for employees, and promotes various physical and mental health plans, including various sports events, health topic lectures, stress relief and psychological counseling measures. Physical and mental happiness are the goals of Unimicron to the health promotion activities. In addition to the fitness center, the gym has all kinds of fitness and weight training equipment, and is equipped with table tennis, billiards, badminton and basketball courts. Hence, employees can store work energy while decompressing. Moreover, they improve their healthy lifestyle, promote employee communication, adjust the body, and mind which would create a wonderful life.

In the future, we will continue to hold diversified sports activities and lectures, encourage the establishment and subsidies of sports clubs. In addition, we will improve the health and vitality of employees, and reflect the DHCAS workplace.

Unimicron has the "2020 Exercise Enterprise Certification".
In the terms of the management of departing employees, after the employee requests to resign, the relevant supervisor shall immediately interview the employee, and the Human Resources Department will conduct a one-on-one interview to understand the reasons for the employee's departure, and make work adjustments on case as needed. If the Company has major operational changes, the advance notice shall be given in accordance with the labor laws and regulations. Unimicron facilities comply with the "Labor Standards Act" and notice should be given 30 to 90 days in advance based on length of service in Taiwan, whereas notice should be given 30 days in advance in Mainland China in accordance with the "Labor Contract Law".

### Employee Turnover Statistics

#### 2018 Turnover Statistics

<table>
<thead>
<tr>
<th>Year</th>
<th>Taiwan</th>
<th>Mainland China</th>
<th>Taiwan</th>
<th>Mainland China</th>
<th>Taiwan</th>
<th>Mainland China</th>
</tr>
</thead>
<tbody>
<tr>
<td>New hires</td>
<td>1,439</td>
<td>2,070</td>
<td>1,438</td>
<td>1,920</td>
<td>1,438</td>
<td>1,920</td>
</tr>
<tr>
<td>Current employees</td>
<td>1,016</td>
<td>1,350</td>
<td>1,016</td>
<td>1,350</td>
<td>1,016</td>
<td>1,350</td>
</tr>
<tr>
<td>Number of new hires (out of all entry-level supervisors)</td>
<td>24</td>
<td>19</td>
<td>24</td>
<td>19</td>
<td>24</td>
<td>19</td>
</tr>
<tr>
<td>Number of current employees (out of all executive supervisors)</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Number of local residents as senior executives</td>
<td>75</td>
<td>74</td>
<td>75</td>
<td>74</td>
<td>75</td>
<td>74</td>
</tr>
</tbody>
</table>

#### 2020 Turnover Statistics

<table>
<thead>
<tr>
<th>Year</th>
<th>Taiwan</th>
<th>Mainland China</th>
<th>Taiwan</th>
<th>Mainland China</th>
<th>Taiwan</th>
<th>Mainland China</th>
</tr>
</thead>
<tbody>
<tr>
<td>New hires</td>
<td>1,439</td>
<td>2,070</td>
<td>1,438</td>
<td>1,920</td>
<td>1,438</td>
<td>1,920</td>
</tr>
<tr>
<td>Current employees</td>
<td>1,016</td>
<td>1,350</td>
<td>1,016</td>
<td>1,350</td>
<td>1,016</td>
<td>1,350</td>
</tr>
<tr>
<td>Number of new hires (out of all entry-level supervisors)</td>
<td>24</td>
<td>19</td>
<td>24</td>
<td>19</td>
<td>24</td>
<td>19</td>
</tr>
<tr>
<td>Number of current employees (out of all executive supervisors)</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Number of local residents as senior executives</td>
<td>75</td>
<td>74</td>
<td>75</td>
<td>74</td>
<td>75</td>
<td>74</td>
</tr>
</tbody>
</table>

Unimicron has a comprehensive recruitment standard mechanism that combined campus recruitment channels, continuous recruitment talent, and rejected continuous momentum to offer students good opportunities and implement ECG.

### Main Talent Recruitment Channel
- Campus recruitment
- Industry-university cooperation
- Summer internship opportunities
- Industry-university cooperation

For new recruits, Unimicron has counselors to provide work and technical assistance, and through various methods to help newcomers integrate and adapt to the new environment faster.

- Regularly talk to new recruits to understand their adaptation to the environment.
- Assist in completing professional certifications such as license identification, etc.
- Discover new employees' learning problems, react, and communicate with them.

Note 1: Senior executives refer to the Senior Manager level (inclusive) or higher employees. Local residents refer to nationals of the plant locations.

Note 2: In 2019, the number of local residents as senior executives in Mainland China was wrongly placed, and the number was corrected to 3, and the proportion (%) was 7.32.
Unimicron's Taiwan

Achievement Bonus

Unimicron's Taiwan

Ratio (%)

Retention Strategies

Optimize Compensation, Competitiveness, and Secure the Retention of Outstanding Talents

• Compensation adjustment due to excellent performance
• Retention bonus

Strengthen the Rotation Mechanism and Cultivate T-Shaped Talents

T-shaped talents represent the width of their knowledge and depth of technique and know-how. The combination of the two accounts for deeper professional understanding, a broader knowledge base, and cross-disciplinary abilities

Mutual Benefits of Cooperation between Schools and Employers

In 2020, Unimicron cooperated with 10 schools in total, with 207 students. In the future, Unimicron will uphold the spirit of CSR, continue to develop cooperation with schools, recruit outstanding talents, and create a win-win.

Industry-University Cooperation Benefits

Benefits for Unimicron

• Industry-university cooperation provides an excellent medium that Unimicron has a stable human source

• Give students good learning opportunities, reduce the gap between industry-university, and improve training efficiency

Benefits for Student

• We provide a good workplace to the students for the learning environment and full care measures such as safe and convenient accommodation, counselors for work and life, consultation interviews, and internship opportunities.

• Students can get work experience early to improve their work competences

4.1.3 Compensation and Benefits

To attract more talents, Unimicron sets incentive systems to attract and retain outstanding employees. The Company conducts performance evaluations on all employees every year as a reference for compensation adjustment and promotion. We also participate in external compensation and benefits surveys every year to regularly review the relation between compensation/benefit measures and the market, and adjust employees’ salaries promptly to let more talented employees create value for Unimicron.

Compensation Performance Links

Unimicron’s salary level is based on employees’ professional knowledge and skills, job mastery, academic background, work experience, and individual performance, all combined with the Company’s operating objectives to determine their overall compensation. There is no difference in salary regardless of gender, race, religion, political views, marital status, etc. To promote cohesion of the Company, in addition to the basic salary and annual salary adjustment, Unimicron also flexibly adjusts salaries according to the Company’s current operating conditions to improve morale and encourage outstanding employees. To improve employees’ work performance, understand the capabilities, and work adaptability of the organization’s members, we perform two employee performance assessments every year, on that supervisors can effectively feedback to subordinates through objective evaluations and continue to teach subordinates to improve their work capability, to achieve the department’s goal and the Company’s overall goal.

Retention Plan

Retention Strategies

Performance Management

Compensation

Unimicron-FPC (Kunshan)

District/Regional

1.07

1

1.07

1

Note 1: For the basic compensation, excluding the variable salary; performance-related compensation, in the total annual compensation. Statutory benefits may not include expenses because the senior executives (Vice President level or higher) of the Mainland China Facilities are all male Taiwanese.

Note 2: Because there are no exact data of the above position level and only a salary structure in Taiwan, there is no discrepancy in compensation.

Initial Salary for Entry-level Personnel to Local Initial Salaries

<table>
<thead>
<tr>
<th>Area</th>
<th>Ratio of basic starting salary for Unimicron’s general employee to local initial salary data</th>
<th>Local initial salary data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taiwan Facilities</td>
<td>1.03</td>
<td>1</td>
</tr>
<tr>
<td>Southern China-FPC</td>
<td>1.05</td>
<td>1</td>
</tr>
<tr>
<td>Southern China-FPC (Kunshan)</td>
<td>1.03</td>
<td>1</td>
</tr>
<tr>
<td>Southern China-FPC (Guangdong)</td>
<td>1.09</td>
<td>1</td>
</tr>
<tr>
<td>Southern China-FPC (Hunan)</td>
<td>1.18</td>
<td>1</td>
</tr>
<tr>
<td>Southern China-FPC (Hong Kong)</td>
<td>1.37</td>
<td>1</td>
</tr>
</tbody>
</table>
| Note 1: The basic salary includes the base salary and other allowances, excluding overtime pay. Note 2: Total full-time employees’ average monthly gross wages are approximately RMB 7,217 in China-Shenzhen facilities and RMB 6,698 in Unimicron Shanghai facilities.

Note: Not include Employee Technology Inc.
Employee Benefits

Unimicron attaches great importance to the physical and mental balance of employees. In the workplace, varieties of welfare systems are planned. In addition to providing various insurance benefits and pension fund contributions following local laws and regulations, it also provides group insurance that is superior to that required by law to ensure the safety of employees at work and life, and dependents can be included in the plan at their own expense. Unimicron also values employees’ leisure life, and regularly organizes parties and family day activities to promote parent-child interactions between families and enhance employee morale.

Unimicron has, according to the statutory pension system, set aside pensions for each employee, and 100% of employees participate in the pension plan. According to the “Labor Standards Act” and the “Labor Pension Act” in Taiwan, employees who joined the Company before June 30, 2005 (inclusive) are entitled to the old pension seniority system. Unimicron deposits the escrow amount as stipulated by relevant laws and regulations, and commissions actuaries at the end of each year to conduct calculations and ensure that the retirement reserve appropriated is enough to satisfy and safeguard the rights and benefits of the employees’ future pensions.

Benefit Measures Provided by Unimicron

- **Established lactation room for female staff**
- **Birthday gift vouchers and subsidies for weddings and funerals provided by the Employee Welfare Committee**
- **Monthly meal allowance for employees’ restaurant**
- **Family day year-end party**
- **Pension contribution**

Unimicron attaches great importance to the physical and mental balance of employees. In the workplace, varieties of welfare systems are planned. In addition to providing various insurance benefits and pension fund contributions following local laws and regulations, it also provides group insurance that is superior to that required by law to ensure the safety of employees at work and life, and dependents can be included in the plan at their own expense. Unimicron also values employees’ leisure life, and regularly organizes parties and family day activities to promote parent-child interactions between families and enhance employee morale.

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### Statistics on Parental Leave in Taiwan

<table>
<thead>
<tr>
<th>Item</th>
<th>Gender</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of applicants qualified for parental leave (A)</td>
<td>710</td>
<td>464</td>
<td>508</td>
<td></td>
</tr>
<tr>
<td>Actual number of applicants (B)</td>
<td>486</td>
<td>333</td>
<td>378</td>
<td></td>
</tr>
<tr>
<td>Application rate (B/A)</td>
<td>1,195</td>
<td>707</td>
<td>886</td>
<td></td>
</tr>
<tr>
<td>Number of applicants qualified for reinstatement (C)</td>
<td>32</td>
<td>48</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>Reinstatement rate (C/B)</td>
<td>99</td>
<td>108</td>
<td>93</td>
<td></td>
</tr>
<tr>
<td>Number of reinstatements (D)</td>
<td>131</td>
<td>156</td>
<td>114</td>
<td></td>
</tr>
<tr>
<td>Retraction rate (D/C)</td>
<td>4.51%</td>
<td>10.34%</td>
<td>4.31%</td>
<td></td>
</tr>
<tr>
<td>Number of reinstatements in the previous year (E)</td>
<td>20.37%</td>
<td>32.43%</td>
<td>24.90%</td>
<td></td>
</tr>
<tr>
<td>Reinstatement rate (F/C)</td>
<td>10.96%</td>
<td>19.57%</td>
<td>12.87%</td>
<td></td>
</tr>
<tr>
<td>Number of reinstatements in the previous year (E)</td>
<td>124</td>
<td>100</td>
<td>87</td>
<td></td>
</tr>
<tr>
<td>Reinstatement rate (F/C)</td>
<td>79%</td>
<td>52.27%</td>
<td>73.68%</td>
<td></td>
</tr>
<tr>
<td>Number of reinstatements in the previous year (E)</td>
<td>115</td>
<td>144</td>
<td>106</td>
<td></td>
</tr>
<tr>
<td>Reinstatement rate (F/C)</td>
<td>68.55%</td>
<td>69.00%</td>
<td>67.82%</td>
<td></td>
</tr>
<tr>
<td>Number of people reinstated for one year in the previous year (F)</td>
<td>109</td>
<td>92</td>
<td>73</td>
<td></td>
</tr>
<tr>
<td>Retraction rate (G/F)</td>
<td>79%</td>
<td>52.27%</td>
<td>73.68%</td>
<td></td>
</tr>
<tr>
<td>Number of people reinstated for one year in the previous year (F)</td>
<td>75</td>
<td>18</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Retraction rate (G/F)</td>
<td>79.78%</td>
<td>80.73%</td>
<td>86.41%</td>
<td></td>
</tr>
<tr>
<td>Number of people reinstated for one year in the previous year (F)</td>
<td>115</td>
<td>144</td>
<td>106</td>
<td></td>
</tr>
<tr>
<td>Retraction rate (G/F)</td>
<td>78.13%</td>
<td>75.00%</td>
<td>78.76%</td>
<td></td>
</tr>
<tr>
<td>Number of people reinstated for one year in the previous year (F)</td>
<td>36</td>
<td>85</td>
<td>89</td>
<td></td>
</tr>
<tr>
<td>Retraction rate (G/F)</td>
<td>71.71%</td>
<td>71.28%</td>
<td>66.54%</td>
<td></td>
</tr>
<tr>
<td>Number of people reinstated for one year in the previous year (F)</td>
<td>71</td>
<td>109</td>
<td>92</td>
<td></td>
</tr>
<tr>
<td>Retraction rate (G/F)</td>
<td>79%</td>
<td>52.27%</td>
<td>73.68%</td>
<td></td>
</tr>
</tbody>
</table>

**Note 1:** Mainland China does not implement the system of parental leave without pay, so it is not included in the statistics.

**Note 2:** The number of applicants qualified for parental leave is estimated based on the number of maternity/paternity leave applications made within the past 3 years.
4.2 Human Rights and Labor Relations

To establish a culture of equality, tolerance, and open communication, Unimicron will continue to adhere to a fair and respectful attitude to implement labor policies and their spirit. We will also conduct relevant training to ensure respect for human rights.

4.2.1 Human Rights Management

Unimicron believes that every person should be treated fairly and with respect and has publicly pledged its support for the “UN Guiding Principles on Business and Human Rights,” the “ILO Declaration on Fundamental Principles and Rights at Work,” “UN Universal Declaration of Human Rights” and “Responsible Business Alliance” to establish relevant regulations.

Human Rights Related Training

<table>
<thead>
<tr>
<th>Course Title</th>
<th>Participants</th>
<th>Number of employees (must be trained in person)</th>
<th>Number of employees licensed</th>
<th>Training (hr)</th>
<th>Total hours (hr)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sexual Harassment Prevention Act</td>
<td>36,175</td>
<td>16,193</td>
<td>18,982</td>
<td>19,760</td>
<td></td>
</tr>
</tbody>
</table>

Note 1: There are 21,951 employees in Taiwan and 14,264 employees in Mainland China.

Note 2: The above courses have been planned among the newcomer training course to implement the training mechanism and increase the training rate. Some of our employees who are dispatched overseas and senior executives have not been trained. We also encourage training opportunities for our dispatched employees for advancing towards the goal of achieving 100% training rate.

4.2.2 Employee Responsibilities and Communications

Unimicron values its communication with employees and provides diverse communication channels for all employees so that they can give feedback or consult at any time. We also provide an exclusive e-mail address for anonymous appeals and complaints to assist employees in solving a wide range of problems and provide comprehensive assistance.

<table>
<thead>
<tr>
<th>Employees Feedback in 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit</td>
</tr>
<tr>
<td>Taiwan</td>
</tr>
<tr>
<td>Mainland China</td>
</tr>
</tbody>
</table>

Inclusive Workplace

4.1 Talent Recruitment and Retention
4.2 Human Rights and Labor Relations
4.3 Occupational Development and Training
4.4 Occupational Safety and Health

Wonderful Society

5.1 Social Value
5.2 Social Participation

Annex

About This Report
GRI Standards Comparison Table
SASB Index
Assurance Statement

Chapter 4 Inclusive Workplace
4.3 Occupational Development and Training

4.3.1 Talent Cultivation

According to the needs of new employees, general employees, and management positions, Unimicron’s educational training system has planned different training courses. In addition to implementing an educational training plan, and based on the needs of operating strategies, we also design leadership and management relevant training for existing and potential leaders. Together with the planning for and execution of the rotation and promotion systems, Unimicron has managed to increase the number of potential talents. Facing the impact of the COVID-19 pandemic, Unimicron continues to stand firm and cultivate professional talents, and to respond immediately by expanding diversified learning methods and actively implementing digital transformation, building organizational strength, and enhancing competitiveness through practical actions.

In terms of the investment in education and training resources in 2020, the total amount of employee training totaled NT$ 12 million. Under the intensive supervisory training, 52.5% of personnel above the manager level are promoted internally, showing Unimicron’s effort in the cultivation of talents.

A Comprehensive System for Employee Orientation Training

For new employees to be familiar with the environment, know their job content, and quickly adapt to the corporate culture, the designated training development unit shall hold regular pre-employment training for new employees, and the training frequency and focus shall be adjusted flexibly according to the actual needs. The pre-employment training is oriented towards six major aspects and amounts to a total of 12 hours.

Besides, we also held a series of courses for new employees, including statistical process control, seven techniques for problem-solving quality methods, certification of professional licenses, and winning teamwork training. By holding dynamic competitions, Unimicron enables employees to understand the Company’s business philosophy, values, and goals, and to further connect their values to the team values.

Table 1: Average training hours per person - training hours/number of employees.

Resource Invested for New Employee Trainings

<table>
<thead>
<tr>
<th>Area</th>
<th>Item</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taiwan</td>
<td>Training cost (NT$)</td>
<td>2,370,000</td>
<td>2,212,853</td>
<td>2,337,356</td>
</tr>
<tr>
<td></td>
<td>Training hours</td>
<td>2,524</td>
<td>2,307</td>
<td>3,593</td>
</tr>
<tr>
<td>Mainland China</td>
<td>Training cost (NT$)</td>
<td>350,000</td>
<td>514,372</td>
<td>1,408,708</td>
</tr>
<tr>
<td></td>
<td>Training hours</td>
<td>41,031</td>
<td>17,184</td>
<td>25,122</td>
</tr>
</tbody>
</table>

Note 1: Some courses include employee pre-employment training, GRI, ISO, and safety career training, the total training hours is excluded from the training cost. Table 3: The cost depends on the number of the courses offered and the training hours, and the number of participants.

Note 2: The number of new employees equals the number of new employees if the data is at the end of the year.
Unimicron plans a comprehensive training system and career orientation, and provides multi-learning channels to give employees the opportunity to participate in cross-disciplinary and cross-technology project cooperation. The Company strengthens employee interaction, and employees can learn from each other through teamwork and brainstorming. A diverse, independent, high-quality learning culture is formed so that employees’ careers and work quality can be continuously improved, each employee is able to perform their duties to the best, and the productivity of individuals and the Company can be enhanced.

We provide complete training resources for both direct and indirect employees, and plan training blueprints for the four major job categories, years of experience, and job functions. In addition to providing key training to employees at all levels according to the training blueprint, we also plan and execute courses across 5G technology fields and smart plants in response to industry needs, cultivating engineers’ capability with new technologies and ensuring effective transfer of knowledge and experience through various learning channels.

In 2020, the average training budget for employees was NT$ 1.45 billion, with an increase of 14.15% compared to the previous year. In 2020, the total number of employees who participated in training was 252,000, with an increase of 5.2% compared to the previous year. Among them, the average training hours per employee was 13 hours, with an increase of 2.2% compared to the previous year. The average training hours per employee in 2020 was higher than the industry average of 10 hours.

The training budget distribution in 2020 was as follows: 30% was used for key training courses, 40% was used for workshops and seminars, 20% was used for internal training, and 10% was used for external training.

It is important to note that Unimicron has implemented a comprehensive training system to ensure the continuous development and improvement of employees. The training system includes both on-the-job training and off-the-job training, providing employees with the necessary skills and knowledge to perform their jobs effectively.

### Function Development Project

The Function Development Project aims to improve the quality of key parts of the company’s products, thus enhancing product quality and competitive advantage. The project is divided into three phases: the first phase focuses on quality improvement, the second phase focuses on process improvement, and the third phase focuses on design improvement. The project has achieved significant results, with over 40% of the company’s products exceeding industry standards in terms of quality and performance.

### International System Certification

Unimicron has implemented a comprehensive training system to ensure the continuous development and improvement of employees. The training system includes both on-the-job training and off-the-job training, providing employees with the necessary skills and knowledge to perform their jobs effectively.
4.4.1 Occupational Safety and Health Management

Creating a safe, healthy, and comfortable workplace is Unimicron’s philosophy when implementing OSH. We consistently invest in relevant resources to promote and conduct various maintenance and activities. We also aim to improve our management systems, in response to the concerns of competent authorities, customers, and employees toward OSH, and actively share our management practices and results with the industry to implement the shared value of OSH. Unimicron was the 2020 National Occupational Safety and Health Award issued by the Ministry of Labor, and Executive President Chia Pin Lee received the award on behalf of the Company.

GRI 4.4

Each plant has successfully obtained the international system certification of OHSAS 18001:2007 Occupational Safety and Health Management System.

Unimicron’s OSH management personnel in each plant are full-time permanent personnel, and all Taiwan factories have established OSH management units and personnel in compliance with “Occupational Safety and Health Act” and relevant regulations; the person in charge of each workplace and supervisors at all levels will directly and supervise the implementation of safety and health management matters according to their responsibilities and powers following the work items planned by the management unit, and coordinate and guide the relevant personnel to implement. All workers in the Company perform related matters following the OSH management standards. The operational scope of Unimicron’s OSH Management System includes production, non-production sites, areas, equipment, and routine and non-routine operation activities in the operation area under the jurisdiction of the Company. It also includes all activities involving off-site units entering the Company’s plants and workplace, facilities and equipment provided by off-site units and operated in the Company, and all activities involving contractors (including catering suppliers and raw material suppliers) entering the jurisdiction of the Company to engage in operational activities.

All personnel responsible for the identification of OSH Hazard and Risk Assessment have taken OSH System training and have passed assessments. When any work activity changes or if abnormalities occur, they should be able to re-execute hazard identification and risk assessments. If risk assessment is classified as an unacceptable OSH risk, (high-high risk) with major negative impacts, there will be an improvement plan based on elimination, replacement, engineering improvement, administrative management, and personal protective equipment to seek the best method of risk reduction and perform continuous improvement.

Unimicron has established the OSH Committee and regularly holds committee meetings to discuss and address OSH-related issues. The OSH Committee members are all employees from different departments such as HR, production, administration, quality assurance, and R&D, covering all personnel and management personnel in the Company. The OSH Committee is superior to regulatory requirements in Taiwan facilities, with an average ratio of 58%. The ratio of the labor representatives, employers, or regulatory authorities.

To avoid work-related incidents, Unimicron continues to implement high-risk work safety assessment and safety evaluation in all facilities, strengthen occupational injury prevention and improvement projects, and educate and strengthen employees’ awareness of self-protection. There are 64 types of specific hazardous occupations, including noise, ionizing radiation, massive heat, and fine dust in Unimicron facilities in Taiwan and Mainland China, and regular specific workplace health checks are carried out every year.

The total number of workdays lost is defined as the number of days in which the worker could not resume work after an occupational injury for more than one day. The total number of days lost does not include the calendar days of the day of the injury and the day of resuming work.

Disabling Injuries Severity Rate (SR) = (Number of disabling injuries × number of workdays lost) × 10

Note: Disabling Injury Rate (IR) is an injury rate that is compared with 1,000 employees (IR = X/1,000, X is the number of disabling injuries total in a year). The disability rate (DR) is the injury rate that is compared with 1,000,000 hours of work (DR = X/1,000,000, X is the number of disabling injuries total in a year).

All employees of the Company are expected to comply with the standards set by the results from the hazard identification and risk assessment process. According to the “Occupational Safety and Health Act”, the Company shall protect workers from abuse that may affect their right to work or promotion during their employment, or protect them from being discriminated against if they report or notify incidents, hazards, risks, or occupational safety and health matters.

To meet the standards set by the results from the hazard identification and risk assessment process, we have developed the OSH risk management plan, which is implemented through various measures, including the establishment of an OSH committee, conducting OSH training, OSH inspections, and implementing corrective and preventive actions.
In 2020, Unimicron had a recordable number of occupational injuries (including work-related injuries, Merbromin, and false alarms) totaling 10,766 cases. The information is based on the severity and frequency of occupational disasters. The OSH of the accidents will be improved and placed under performance review in order of occurrence.

### 2020 The Group’s Recordable Occupational Injury Statistics

<table>
<thead>
<tr>
<th>Category</th>
<th>Area</th>
<th>Work Hours (hrs)</th>
<th>Per susceptible occupational injuries (inc.)</th>
<th>Recordable work-related Injury Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>Total</td>
<td>161,527</td>
<td>0</td>
<td>0.01</td>
</tr>
<tr>
<td></td>
<td>Mainland China</td>
<td>39,818</td>
<td>7,848</td>
<td>0.02</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>75.85%</td>
<td>47.39%</td>
<td>0.02</td>
</tr>
<tr>
<td>Contractors</td>
<td>Total</td>
<td>287</td>
<td>0</td>
<td>0.01</td>
</tr>
<tr>
<td></td>
<td>Mainland China</td>
<td>588,000</td>
<td>0</td>
<td>0.01</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>1,246%</td>
<td>607%</td>
<td>0.01</td>
</tr>
<tr>
<td>Disposal</td>
<td>Total</td>
<td>1,677,752</td>
<td>0</td>
<td>0.01</td>
</tr>
<tr>
<td></td>
<td>Mainland China</td>
<td>6,388</td>
<td>0</td>
<td>0.01</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>21.01%</td>
<td>0%</td>
<td>0.01</td>
</tr>
</tbody>
</table>

Note: Injury rate (%) = Number of recordable work-related injuries/Number of hours worked x 200,000

Unimicron has established a notification, investigation, and improvement process for occupational incidents in accordance with the Occupational Safety Management System. The incident investigation shall include the hazard identification, risk assessment of the incident operation process, and the improvement measures needed for the OSH Management.

### Occupational Safety Training

In 2020, Unimicron held training courses on OSH and work-related safety for employees in all areas. Employee training includes weekly regular training courses, emergency training courses, and training courses and drills according to regulations and emergencies. These courses are designed to improve employees’ awareness of OSH.

### Contractors’ OSH Training

Unimicron encourages all employees to actively participate in the sustainable activities of OSH. Unimicron has one OSH officer in each plant and each unit, with an average of one OSH officer per 56 employees. There were 535 OSH officers in Taiwan facilities and Mainland China facilities in 2020, showing how much we value our OSH culture. To put the culture into practice, OSH officers organize monthly meetings to carry out bilateral communication, promotion and counseling, and promote various OSH activities to strengthen employees’ awareness towards OSH.

Each year we set the annual OSH education and training plans for employees (including contractors). Apart from physical courses, we also provide relevant courses on the e-learning platform, enabling employees to study online at the Unimicron E-College. In addition, to prevent all types of emergency, each plant and unit shall implement emergency drills for disasters such as fire, chemical disaster, occupational disaster, fire safety, and natural disaster (e.g., earthquake and flood) each year, to enhance all staff’s emergency response capability and ensure the stability of operations.

### Emergency Response Drills and Number of Participants

Unimicron training officers convene monthly meetings to carry out bilateral communication, promotion and counseling, and promote various OSH activities to cultivate OSH culture in the workplace. Unimicron encourages all employees to actively participate in the sustainable activities of OSH. Unimicron has one OSH officer in each plant and each unit, with an average of one OSH officer per 56 employees. There were 535 OSH officers in Taiwan facilities and Mainland China facilities in 2020, showing how much we value our OSH culture. To put the culture into practice, OSH officers organize monthly meetings to carry out bilateral communication, promotion and counseling, and promote various OSH activities to strengthen employees’ awareness towards OSH.

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Unimicron has established a notification, investigation, and improvement process for occupational incidents in accordance with the Occupational Safety Management System. The incident investigation shall include the hazard identification, risk assessment of the incident operation process, and the improvement measures needed for the OSH Management.
Unimicron established the “Health Management Center” in 2014 in Taiwan, with the concept that prevention is more important than treatment. Through various health promotion activities and services, it cares for the physical and mental health of each employee and creates a friendly workplace where safe and happy work is done. Since its establishment, we have 65 full-time nurses and it has provided a total of 418,778 services, taking full care of employees' health issues in the workplace and non-workplaces, and promoting their physical and mental health. In addition, we won the “2020 Exercise Promotion Achievement Award” by the Ministry of Labor for our efforts in taking full care of employees' health issues in the workplace and non-workplaces, and in establishing a friendly workplace where safe and happy work is done.

In 2020, Unimicron promoted the “2020 Exercise Promotion Case” to strengthen employees' awareness of health prevention and control, and to encourage employees to take exercise regularly. In the same year, the Company continued to serve as the promotion officer of the North District Promotion Association of TOSHMS, and volunteers for the occupational safety counseling organized by the OSH Administration, Ministry of Labor. Since 2015, Unimicron serves as the convener of the OSH Committee of the TPCA to assist in relevant projects, such as assistance in organizing relevant plans or projects of the PCB industry. In 2020, Unimicron assisted the North District Promotion Association of TOSHMS to compile the “Enterprise Epidemic Prevention Management Case Manual”, and assisted in project execution, observation and implementation of relevant plans or projects of the PCB industry. In 2020, Unimicron assisted the North District Promotion Association of TOSHMS, and volunteers for the occupational safety counseling organized by the OSH Administration, Ministry of Labor.

### Unimicron’s EHS Month

In terms of OSH management, besides our strict internal management, Unimicron also actively participates in OSH activities of external, private organizations to contribute toward the promotion of OSH in the industry. Unimicron is mainly involved in TPCA and the North District Promotion Association of TOSHMS to promote and improve the excellence of the industry’s OSH culture through experience sharing and exchange. In order to improve the domestic occupational safety standards and assist the public sector to promote OSH, since 2015, Unimicron has continued to participate in the SMEs Counseling Volunteer Program of the OSH Administration, Ministry of Labor, to assist the improvement of OSH (including chemical management) and the upgrade of the OSH management systems in small and medium-sized enterprises. In 2020, in cooperation with the Ministry of Labor’s guidance of the SMEs to assist small and medium-sized enterprises to establish occupational safety and health management systems for a total of 8 enterprises. By the end of 2020, Unimicron had invested a total of 13 people in the volunteer counseling project and assisted in 85 counseling visits.

### 2020 EHS Month’s Evaluation Excellent Division

<table>
<thead>
<tr>
<th>Awards</th>
<th>Plants in Taiwan</th>
<th>Indirect unit in Taiwan</th>
<th>Plants in Mainland China</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Distinction</td>
<td>52</td>
<td>Carrier COP</td>
<td>Unimicron (Huanghuai)</td>
</tr>
<tr>
<td>Distinction</td>
<td>HS</td>
<td>Material Management Division</td>
<td>Unimicron (Suhsui)</td>
</tr>
<tr>
<td>Honorable Mention</td>
<td>Lufth Plant</td>
<td>...</td>
<td>...</td>
</tr>
</tbody>
</table>

Active Participation in External Engagement and Experience Sharing

In terms of OSH management, besides our strict internal management, Unimicron also actively participates in OSH activities of external, private organizations to contribute toward the promotion of OSH in the industry. Unimicron is mainly involved in TPCA and the North District Promotion Association of TOSHMS, and volunteers for the occupational safety counseling organized by the OSH Administration, Ministry of Labor. Since 2015, Unimicron serves as the convener of the OSH Committee of the TPCA to assist in relevant projects, such as assistance in organizing relevant plans or projects of the PCB industry. In 2020, Unimicron assisted the North District Promotion Association of TOSHMS to compile the “Enterprise Epidemic Prevention Management Case Manual”, and assisted in project execution, observation and implementation of relevant plans or projects of the PCB industry. In 2020, Unimicron assisted the North District Promotion Association of TOSHMS, and volunteers for the occupational safety counseling organized by the OSH Administration, Ministry of Labor. Since 2015, Unimicron serves as the convener of the OSH Committee of the TPCA to assist in relevant projects, such as assistance in organizing relevant plans or projects of the PCB industry. In 2020, Unimicron assisted the North District Promotion Association of TOSHMS to compile the “Enterprise Epidemic Prevention Management Case Manual”, and assisted in project execution, observation and implementation of relevant plans or projects of the PCB industry. In 2020, Unimicron assisted the North District Promotion Association of TOSHMS, and volunteers for the occupational safety counseling organized by the OSH Administration, Ministry of Labor. Since 2015, Unimicron serves as the convener of the OSH Committee of the TPCA to assist in relevant projects, such as assistance in organizing relevant plans or projects of the PCB industry. In 2020, Unimicron assisted the North District Promotion Association of TOSHMS, and volunteers for the occupational safety counseling organized by the OSH Administration, Ministry of Labor. Since 2015, Unimicron serves as the convener of the OSH Committee of the TPCA to assist in relevant projects, such as assistance in organizing relevant plans or projects of the PCB industry. In 2020, Unimicron assisted the North District Promotion Association of TOSHMS, and volunteers for the occupational safety counseling organized by the OSH Administration, Ministry of Labor.
5.1 Social Value

5.1.1 Pillars of Charity

Responding to Sustainable Development Goals (SDGs), Unimicron adheres to the principle of “taking from society and giving back to society,” with long-term investment, combining internal and external resources of the group and cooperating with stakeholders, to actively promote the three main social welfare pillars of local participation: caring for the disadvantaged, and diversity and equality. The Company hopes to exert positive social influence, drive continuous progress of the society, bring warmth to more people, and earn more positive influence.

<table>
<thead>
<tr>
<th>Pillar</th>
<th>Values</th>
<th>Promotional content</th>
<th>Unimicron’s Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Participation</td>
<td>• Balance the sports atmosphere among the local community</td>
<td>• Support physical education (Outreach community events)</td>
<td>• Support the local teams every year and 2 players’ wages, participate in or sponsor the top of the whole activities and events.</td>
</tr>
<tr>
<td>Local Participation</td>
<td>• Provide education opportunities for disadvantaged students</td>
<td>• Sponsorship to help students, for new year and festivals</td>
<td>• Provide financial support for disadvantaged students to attend school and live.</td>
</tr>
<tr>
<td>Local Participation</td>
<td>• Build the elderly’s and disadvantaged groups in society, to promote charity and equality</td>
<td>• Sponsorship of the Four-Cancer Screening Project</td>
<td>• Promote the elderly’s and disadvantaged groups in society, to sponsor the Four-Cancer Project.</td>
</tr>
</tbody>
</table>

5.1.2 Social Investments

As a member of the global corporate citizens, Unimicron also pursues fulfilling its responsibilities and actively cares for society and contributes while engaging in business operations. Through the spirit of caring and giving back to society, the Company organizes and participates in many activities, puts in resources, provides diverse and equal opportunities, creates opportunities for people in need, and drives continuous progress in society. Starting from its operating base, Unimicron expands the promotion of caring activities across national borders. Whether in the sponsorship of social outreach or the Input of volunteers, Unimicron provides more resources and hopes for local communities and the underprivileged, and infuses positive energy into society.

We have adopted the London Benchmarking Group (LBG) Framework to evaluate the overall status of resources invested that allocative efficiency of resources. In the past three years, Unimicron has invested in society, gradually increase investment in commercial facilitation, to strengthen the connection between operation and resource. In addition, the average percentage of main social investments is 70% by money. We will continually review the resource that input to social with the connection of financial and non-financial information, and fulfill the stakeholder’s expectation of creating shared value.
5.2 Social Participation

Supporting Physical Education

Unimicron actively supports the national sports of baseball. Since 2014, the Company has started to sponsor the Guishan Junior High School baseball team in Taoyuan City, where the Company is located, and promises to donate NT$1.8 million to assist the baseball team in various training tasks for five years (2019-2023). Starting from 2019, we will donate NT$15,000 to 2 students with an excellent academic performance each year as encouragement, looking forward to cultivating more outstanding stars of tomorrow for the country.

Meal Love Delivery Activities

To show the concern for socially vulnerable groups and the poor in Taoyuan County, Unimicron has held “2020 Meal Love Delivery” since June 2020. The Unimicron has cooperated with Zenan Homeless Social Welfare Foundation and An Xin Caring Association to carry out this kind-hearted behavior. Unimicron has prepared numerous of boxed lunch from the own cafeteria and delivered personally to the Foundation and Association by the coworkers from Administration Service Department (ADM). Providing meals with the homeless and social outcasts, Unimicron expects such love delivery can influence other enterprises involving in spreading love and care to the needy people.

Toy Love Delivery Activities

Unimicron has held “2020 Toy Love Delivery” since July 2020. The ADM in Unimicron has cooperated with Taiwan Toy Library Association and Zuntou Elementary School to carry out this kind-hearted behavior, delivering the donation from the colleagues to Zuntou Elementary School personally. In order to make children experience the joy of toys, Unimicron has packed 4 boxes of toys. Unimicron expects such cooperation is able to spread love to every corner from the colleagues. This behavior can not only raise environmental awareness but also share happiness with children.

Diverse Public Welfare

Unimicron has launched the “Unimicron Sunrise Charity Convenience Store” project at the Shanying Plant in 2014. The Sunrise Charity Convenience Store's employees are all from disadvantaged families and people with disabilities assisted by the China Youth Care Association. For the convenience store's operation, Unimicron waives all rents and utility bills, and provides employees with consumption discounts. It also donates all the profits from the convenience store to charity, assisting more people in need and making the cycle of good in the public welfare convenience store uninterrupted. We will continue to invest relevant resources, provide more opportunities to disadvantaged people, and bring more warmth and positive power to society.

<table>
<thead>
<tr>
<th>People assisted by the Sunrise Charity Convenience Store</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single mother</td>
<td>21</td>
<td>29</td>
<td>8</td>
</tr>
<tr>
<td>Disabled</td>
<td>7</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Disadvantaged youth</td>
<td>8</td>
<td>10</td>
<td>9</td>
</tr>
<tr>
<td>Total</td>
<td>36</td>
<td>47</td>
<td>24</td>
</tr>
</tbody>
</table>

Unit: Number of people

Note: 1 CNY=4.428 TWD

GRI Standards Comparison Table

<table>
<thead>
<tr>
<th>Sustainability Accounting Standards Board (SASB) Index</th>
<th>2020</th>
<th>2020</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary amount (NT$)</td>
<td>9%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Cash donation</td>
<td>3,589,813</td>
<td>90%</td>
<td>3,916,807</td>
</tr>
<tr>
<td>Non-cash donation</td>
<td>100,000</td>
<td>5%</td>
<td>282,418</td>
</tr>
<tr>
<td>Tax deduction</td>
<td>80,000</td>
<td>6%</td>
<td>81,716</td>
</tr>
<tr>
<td>Management Fee</td>
<td>718,823</td>
<td>13%</td>
<td>2,938,258</td>
</tr>
<tr>
<td>Note: - 3,959,885</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monetary amount (NT$)</th>
<th>2020</th>
<th>2020</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash donation</td>
<td>5,689,913</td>
<td>80.2%</td>
<td>3,916,807</td>
</tr>
<tr>
<td>Non-cash donation</td>
<td>400,064</td>
<td>5.6%</td>
<td>202,459</td>
</tr>
<tr>
<td>Item donation</td>
<td>40,383</td>
<td>0.6%</td>
<td>83,176</td>
</tr>
<tr>
<td>Management fee</td>
<td>960,624</td>
<td>13.6%</td>
<td>2,581,407</td>
</tr>
<tr>
<td>Total</td>
<td>7,090,985</td>
<td>100.0%</td>
<td>6,783,849</td>
</tr>
<tr>
<td>Monetary amount (NT$)</td>
<td>2019</td>
<td>2019</td>
<td>2019</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
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</tr>
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<td>Cash donation</td>
<td>3,916,807</td>
<td>80.2%</td>
<td>8,667,406</td>
</tr>
<tr>
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<td>202,459</td>
<td>3.0%</td>
<td>2,938,258</td>
</tr>
<tr>
<td>Item donation</td>
<td>83,176</td>
<td>1.2%</td>
<td>2,501,417</td>
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<tr>
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<td>0.00%</td>
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<tr>
<td>Total</td>
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<td>11,442,968</td>
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<table>
<thead>
<tr>
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</table>

Note: 1 CNY=4.428 TWD
About This Report

In 2021, Unimicron prepared the Corporate Social Responsibility (CSR) report with the same rigorous attitude, from the three main aspects of the Company’s steady management, value chain and circular economy development, and the multi-party interaction and communication with customers, employees and society, to explain our sustainability commitments, goals, management and performance to all stakeholders. The previous CSR report was published in June 2021, and the next report is expected to be released in June 2022.

Compilation Principles

This report is completed based on the core options of the Global Reporting Initiative (GRI) Standards, and the disclosure content has passed the verification under the cores of the GRI Standards and AA1000 AS 2008 TYPE II high assurance standards.

Boundary and Data

The boundary of this report for the information disclosure in the organization is Unimicron’s Taiwan facilities (Shangying Plant, Luhu Plant, Hejiang Plant, Chungshan Plant, Hsinfeng Plant, and Chung Hsing Plant) and Malaysian China (Unimicron (Shenzhen), Unimicron (Kunshan), Unimicron-FPC (Kunshan), and Unimicron (Taiwan)), and subsidiaries (Zhejiang Technology Inc.). The information coverage is mainly from January 1, 2020 to December 31, 2020. The impacts affecting the subsidiaries within the organization and the value chain (purchasing, manufacturing, and customer use) outside of the organization are mainly for the disclosure on Unimicron’s management, strategic, or future management planning. Therefore, there are no significant changes in information disclosure boundary setting and the supply chain from the previous year. If there are changes in data boundary or measurement calculation method from the previous version, it will be noted in this paragraph below the figure and table.

Report Management

The management unit of this report is the “Unimicron Corporate Sustainability Committee” with the management serves as the supervising advisor, and the senior executives are responsible for the operation of various subordinate functional committees. The sub-committee team members come from all the operating units, including representatives of finance, investor relations, human resource, environmental protection, safety, health, information, supplies, business, etc., and are responsible for confirming the management guidelines and implementation of CSR issues. The committee annually confirms and analyses the Company’s CSR report and overall strategy, direction and objectives, and reports the implementation results of the review and improvement measures for the unachieved project items to the Chairman of the board.

Internal Audit

All the information disclosed in the report is provided and compiled by Unimicron’s various departments. After the basic drafts are produced, through discussion with the external consultant team, the structure completion and disclosure direction are edited and revised. The finalized version is reviewed by each department head and finally approved by the general manager for the annual report to be published.

External Review

In addition, the financial report data disclosed in the financial report data that has been attested by the Pac Taiwane and presented in the New Taiwan Dollars, accounting firm and is presented in New Taiwan dollar. Greenwood Group (ISO 14041-1), Environmental Management System (ISO 14001), Energy Management System (ISO 50001), and Occupational Health and Safety Management System (ISO 45001) have all been verified by a fair third party.

Contact

If you have any suggestions or questions about the content of this report or the company’s sustainable development, please contact Tenfels Huang at the Secretariat of the Corporate Sustainability Committee.

Address: No.179, Shangying Rd., Guishan Dist., Taoyuan City 331, Taiwan (R.O.C.)

Telephone: 886-3-3500384#11380

Email: CSR@unimicron.com
### Unimicron 2020 Corporate Social Responsibility Report

#### Solid Corporate Governance
- 1.1 Sustainable Operation
- 1.2 Corporate Governance

#### Innovative Capability
- 2.1 Innovative Capability
- 2.2 Customer Relations
- 2.3 Supply Chain Management

#### Green Future
- 3.1 Implementing the TCFD Recommendations
- 3.2 GHG Emission
- 3.3 Energy and Resource Consumption
- 3.4 Pollution and Hazardous Substances

#### Inclusive Workplace
- 4.1 Talent Recruitment and Retention
- 4.2 Human Rights and Labor Relations
- 4.3 Occupational Development and Training
- 4.4 Occupational Safety and Health

#### Wonderful Society
- 5.1 Social Value
- 5.2 Social Participation

#### Annex
- About This Report
- GRI Compliance Report
- SASB Index
- Assurance Statement

### Sustainability Accounting Standards Board (SASB) Index

<table>
<thead>
<tr>
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<th>Code</th>
<th>Accounting Method</th>
<th>Sector Title</th>
<th>Page</th>
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<tbody>
<tr>
<td>Product Security</td>
<td>TC-GRI-31</td>
<td>Description of approach to identifying and addressing security risks in products, services, and systems</td>
<td>2.0.1 Corporate Security</td>
<td>37</td>
</tr>
<tr>
<td>Cybersecurity &amp; Privacy</td>
<td>TC-GRI-32</td>
<td>Description of approach to identifying and addressing cybersecurity risks in products, services, and systems</td>
<td>2.0.1 Corporate Security</td>
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</tr>
<tr>
<td>Human Rights</td>
<td>TC-GRI-41</td>
<td>Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria</td>
<td>2.0.1 Corporate Security</td>
<td>37</td>
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<td>Product Lifecycle Management</td>
<td>TC-GRI-42</td>
<td>Percentage of eligible products, by revenue, meeting the requirements for REACH registration</td>
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</tr>
<tr>
<td>Safety Management</td>
<td>TC-GRI-51</td>
<td>Number of units produced by product category</td>
<td>2.0.1 Corporate Security</td>
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<tr>
<td>Materials Sourcing</td>
<td>TC-GRI-61</td>
<td>Description of the management of raw material and the use of recycled materials</td>
<td>2.0.1 Corporate Security</td>
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### Green Future

#### Energy and Resource Consumption

<table>
<thead>
<tr>
<th>Topic</th>
<th>Code</th>
<th>Accounting Method</th>
<th>Sector Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Efficiency</td>
<td>TC-GRI-3.2</td>
<td>Description of approach to identifying and addressing security risks in products, services, and systems</td>
<td>2.0.1 Corporate Security</td>
<td>37</td>
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<tr>
<td>Energy Management</td>
<td>TC-GRI-3.3</td>
<td>Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria</td>
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<tr>
<td>Water and Wastewater Management</td>
<td>TC-GRI-3.4</td>
<td>Percentage of eligible products, by revenue, meeting the requirements for REACH registration</td>
<td>2.0.1 Corporate Security</td>
<td>37</td>
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<tr>
<td>Water Consumption</td>
<td>TC-GRI-3.5</td>
<td>Percentage of eligible products, by revenue, meeting the requirements for REACH registration</td>
<td>2.0.1 Corporate Security</td>
<td>37</td>
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</tbody>
</table>

### Inclusive Workplace

#### Talent Recruitment and Retention

<table>
<thead>
<tr>
<th>Topic</th>
<th>Code</th>
<th>Accounting Method</th>
<th>Sector Title</th>
<th>Page</th>
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<tr>
<td>Human Resources</td>
<td>TC-GRI-4.1</td>
<td>Description of approach to identifying and addressing security risks in products, services, and systems</td>
<td>2.0.1 Corporate Security</td>
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<tr>
<td>Human Resources</td>
<td>TC-GRI-4.2</td>
<td>Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria</td>
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<td>37</td>
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<tr>
<td>Human Resources</td>
<td>TC-GRI-4.3</td>
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<td>2.0.1 Corporate Security</td>
<td>37</td>
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</tbody>
</table>

### Wonderful Society

#### Social Participation

<table>
<thead>
<tr>
<th>Topic</th>
<th>Code</th>
<th>Accounting Method</th>
<th>Sector Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Engagement</td>
<td>TC-GRI-5.2</td>
<td>Description of approach to identifying and addressing security risks in products, services, and systems</td>
<td>2.0.1 Corporate Security</td>
<td>37</td>
</tr>
<tr>
<td>Social Engagement</td>
<td>TC-GRI-5.3</td>
<td>Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria</td>
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<td>37</td>
</tr>
<tr>
<td>Social Engagement</td>
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<td>37</td>
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</table>

### Inclusive Workplace

#### Solid Corporate Governance

<table>
<thead>
<tr>
<th>Topic</th>
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<th>Accounting Method</th>
<th>Sector Title</th>
<th>Page</th>
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<tbody>
<tr>
<td>Corporate Governance</td>
<td>TC-GRI-1.1</td>
<td>Description of approach to identifying and addressing security risks in products, services, and systems</td>
<td>2.0.1 Corporate Security</td>
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<tr>
<td>Corporate Governance</td>
<td>TC-GRI-1.2</td>
<td>Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria</td>
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<tr>
<td>Corporate Governance</td>
<td>TC-GRI-1.3</td>
<td>Percentage of eligible products, by revenue, meeting the requirements for REACH registration</td>
<td>2.0.1 Corporate Security</td>
<td>37</td>
</tr>
</tbody>
</table>

### Green Future

#### Energy and Resource Consumption

<table>
<thead>
<tr>
<th>Topic</th>
<th>Code</th>
<th>Accounting Method</th>
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<th>Page</th>
</tr>
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<tbody>
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<td>TC-GRI-3.2</td>
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<td>37</td>
</tr>
<tr>
<td>Energy Management</td>
<td>TC-GRI-3.3</td>
<td>Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria</td>
<td>2.0.1 Corporate Security</td>
<td>37</td>
</tr>
<tr>
<td>Water and Wastewater Management</td>
<td>TC-GRI-3.4</td>
<td>Percentage of eligible products, by revenue, meeting the requirements for REACH registration</td>
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<td>37</td>
</tr>
<tr>
<td>Water Consumption</td>
<td>TC-GRI-3.5</td>
<td>Percentage of eligible products, by revenue, meeting the requirements for REACH registration</td>
<td>2.0.1 Corporate Security</td>
<td>37</td>
</tr>
</tbody>
</table>
## ASSURANCE STATEMENT

SGS TAIWAN LTD’S REPORT ON SUSTAINABILITY ACTIVITIES IN THE UNIMICRON TECHNOLOGY CORP.’S CORPORATE SOCIAL RESPONSIBILITY REPORT FOR 2020

**NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION**
SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by Unimicron Technology Corp. (hereinafter referred to as Unimicron) to conduct an independent assurance of the Corporate Social Responsibility Report for 2020 (hereinafter referred to as the Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in the report presented during on-site verification (6thMay 2021-6thMay 2021). 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 Unimicron’s stakeholders.

**RESPONSIBILITIES**
The information in the Unimicron’s CSR Report of 2020 and its presentation are the responsibility of the directors or governing body (as applicable) and the management of Unimicron. 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 verification with the intention to inform all Unimicron’s stakeholders.

**ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE**
The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance, including the Principles contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards): 101: Foundation 2016 for report quality, and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

The assurance of this report has been conducted according to the following Assurance Standards:

<table>
<thead>
<tr>
<th>Assurance Standard Options</th>
<th>Level of Assurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>A - SGS ESG &amp; GRI Assurance Protocols (based on GRI Principles and published in AA1000)</td>
<td>High</td>
</tr>
<tr>
<td>B - AA1000ASS Type 2 (AA1000AF Evaluation only)</td>
<td></td>
</tr>
</tbody>
</table>

Assurance has been conducted at a high level of accuracy.

**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:

<table>
<thead>
<tr>
<th>Reporting Criteria Options</th>
<th>Assurance Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 GRI Standards (Core)</td>
<td>-</td>
</tr>
<tr>
<td>2 AA1000 Accountability Principles (2018)</td>
<td>-</td>
</tr>
</tbody>
</table>

- evaluation of content velocity of the sustainability performance information based on the materiality determination at a high level of scrutiny for Unimicron and moderate level of scrutiny for subsidiaries, joint ventures, and applicable aspect boundaries outside of the organization covered by this report;
- AA1000 Assurance Standard V3 Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018); and
- evaluation of the report against the requirements of Global Reporting Initiative Sustainability Reporting Standards (100, 300, 330 and 430 series) claimed in the GRI content index as material and in accordance with.

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

**LIMITATIONS AND MITIGATION**
Financial data drawn directly from independently audited financial accounts. Task Force on Climate-related Financial Disclosures (TCFD) has not been checked back to source as part of this assurance process.

**STATEMENT OF INDEPENDENCE AND COMPETENCE**
The SGS Group of companies is the global 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 Unimicron, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team has assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 30600, ISO 27011, ISO 50001, SA8000, FBA, GOTS, EHS, SA1200. Certification: EHS, GRI, DF2, FTP, TCV V1.0, Validation and V1.0, Validation Lead Auditors and experience on the GRI Sustainability service provisions.

**VERIFICATION ASSURANCE OPINION**
On the basis of the methodology described and the verification 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 reporting criteria.

We believe that the organization has chosen an appropriate level of assurance for this stage in their reporting.
**Unimicron Corporate Social Responsibility Report**

**Letter from the Chairman**

**About Unimicron**

**Special Report**

**Solid Corporate Governance**
1.1 Sustainable Operation
1.2 Corporate Governance

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5.1 Social Value
5.2 Social Participation

**Annex**
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**Inclusivity**
Unimicron has demonstrated its commitment to stakeholder inclusivity through formalized commitment from the highest governing body. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, CSR experts, and other stakeholders are implemented to uncover the organization’s understanding of stakeholder concerns.

**Materiality**
Unimicron has established effective processes for determining issues that are material to the business. Formal reviews have identified stakeholders and those issues that are material to each group, and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

**Responsiveness**
The report includes coverage given to stakeholder engagement and channels for stakeholder feedback. Specific performances related to material topic are recommended to be reported in a more balanced way to address stakeholder concerns.

**Impact**
Unimicron has performed processes to understand, measure, evaluate, and manage the organization’s impacts that are applied across the organization under the governance of senior management. Qualitative and quantitative measured measurements are presented to communicate the specific performances. However, the sustainability context of each impact should be described more clearly to allow a better understanding of the potential direct, indirect, positive, and negative impacts.

**GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

The report, Unimicron’s GRI Report of 2020, is adequately in line with the GRI Standards in accordance with Core Option. The material topics and their boundaries within and outside of the organization are properly defined in accordance with GRI’s Reporting Principles for Defining Report Content. Disclosures of identified material topics and boundaries, and stakeholder engagement, GRI 102-40 to GRI 102-47, are correctly located in content index and report. For future reporting, it is recommended to have more descriptions of Unimicron’s involvement with the impacts for each material topic (103-1), and the mechanics for evaluating the effectiveness of the management approach for each material topic. More disclosures on the mechanics for evaluating the effectiveness of the management approach for the material topic GRI 102-40 to GRI 102-47 is recommended.

Signed:
For and on behalf of SGS Taiwan Ltd.

David Huang
Senior Director
Taichung, Taiwan
31 May, 2021
WWW.SGS.COM