

Drive to the Future



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Readers are advised that the original version is in Chinese. If there is any conflict between the English version and the Chinese one or any difference in the interpretation of the two versions, the Chinese-language report shall prevail.

Sunplus Technology 2022 ESG Report

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1 Chairman's words

Technology has brought huge changes and significant impacts to all mankind, especially the unprecedented industrial transformation caused by advanced driver assistance systems(ADAS). We continue to innovate in the design and manufacture of various integrated circuits and modules, and actively implement corporate social responsibility and sustainable development. Because we believe that the value of sustainable operation will create greater shared benefits for our company, shareholders and society. Sunplus Technology's vision is to enrich human life through the design and manufacture of top chip products. Through this sustainability report, we reveal specific actions in various economic, environmental and social categories to respond to the needs of stakeholders.

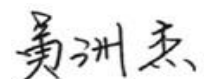
Sunplus Technology attaches great importance to action and results orientation, high efficiency and energy saving performance and industry-leading top products are the key forces driving us to surpass ourselves. Sunplus Technology owns the first ITU-T laboratory in Taiwan that meets the requirements of CarPlay. Together with Sunplus Technology's self-developed DSP technology, we has assisted domestic and foreign manufacturers to pass CarPlay certification for over 60 models, and also greatly shortened the time to market of customers' products, there is no need to repeatedly rectify hardware or software, which saves a lot of manpower and material resources for customers, and provides a comprehensive solution that is friendly to the environment. With our years of hard work, the power consumption of chip products has been reduced year by year, which also demonstrates our commitment to creating low-power green products in response to the advent of the era of low-carbon economy. In addition to maintaining the company's daily operations, we also pay attention to sustainable development in terms of environmental considerations. Facing the high-standard procurement thresholds of product quality and green manufacturing processes from top customers around the

world, we strive to improve our company's service process and external suppliers. All can meet the requirements of global environmental protection regulations.

We are trying to create a sustainable industrial growth curve for the design and manufacture of integrated circuits and modules in Taiwan. In addition, Sunplus Technology will still invest a lot of resources in our employees in 2022. Through training and cultivation, an excellent working environment, and the upgrading and optimization of the management examination system, we will encourage employees to continue to improve and improve their functions. Sunplus Technology also actively participates in social welfare action plans. We regularly donate to the non-profit organization Family Support Foundation, hoping to improve the family environment of disadvantaged children and even encourage them to be self-sufficient through stable financial support. In addition, we were invited to participate in the 2022 semiconductor event SEMICON Taiwan "Big Transportation and Big Future" forum, and put forward the prospect of Taiwan's smart transportation, active participation in social activities, Sunplus Technology will not be absent .

Looking forward to the future, we will continue to adopt the most responsible management policies and guidelines to achieve the mission of sustainable management. At the same time, we sincerely welcome all stakeholders who can continue to give us feedback. In the next year's sustainability report , we will present even better performance.

Chairman



2 ABOUT US

Forerunner of Advanced Driver Assistance System

Sunplus Technology Co., Ltd., referred to as Sunplus Technology, was established in 1990 and is a leading manufacturer of digital audio-visual multimedia and vehicle infotainment chips and system solutions. In 2022, the paid-in capital : 5.9 billion, and the number of formal employees is 350. The company type is a listed company, and the stock code is 2401 on the Taiwan Stock Exchange.

Main Products and Services

Sunplus Technology started from the design of consumer chips, and initially specialized in toys gifts and audio products for microcontroller applications, and then stepped into system-on-chip technology for multimedia audio-visual applications.

Sunplus Technology is currently focusing on the research and development of automotive chip technology, mastering IC circuit design and application software design technology, using core technologies such as sub-micron technology, multimedia audio-visual, single-chip microprocessors and digital signal processors (DSP), dedicated to research and development, to provide customers with satisfactory products and services.

At present, the main products include DVD player single chip, portable DVD player single chip, car infotainment system chip, advanced driver assistance system chip, Audio chip and other solutions.

SUNPLUS Group is led by Sunplus Technology, the parent company that focuses on home entertainment platforms, and provides a full range of chip solutions from low-end to high-end, from personal to family, from consumer to communication. For more detailed product introduction, please go to Sunplus Technology Website - Product Information.

2 ABOUT US

Main operating bases and affiliated companies

Sunplus Technology Operation Headquarters is located at No. 19, Innovation 1st Road, Hsinchu County, Hsinchu Science Park. Sunplus Technology has established operating bases in Shanghai, Shenzhen, Chengdu, Beijing and other places to provide customers with comprehensive system support and technical services. Subsidiary company information is disclosed as follows:

1. Generalplus Technology Inc.
2. Sunext Technology Co.,Ltd
3. Sunplus Innovation Technology Inc.
4. Jumplux Technology Co., Ltd.
5. Sunplus mMedia Inc.
6. Sunplus Technology (H.K.) Co., Ltd.
7. Generalplus Technology (H.K.)
8. Shanghai Sunplus Co., Ltd.
9. Linco Technology (Shenzhen) Co., Ltd.
10. Sunplus Prof-tek (Shenzhen) Co., Ltd.
11. Sunmedia Technology Co., Ltd
12. Beijing Sunplus-ehue Tech CO., Ltd.
13. Chongqing CQPlus1 Technology Co., Ltd.
14. Worldplus Technology (Shen Zhen)Co.,Ltd
15. The remaining subsidiaries are engaged in investment business

3 ABOUT REPORT

Basic Information of The Report

This is Sunplus Technology's 7th issue of ESG Report/Sustainability Report (formerly known as CSR Report/Corporate Social Responsibility Report), and we will continue to issue this report every year in the future, regularly disclosing the operating results other than non-financial performance to the outside world, and practice the corporate vision of sustainable management with actions.

Information Disclosure Period

The information disclosure period of the 2022 ESG Report is from January 1, 2022 to December 31, 2022. The information disclosure period of the previous annual report (2021 ESG Report) is from January 1, 2021 to December 31, 2021.

Reporting Cycle

The report release cycle is once a year.

Report Scope and Consideration Boundary

The data source for the economic category of this report is the consolidated financial statements published in the 2022 corporate annual report. The consolidated revenue data covers the overall operating revenue information of Sunplus Technology Co., Ltd., including the operating headquarters and subsidiaries.

In addition to the economic category, this information disclosure in the environmental and social category only discloses the information of the operation headquarters, which is located in the Hsinchu Science Park (Hsinchu County, Taiwan).

There were no material changes in organizational size, ownership or supply chain during the reporting period.

3 ABOUT REPORT

Compilation Guide

This report is compiled in accordance with the new version of GRI Universal Standards 2021 (GRI Universal Standards 2021) issued by the Global Reporting Initiative in 2021. A content index of the GRI Guidelines is also attached to index the content of each chapter.

Extensive Collection of Various International Sustainability Indicators

In addition to GRI Universal Standards 2021, we also expect to include more international sustainability indicators as a reference for report compilation and corporate social responsibility strategy development, including:

- Sustainable Development Goals , SDGs
- Dow Jones Sustainability Index, DJSI
- Conference of the Parties, COP 26
- Intergovernmental Panel on Climate Change, IPCC) 第6次評估報告 (The Fifth Assessment Report, AR6
- Carbon Disclosure Project, CDP
- Environmental, Social, Governance, Bloomberg ESG Survey
- Business Continuity Management
- Sustainability Accounting Standards Board, SASB
- Task Force on Climate-related Financial Disclosures, TCFD

3 ABOUT REPORT

ESG Organizational Structure

We set up an interdepartmental organization for sustainable development of Sunplus Technology, set up three working groups of economy, environment and society, and the director of the administrative management department designated by the board of directors as the convener, responsible for researching sustainable development trends and understanding the needs of stakeholders In order to propose the company's risks and opportunities in related issues, and jointly plan application strategies and implementation plans with various working groups. Through regular meetings, we review issues such as corporate governance, green processes and products, and employee care, and each business department conducts cross-departmental integration, returns, and promotions on related issues. Regarding the strategic planning and implementation results of sustainable development, we follow Article 7 of the "Corporate Social Responsibility Practice Code for Listed OTC Companies" of the stock exchange, and regularly report to the board of directors on the implementation results of economic, environmental and social issues arising from operating activities .

▼ Correspondence between working groups and departments

Department working team		Chairman's Office	Finance Department	Administrative Office		EHS	QS	QC	PM/RD	Business Dep
				HR	Admin					
Economy		V	V		V		V	V	V	V
Environment					V	V	V	V	V	
Society	Labor Conditions and Dignified Labo			V	V	V				
	Human Rights	V		V	V	V	V			
	Society	V	V	V	V	V		V	V	V
	Product Liability						V	V	V	V

3 ABOUT REPORT

External Assurance Measures with Report

The financial data disclosed in this report comes from Deloitte, which checks and approves the consolidated financial report in accordance with the International Financial Reporting Standards (IFRS).

In addition, ISO 9001 Quality Management Systems, IECQ HSPM 080000:2017 Hazardous Substance Process Management System 080000:2017 Requirements, ISO 14001: 2015 Environmental Management System, ISO45001:2018 Occupational Health and Safety Management Systems and TOSHMS (Taiwan Occupational Safety and Health Management System, CNS45001:2018) have all passed independent third-party verification agencies.

▼ Certification information of each management system

Management System	International standard code and version	Initial Certification	Issue Date	Valid from	Valid until
quality management	ISO9001:2015	2010/01/04	2021/12/07	2022/01/04	2025/01/03
Hazardous Substance Process Management	IECQ QC080000:2017	2009/04/06	2021/01/19	-	2024/04/05
Environmental management	ISO14001:2015	2011/02/10	2023/01/21	2023/02/10	2026/02/09
Occupational Safety and Health Management	ISO45001:2018	2019/02/25	2022/02/14	2022/02/25	2025/02/24
	TOSHMS (CNS45001:2018)	2019/12/26	2022/02/14	2022/02/25	2025/02/24

3 ABOUT REPORT

Contact Information

If you have any suggestions for Sunplus Sustainability Report 2022, please contact us through the following methods. We also simultaneously published this report on the official website.

Address: No. 19, Innovation 1st Road, Hsinchu County, Hsinchu Science Park

Official website : <http://www.sunplus.com>

Contact person : Joseph Chuang

Phone number : +886-3-5786005

E-mail address : ir@sunplus.com

3 ABOUT REPORT

Identify Major Considerations and Boundaries

We identify major considerations through the four major steps of identification, prioritization, validation, and review. First in step 1, we identify relevant issues. After internal meetings of the company, we selected relevant topics from GRI Standards Topics and Standard Disclosures, and compiled a list of topics worthy of inclusion in this report, also known as Relevant Topics .

Next, perform step 2 sorting, and also sort the relevant topics according to the GRI Standards definition report content 3 principle. Including stakeholder inclusiveness, so as to clarify stakeholders, and explain how to respond to their reasonable expectations and interests in this report. There is also materiality, reconfirming whether the topics selected in this report are sufficient to cause significant impact on the economy, environment and society. The last is sustainability context, which reveals how the company improves or reduces damage to local or global economic, environmental and social development trends. In particular, the significant impacts mentioned in this report generally refer to positive and negative impacts, long-term and short-term impacts, and direct and indirect impacts.

At the same time, we also follow the GRI Standards. The relevant topics identified in step 1 are called aspects from this stage. We also collect issues of concern to stakeholders through diversified communication methods, and convene heads of various departments to raise issues of concern to stakeholders in internal meetings, and obtain the following ranking results of major issues through statistics . During the verification process in step 3, we evaluate the identified major aspects according to the GRI completeness principle. The principles of integrity include scope, aspect boundaries, defining impact boundaries for each major aspect; and the integrity of information in 2022. More importantly, the ranked list of major considerations in this report has been approved by senior decision makers. In the final stage of identifying major considerations and boundaries, that is, step 4 inspection, after the release of this report, the collection of feedback information from stakeholders will be carried out to prepare for the next reporting cycle. Because the survey results of the opinions of various stakeholders will be helpful for the identification steps in the next reporting cycle.

3 ABOUT REPORT

Ranking of Major Issues

Step① Identification

Through the internal meeting of the cross-department organization for sustainable development and the risk assessment meeting of each management system, the company is used as the boundary of risk assessment, GRI Standard considers Aspects, and selects Relevant Topics. We have identified 15 major considerations of the GRI Standard in the sustainability report for the next three years, including 3 economic aspects, 4 environmental aspects, and 8 social aspects.

Economic Aspects :

- Economic Performance
- Market and Brand Image
- R&D and Innovation

Social Aspects :

- Customer Privacy
- Focus on Human Rights
- Improve Labor Relations
- Healthy Workplace
- Training and Education
- Employee Diversity
- Equal pay for Men and Women
- Supplier Management - RBA Human Rights Category

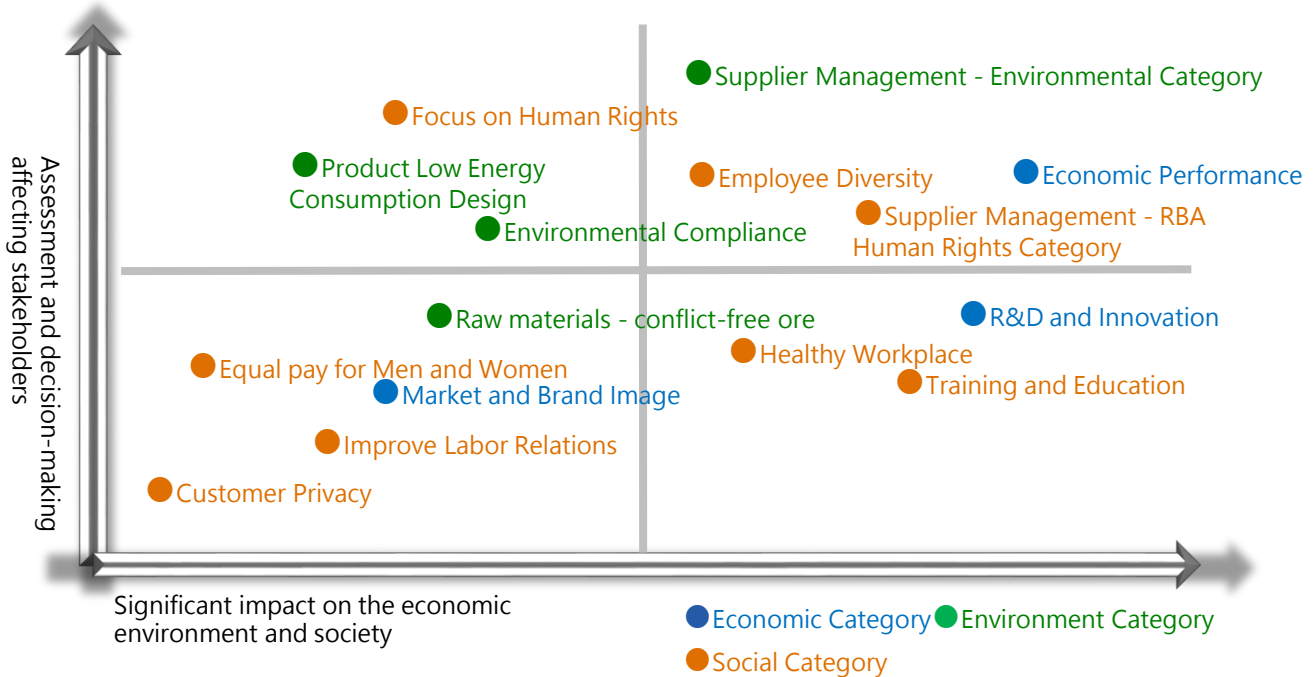
Environmental Aspect :

- Raw materials - conflict-free ore
- Environmental Compliance
- Product Low Energy Consumption Design
- Supplier Management - Environmental Category

3 ABOUT REPORT

Step② Prioritization

The major considerations of the economic category are economic performance, market and brand image, R&D and innovation, and the major considerations of the environmental category are conflict-free ore raw materials, compliance with environmental regulations, low energy consumption design of products, supplier management-environmental category. We also clearly define the continuous impact boundaries inside and outside the organization



Step③ Validation

We use the GRI Standard Completeness principle to evaluate the identified major considerations. The principle of completeness includes Scope, which covers all aspects covered in this report, such as economic performance, raw materials, occupational health and safety, and employee training and education; Aspect Boundaries, which define impact boundaries for each major aspect, and the completeness of the information during the reporting period.

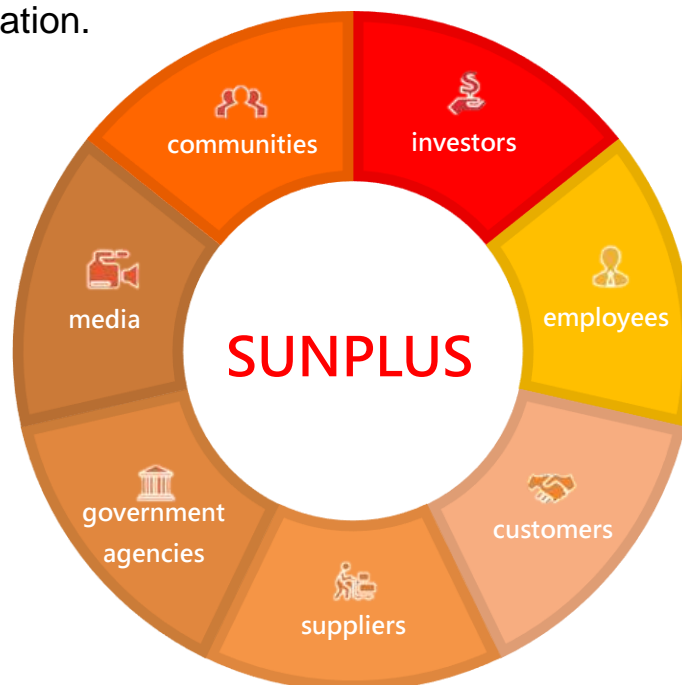
3 ABOUT REPORT

Stakeholder Communication

In order to pursue sustainable development, we have established transparent and effective multi-directional communication channels with all stakeholders to actively understand their needs and expectations for us, and also serve as an important reference for formulating corporate social responsibility policies and related plans. Identify the categories of stakeholders through internal meetings.

Stakeholders related to us include (1) employees, (2) government agencies, (3) investors, (4) customers, (5) suppliers, (6) communities, and (7) media. We hope that the quality of the information in this report will enable all stakeholders to make a reasonable assessment of the results of our efforts, and we will continue to solicit valuable opinions so as to formulate and take appropriate sustainable plans and actions.

We will also hold internal and external stakeholder engagements from time to time, and actively respond to their concerns and matters needing attention. Please refer to the following instructions for the method and frequency of stakeholder negotiation.



3 ABOUT REPORT

Regularly publish financial performance reports to disclose operational performance to investors

- Annual financial report: published before March 31 each year. In accordance with Article 36 of the "Securities Exchange Act", within 3 months after the end of each fiscal year, announce and submit a financial report that has been audited and certified by an accountant. The published media is the official website and the Market Observation Post System of the Taiwan Stock Exchange Inc. Shareholders and stakeholders can obtain transparent financial information conveniently and quickly.
- Quarterly financial report: The first quarter financial report is published before May 15 each year, the second quarter financial report is published before August 14 each year, and the third quarter financial report is published before November 14 each year. In accordance with Article 36 of the "Securities Exchange Act", within 45 days after the end of the first, second and third quarters of each fiscal year, announce and report the financial report that has been reviewed by accountants and submitted to the board of directors. Published media is the official website and the Public Information Observatory of the Taiwan Stock Exchange °
- Monthly revenue report: Publish once a month, and publish the consolidated revenue financial report before the 10th of each month. The published media is the official website and the Public Information Observatory of the Taiwan Stock Exchange. Shareholders and stakeholders can easily obtain transparent financial information °

3 ABOUT REPORT

Regularly Publish Non-Financial Performance Reports to Disclose Sustainable Policies to All Stakeholders

Publish the "Sustainability Report" before June 30 every year to disclose to stakeholders the business performance other than finance, including corporate governance, green processes and environmentally friendly management measures, employee occupational safety software and hardware equipment updates, employee education and training, welfare policies and social welfare implementation results demonstrate the corporate vision and mission of sustainable management. The published media is the official website and the Public Information Observatory of the Taiwan Stock Exchange. Shareholders and stakeholders can obtain transparent non-financial performance information conveniently and quickly.



▼ Issues concerned by stakeholders, communication methods and implementation status in 2022

Boundary	Stakeholders	Concerns	Communication route	communication frequency	Contact window	Implementation status in 2022
external	Client	Customer appeal	Customer complaints	Cases based on customer complaints	Quality and Reliability Engineering Department LIN,WEN-BIN QA@sunplus.com	There were 43 customer complaints in 2022, 12 of which were attributable to Sunplus (8 were Test Coverage, 3 were Early fail, and 1 was Fab issue.), all of which were successfully concluded.
		Customer satisfaction	customer satisfaction survey	2 times a year	Quality System Department CHANG,HSIN-TI QS@sunplus.com	At the beginning of the year and in the middle of the year, the customer satisfaction score was below 10 out of 10, and the quality score was 9.09/9.0 respectively; Customers with no hazardous substances (HSF) scored 9.5/9.66 respectively, and all related issues were resolved and resolved.
		Product quality and hazardous substance requirements	Mail	Irregularly	Quality System Department LI,MEI-LING QS@sunplus.com	Regarding quality and hazardous substance requirements, there are a total of 49 external document specifications, 4 of which have been updated and all have been properly processed.
	Agent	Bad quarters inventory	Bad quarters inventory	Quarterly	Quality System Department CHANG,HSIN-TI QS@sunplus.com	Q1/Q2/Q3/Q4 in 2022 have been completed
	Outsourcing factory	Green product requirements	GPM System	Update of reporting period, new product release, new specification requirements	Quality System Department LI,MEI-LING QS@sunplus.com	There are 226 report updates in 2022
		Supplier management approach	Quality/environmental assessment of existing outsourcing factories	Held once a year for each factory	QC Department HE,GUI-QI QC@sunplus.com	Conduct quality/environmental safety and hygiene assessments of existing outsourcing factories, totaling 11 factory times
	Tenant	Relevant environmental protection and safety regulations	Meetings, E-mail; LINE notifications	Irregularly	Occupational Safety Office ZHANG,GUO-SHI shamir.chang@sunplus.com	<ol style="list-style-type: none"> In response to the COVID-19 epidemic, e-mail exchanges within the factory for response measures Establish a project coordination LINE group to contact and notify relevant matters
	Shareholders and investors	Operational performance, Risk Management, Corporate Governance, Shareholder participation	Annual Report	once a year	Spokesperson Joseph Chuang, Director IR@sunplus.com	<ol style="list-style-type: none"> On May 20, 2022, the 2021 annual report will be uploaded on the Public Information Observatory Quarterly upload of financial reports in 2022
			Financial Report	once per quarter		
		Legal person briefing meeting	twice a year or more	Spokesperson Joseph Chuang, Director IR@sunplus.com	Legal person briefing sessions will be held on January 6, April 13, and August 17, 2022.	
		Shareholder regular meeting	once a year		A regular meeting of shareholders will be held on June 8, 2022.	
		The official website sets up a special area for corporate social responsibility and stakeholders	anytime	Spokesperson Joseph Chuang, Director IR@sunplus.com	A special area for corporate social responsibility and stakeholders has been set up on the official website.	
Set up a contact window for stock affairs and investor relations for two-way communication	anytime	Spokesperson Joseph Chuang, Director IR@sunplus.com	<ol style="list-style-type: none"> Upload the 2021 annual report to the Public Information Observatory on May 20, 2022. Upload the financial report every quarter in 2022. 			

▼ Issues concerned by stakeholders, communication methods and implementation status in 2022

boundary	Stakeholder	Concerns	Communication route	Communication frequency	Contact window	2022 implementation status	
external	Government agencies	Statute compliance	Official document round trip, meeting, E-mail	Irregular	Spokesperson Joseph Chuang, Director IR@sunplus.com	1. Participate in seminars and symposia held by competent authorities 2. Cooperate with the competent authority in supervision and inspection 3. Set up a contact window to maintain good interaction with the competent authorities	
Internal	Staff	Salary, Welfare, Education and Training, Occupational Health and Safety, Quality System, HSF Management	Staff communication meeting	Once every six months	Spokesperson Joseph Chuang, Director IR@sunplus.com	Hold 2 meetings and announce colleagues' questions and replies	
			Employee welfare committee	Irregular	Spokesperson Joseph Chuang, Director IR@sunplus.com	More than 50 announcements related to the Welfare Committee Forum in the internal life communication channel	
			Labor Retirement Reserves Supervision Committee	Once per quarter	Spokesperson Joseph Chuang, Director IR@sunplus.com	5 meetings are held, and meeting minutes are available for inquiry	
			Internal promotion	Irregular	Spokesperson Joseph Chuang, Director IR@sunplus.com	E-mail, posters, announcements, etc. irregular publicity	
			Employee performance interview	2 times a year	Spokesperson Joseph Chuang, Director IR@sunplus.com	Conduct an employee performance interview in the middle of the year and at the end of the year, prepare a performance and future development analysis table for reference, and the achievement rate is over 90%	
			Labor-management meeting	Once per quarter	Spokesperson Joseph Chuang, Director IR@sunplus.com	4 meetings are held, and meeting minutes are available for inquiry	
			Occupational Safety and Health Committee	Once per quarter	Occupational Safety Office ZHANG, GUO-SHI shamir.chang@sunplus.com	5 meetings are held, and meeting minutes are available for inquiry	
	Board	Sustainable Development		Sustainable Development Implementation Report	Once per year	Spokesperson Joseph Chuang, Director IR@sunplus.com	On July 8, 2022, the board of directors will report on the implementation status in 2021.
				Greenhouse gas inventory and verification schedule planning report	Once per quarter	Spokesperson Joseph Chuang, Director IR@sunplus.com	1. On May 13, the board of directors submitted the greenhouse gas inventory and verification schedule planning. 2. On July 8 and November 10, the board of directors reported the implementation progress of the greenhouse gas inventory and verification schedule.
		Communication with stakeholders	Report on the Communication between the Company and Stakeholders	At least once per year	Spokesperson Joseph Chuang, Director IR@sunplus.com	Report to the Board of Directors on December 30.	

4 Economic Category

Operating Results

Sunplus Technology provides mobile phone car-machine interconnection solutions, and is ahead of its peers. It has Taiwan's first ITU-T laboratory that complies with CarPlay specifications. Based on this technology, it builds a smart cockpit SoC platform

Smart chips, unlimited possibilities for low-carbon economy

4 Economic Category

Operating Results

In 2022, consolidated net revenue is NT\$6.706 billion, operating gross profit is NT\$3.301 billion, research and development expenses is NT\$2.153 billion, administrative expenses is NT\$616 million, and sales expenses is NT\$239 million. Net operating profit in 2022 is NT\$288 million. . After adding in non-operating net income of NT\$594 million, the pre-tax net profit reached NT\$882 million. After deducting income tax expenses of NT\$212 million, the company's net profit after tax in 2022 is NT\$670 million. Attributable to Sunplus Technology, the owner of the company is NT\$216 million, and net earnings per share after tax in 2022 is NT\$0.37.

Consolidated revenue in 2022 decrease by 15.77% compared with 2021, and the gross profit margin is approximately 49%, a slight decrease from 52% in the previous year. The operating net profit in 2022 decrease by 68.83% compared with 2021.

Non-industry income decreased from NT\$1.135 billion in 2021 to NT\$594 million in 2022, mainly due to a decrease of NT\$1.1 billion in net interests in financial assets measured at fair value through profit and loss in 2022 compared with 2021 and an increase of NT\$449 million in interests from the disposal of equity method companies.

The IFRS consolidated statements disclose other comprehensive gains and losses in 2022, including exchange differences on the translation of financial statements of foreign operating institutions, unrealized gains and losses on equity instrument investments measured at fair value through other comprehensive gains and losses, remeasurements of defined benefit plans, and the use of the equity method. The recognized share of other comprehensive profits and losses of related enterprises, etc., totals the net amount of other comprehensive profits and losses in 2022 to NT\$113 million. The total comprehensive profit and loss in 2022 is NT\$784 million; the total comprehensive profit and loss attributable to the company's owners is NT\$326 million.

4 Economic Category

Operating Results

▼ Economic KPI unit: NT\$ thousand

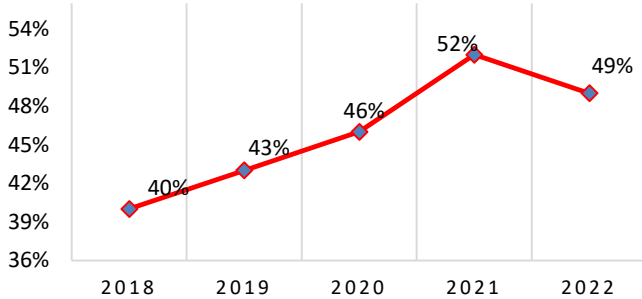
	2018	2019	2020	2021	2022
Capital amount	5,919,949	5,919,949	5,919,949	5,919,949	5,919,949
Consolidated revenue	6,077,733	5,486,660	6,414,140	7,960,831	6,705,708
Gross profit	2,429,384	2,348,905	2,925,096	4,161,606	3,300,767
Income tax	61,667	69,468	165,911	302,085	211,893
Consolidated earnings after tax	142,323	174,752	618,827	1,756,242	670,457
Earnings per share after tax	0.01	0.03	0.55	2.01	0.37
Net value per share (unit: NT\$)	14.30	13.82	14.21	17.09	15.65
Staff salary and welfare expenses (Note 2)	1,802,630	1,572,520	1,753,059	2,180,086	2,091,500
Payment to investors: shareholder dividends are paid in cash	581,703	369,357	316,061	593,194	1,734,868

Note 1: Since 2013, the financial report preparation has been changed to International Financial Reporting Standards (IFRS).

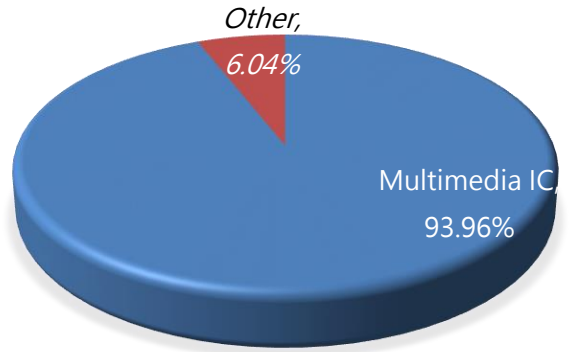
Note 2: The source of information is the International Accounting Standard No. 19 Employee Benefits (Employee Benefits), referred to as IAS 19.

Year	2018	2019	2020	2021	2022
Gross profit margin	40%	43%	46%	52%	49%

GROSS PROFIT MARGIN



▲ Gross profit margin has remained above 40% for five consecutive years

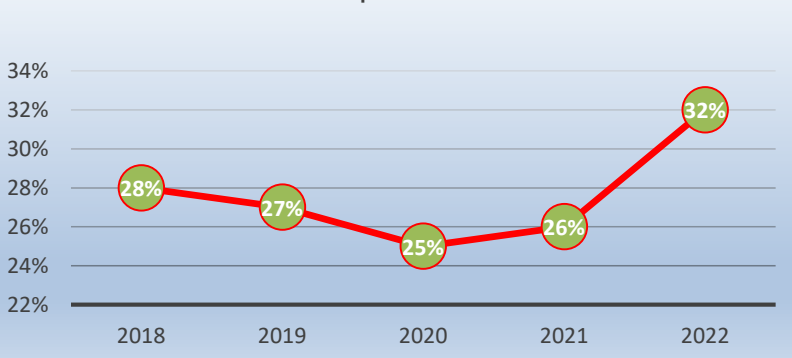


▲ Revenue distribution statistics

▼ R&D expenses as a share of net revenue statistics

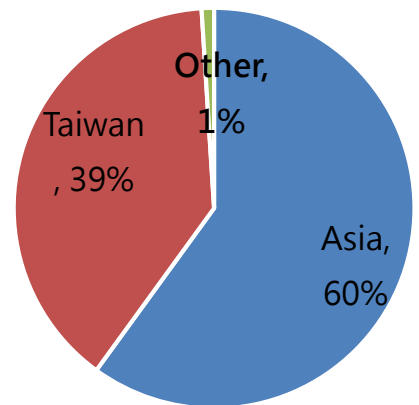
Item\Year	2018	2019	2020	2021	2022
R&D expenses	1,699,345	1,481,269	1,623,728	2,088,699	2,153,458
Net operating income	6,077,733	5,486,660	6,414,140	7,960,831	6,705,708
Ratio of R&D expenses to net revenue	28%	27%	25%	26%	32%

Ratio of R&D expenses to net revenue



▲ Ratio of R&D expenses to net revenue

▼ Market Area Map of Services Provided



▼ Participating companies/associations and positions held in 2022

Guild/association name	Senior executive titles and names	Hold a position in a guild/association	Remarks
Taiwan Semiconductor Industry Association	Chairman Chou-Chye Huang	director	
Taiwan Semiconductor Industry-Academia R&D Alliance	Chairman Chou-Chye Huang	director	
Taiwan Semiconductor Industry-Academia R&D Alliance	Deputy General Manage Wayne Shen	director	Note1.
ITRI Alumni Association	Chairman Chou-Chye Huang	director	
Huaju Industrial Common Standards Promotion Foundation	Chairman Chou-Chye Huang	director	
Pan Wenyuan Cultural and Educational Foundation	Chairman Chou-Chye Huang	director	Term expires on September 27, 2022
Crime Victims Protection Association Taiwan Hsinchu Branch	Chairman Chou-Chye Huang	member	
Police Friends Association of the Second Security Police Corps	Chairman Chou-Chye Huang	member	
Taiwan Industrial Research and Innovation Association	Chairman Chou-Chye Huang	director	
Jukmyung Foundation	Chairman Chou-Chye Huang	director	

Note1. Director of the Taiwan Semiconductor Industry-Academia R&D Alliance (TIARA), which will be replaced by Vice President Shen Wenyi from 2022/05/04.

Sunplus Technology provides Apple CarPlay, Google Android Auto, Baidu CarLife, Weblink, Huawei Hi-Car and other mobile phone and car interconnection solutions. It is ahead of its peers and has Taiwan's first ITU-T laboratory that complies with CarPlay specifications. Based on this technology Build a smart cockpit SoC platform

According to figures released by Apple at WWDC 2022, the penetration rate of CarPlay in new cars in North America has reached 98%, and nearly 80% of consumers are only willing to buy new cars equipped with CarPlay functions, showing that CarPlay has been widely used by car manufacturers and consumers since it was first announced in 2014. accepted. Apple's car system CarPlay brings maps, phone calls, messages, music, podcasting and many third-party software on the iPhone into the car, and can use the car's entertainment and communication functions through the car system's control screen and Siri; a new generation CarPlay can also put applications and information, such as navigation and currently playing music, on the instrument screen, making it more convenient and safer for drivers to use the CarPlay function.

In addition to Apple's iOS system, Google's Android system also has highly similar functions, such as Android Auto led by Google itself or CarLife and Hi-Car developed by Baidu and Huawei respectively.

In order to allow users to have the same excellent experience in different cars or in-vehicle infotainment, both Apple and Google require that the host equipped with CarPlay or Android Auto function must pass the required test standards, including There are strict regulations on the connection speed, transmission bit rate, call quality, voice recognition accuracy, etc. of mobile phones and car machines.

Sunplus Technology provides Apple CarPlay, Google Android Auto, Baidu CarLife, Weblink, Huawei Hi-Car and other mobile phone and car interconnection solutions, and has Taiwan's first ITU-T laboratory that meets CarPlay requirements, plus Sunplus Technology's independently developed DSP Technology has currently assisted more than 60 models of domestic and foreign manufacturers to pass CarPlay certification, and has also greatly shortened the time to market of customers' products. There is no need to repeatedly rectify hardware or software, saving customers a lot of manpower and material resources investment, from From the perspective of the development and verification process, it is a comprehensive solution that is friendly to the environment.

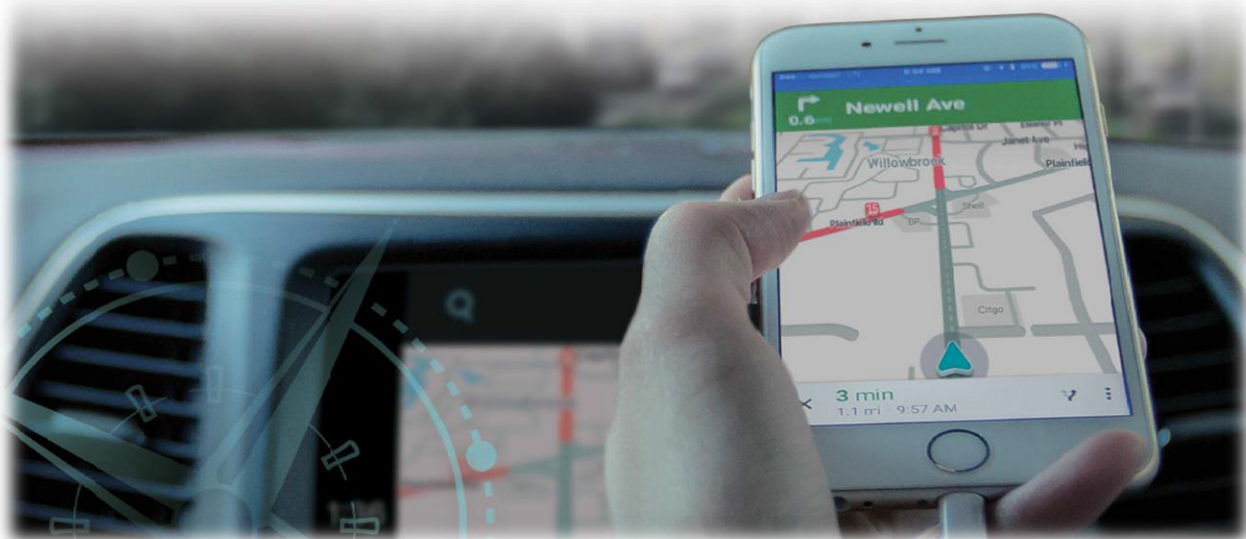


In 2019, Sunplus Technology will upgrade the original method of connecting the mobile phone and the car with a USB cable to a wireless method (WiFi). Users will not need to find and set the mobile phone in the bag after starting the engine, but directly in the car after getting on the car. The navigation of the mobile phone is used on the car, and the mobile phone will not move around without a fixed position in the car, causing driving hazards. This saves wires, optimizes user experience and improves safety.

The promotion of mobile phone interconnection in the motorcycle industry has also been completed in 2020, and motorcycle instruments will be officially mass-produced with mobile phone interconnect functions in 2021, successfully assisting motorcycle owners to obtain safer navigation prompts. Whether it is the wireless Car Play or Android Auto functions, it provides a safer and more stable navigation function for motorcycle riders delivering food and traveling on motorcycles, and also expands the original functions of motorcycle instruments.

The sixth-generation product has built-in DDR, achieving the industry's most streamlined PCBA product, effectively reducing the number of peripheral components and PCB layers, achieving the goals of environmental protection and cost savings for customers. The seventh-generation product in 2021 has expanded the DDR Size and resolution, but has not increased the package size, allowing car manufacturers to achieve richer functions with a consistently streamlined volume.

In 2022, based on the success of the mobile phone interconnection system, Sunplus Technology launched a smart cockpit platform with a higher degree of integration, realizing a multi-function and multi-screen system in one machine, popularizing functions that were originally only available in high-end cars to national cars, allowing most Consumers can use more convenient and safer functions, which not only enhances the fun of travel, but also protects the safety of life and property. In the future, Sunplus Technology will continue to invest resources in this direction, and do our best to upgrade the industry and create the well-being of the people.



Product application introduction

Driving Fun, Safe and Comfortable

Sunplus automotive infotainment and driving assistance system chip

Sunplus Technology's automotive infotainment and driving assistance system chip combines image coding and decoding technology with rich multimedia additional functions to provide a variety of smart driving assistance functions, allowing drivers and passengers to enjoy a safer and more comfortable journey.



Immersive Experience of Sound of Nature

Teana airlyra intelligent acoustic solution

The natural beauty of the product echoes in the three-dimensional space like the sound of a piano in the sky.

Intelligent 3D immersive innovative audio-acoustic algorithm, showing unprecedented perfect listening enjoyment.

Sunplus Technology's intelligent acoustic solution uses the latest multi-core DSP efficient computing technology and innovative artificial intelligence acoustic algorithms built into the chip. It can simultaneously process various audio source codecs, more fully support various audio interfaces, and can develop various multi-sound systems. It also provides surround sound effects and special field effects to visualize sound technology to achieve the best experience of Sound plus Technology.



AI 3D Immersive Sound Experience



Party



Personal



Karaoke DJ



Boombox

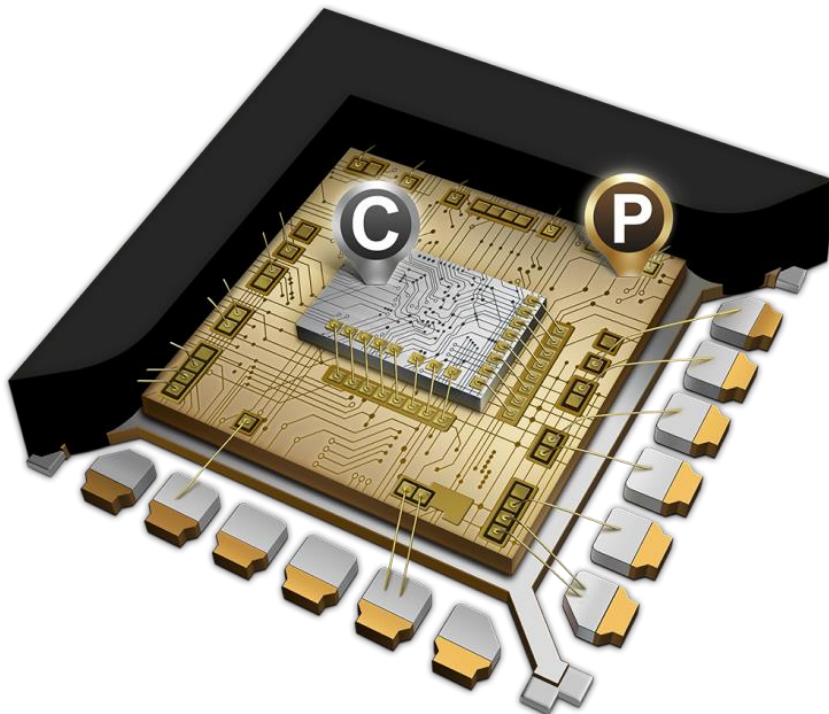


Premium

Share IC, share computing power

C+P forms Plus1 solution

Plus1 is a C+P architecture developed by Sunplus Technology, which solves the problem of the semiconductor industry's advanced process and market volume not matching. The C+P architecture is Computing Unit plus Peripheral Unit. The Computing Unit computing unit uses advanced processes and enables computing. It can keep up with the trend of the times, and the Peripheral Unit peripheral units use mature processes to achieve reasonable development costs.



Enjoy high-definition audio-visual entertainment

Sunplus Technology Digital Video Player Single Chip Solution

Sunplus digital audio and video player single-chip solution combines Sunplus Technology's excellent MPEG-1/2/4 audio and video decoding technology and DivX® HD format compression technology to output traditional DVD discs into high-quality 1080p/1080i/720p images and provide multi-channel surround sound.

Equipped with sophisticated audio and video technology and high additional functions, Sunplus Technology's single-chip solution for digital audio and video players helps customers create low-cost, high-quality digital audio and video products, allowing consumers to experience a new level of digital audio-visual entertainment.



Early warning policies and climate risk response

Smart chips, unlimited possibilities for low-carbon economy

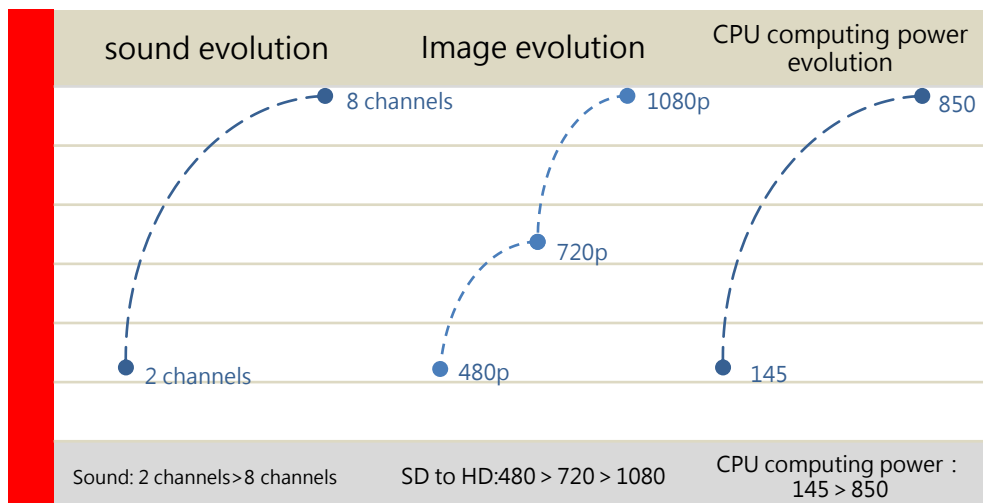
The financial impact of climate change on organizational activities, as well as other risks and opportunities, has become an issue of sustainable operations that the world has to face up to in recent years.

The 26th United Nations Climate Change Conference (abbreviation: COP 26) will be held in Glasgow, Scotland from November 1 to November 12, 2021. The conference merged three international conventions of the parties, including: the 26th Conference of the Parties to the United Nations Framework Convention on Climate Change, the 16th Conference of the Parties to the Kyoto Protocol (CMP 16) and the third Conference of the Parties to the Paris Agreement (CMA3).

On November 13, 2021, the meeting passed the "Glasgow Climate Convention", which requires maintaining the Paris Agreement's goal of controlling the increase in global temperature within 1.5 degrees Celsius and gradually reducing the use of coal.

Regarding climate change caused by rising carbon dioxide concentrations, COP 26 once again pointed out that the key is to improve the efficiency of electricity energy use and develop clean energy. It also announced that after the industrial revolution, the reliance on fossil fuels, including natural resources such as coal, oil and natural gas, to bring revenue growth The end of the era, the era of low-carbon and sustainable officially began.

▼ Comparing first generation chips to latest generation chips











Sunplus Technology is located in the upper reaches of the semiconductor industry. It exerts its excellent R&D technology, continues to promote high-level semiconductor process technology, and practices Moore's Law to save chip energy consumption, which in turn drives the use of power energy in downstream consumer electronics terminal products.

With each generation of semiconductor process technology advancing, the line width of integrated circuits continues to shrink, making the die area smaller and smaller. Naturally, less energy and raw materials are consumed to manufacture a unit wafer, which also makes The power consumption per unit product is even lower.

Compared with the 5th generation products in 2019, the energy-saving benefits of Sunplus Technology's 6th generation products exceeded 12%, and the energy-saving benefits created by the first generation 8202T series exceeded 10.04 times; The number of transistors per unit area has increased by 13.89 times compared to the first generation 8202T series.

The seventh-generation product has expanded DDR Size and resolution, with only a slight increase in size and power consumption. Simply put, our chips are very smart and effectively help realize the infinite possibilities of a low-carbon economy.

▼Sunplus Technology's advanced process chips are evolving, making them lighter, thinner and shorter, with fewer parts and lower power consumption.

								
	1 st generation product	2 nd generation product	3 rd generation product	4 th generation product	4 th generation product	5 th generation product	6 th generation product	7 th generation product
Product code	8202T	8020G	8288A/T	8202H	8700/6700	8388	8388-U	8368-XU
Release time	2007	2011	2013	2014	2015	2016	2019	2021
Volume(unit:mm ³)	14x14x1.4	14x14x1.4	14x14x1.4 24x24x1.4	14x14x1.4	25x25x1.5 19x19x1.5	19x19x1.5	14x14x1.4	14x20x1.4
The number of transistors per unit area of the wafe(cell/um ²)	0.10021	0.19638	0.19638	0.69444	1.39237	1.39237	1.39237	1.39237
Power consumption(uW/cell)	0.55782	0.45366	0.23197 0.22592	0.09964	0.07193 0.04154	0.0654	0.05755	0.06546
Application level	DVDplayer	DVDplayer	DA SOC	DA SOC	ADAS	Carplay DA SOC	Carplay DA SOC	Carplay DA SOC

5 Corporate Governance

Improvement of board of directors functions

Set up an audit committee to strictly monitor legal compliance matters

Set up a salary and compensation committee to assist in evaluating salary levels

Implement honest management and protect shareholders' rights and interests

All operational activities strictly adhere to domestic and international laws and regulations.

Customer Satisfaction Survey

Board of Directors' Competency Enhancement

In the current year, the board consists of a total of 7 directors, including 4 independent directors, representing 57% of the board composition. This composition enhances the independence and diversity of the board, enabling it to fulfill its strategic guidance function. The board convenes at least once per quarter, holding a total of 7 board meetings in 2022 with an average attendance rate of 97.96%.

Mr. Huang Chou-Chye serves as the Chairman of the Board and is responsible for ensuring sound corporate governance and presiding over board operations. Sunplus Technology adheres to the "Corporate Governance Best Practice Principles for Listed and OTC Companies" and the "Guidelines for the Establishment and Matters to Be Followed by Independent Directors of Publicly Issued Companies." The selection of directors is based on a holistic consideration of the overall composition of the board.

Factors taken into account in the composition of the Sunplus Technology board include operational judgment and management capabilities, accounting and financial analysis skills, crisis management abilities, industry knowledge, international market perspectives, leadership skills, and decision-making abilities.

Board of Directors' Competency Enhancement

Additionally, the board also adheres to the 'Guidelines for Continuing Education for Directors and Supervisors of Listed and OTC Companies' and conducts annual director education programs. In 2022, the director education program included the following topics:(1).Business Operations and Merger and Acquisition Strategies for Taiwanese Companies in the Context of Global Political and Economic Developments.(2)Latest Developments in Insider Trading Practices in Taiwan and Corporate Compliance Measures.(3)Ongoing Education for Accounting Executives of Issuers and Securities Firms on Securities Exchanges.(4)Risks and Opportunities in the Era of Climate Action - Advancing Carbon Neutrality.(5)Disputes over Corporate Control and an Introduction to the Litigation Process in Commercial Courts.(6)Practical Operation of the Audit Committee.(7)Wafer Foundry and Advanced Packaging Technology, and Opportunities in the Supply Chain, among others.

The board of directors diligently upholds corporate governance principles, reviews corporate performance, and discusses critical strategic issues, including economic, environmental, and social impacts, as well as risks and opportunities. Important decisions made by the board are also disclosed on the Taiwan Stock Exchange's Market Observation Post System (MOPS). Additionally, we publicly provide information such as the company's bylaws, board meeting rules, director compensation, operational details, and the execution of conflict of interest resolutions for the convenience of both domestic and international investors who can access this information in real-time. Sunplus Technology has established both an Audit Committee and a Compensation Committee, both of which are composed of independent directors.

The establishment of the Audit Committee is aimed at rigorously overseeing compliance matters.

Sunplus Technology established an Audit Committee on June 12, 2015, in accordance with Article 14-4 of the Securities Exchange Act. The committee consists of all independent directors, totaling four members, with one designated as the convener, and at least one member possessing expertise in accounting or finance. In 2022, the Audit Committee convened seven meetings, with a 100% attendance rate among all members.

The Audit Committee is responsible for overseeing the presentation of the company's financial statements, the selection, appointment, and independence of auditors, the effective implementation of internal controls, the company's compliance with relevant laws and regulations, and the management of existing or potential risks within the company.

The establishment of the Compensation Committee assists in assessing compensation levels.

The company established a salary and remuneration committee on December 21, 2011 in accordance with Article 14-6 of the Securities and Exchange Act, consisting of four independent directors. A total of 6 meetings were held in 2022, and the attendance rate of all members of the Salary and Remuneration Committee was 100%.

The Salary and Compensation Committee assists the board of directors in assessing the connection between the company's directors and managers' remuneration levels and the company's operating performance, decides on the ratio of dividends and allocations, and makes recommendations on managers' remuneration and company remuneration policies, and based on the industry's competitive environment, company's operating performance and benchmark market Market trends and construct company-level strategies.

In addition, the company regularly participates in salary surveys conducted by the industry or consulting firms, regularly reviews the connection between salary and welfare measures and the market, and designs an incentive system. Annual employee remuneration must be approved by the board of directors and reported at the shareholders' meeting, and disclosed in the company's annual report.

Implement honest management and protect shareholders' rights and interests

We follow the "Code of Practice for Corporate Governance of Listed Companies" and the "Corporate Governance Evaluation Self-Assessment Indicators" of the Taiwan Stock Exchange's Corporate Governance Center to formulate (1). Code of Practice for Corporate Governance, (2). Integrity Management Operating Procedures and Conduct Guidelines , (3). Internal regulations such as internal major information disclosure and management procedures for preventing insider trading.

The board of directors and management actively implement the commitment to the integrity management policy, and also implement the integrity management policy in internal management and business activities. In 2022, there were no complaints or reports due to company operations or employees violating ethics and integrity or engaging in illegal activities.

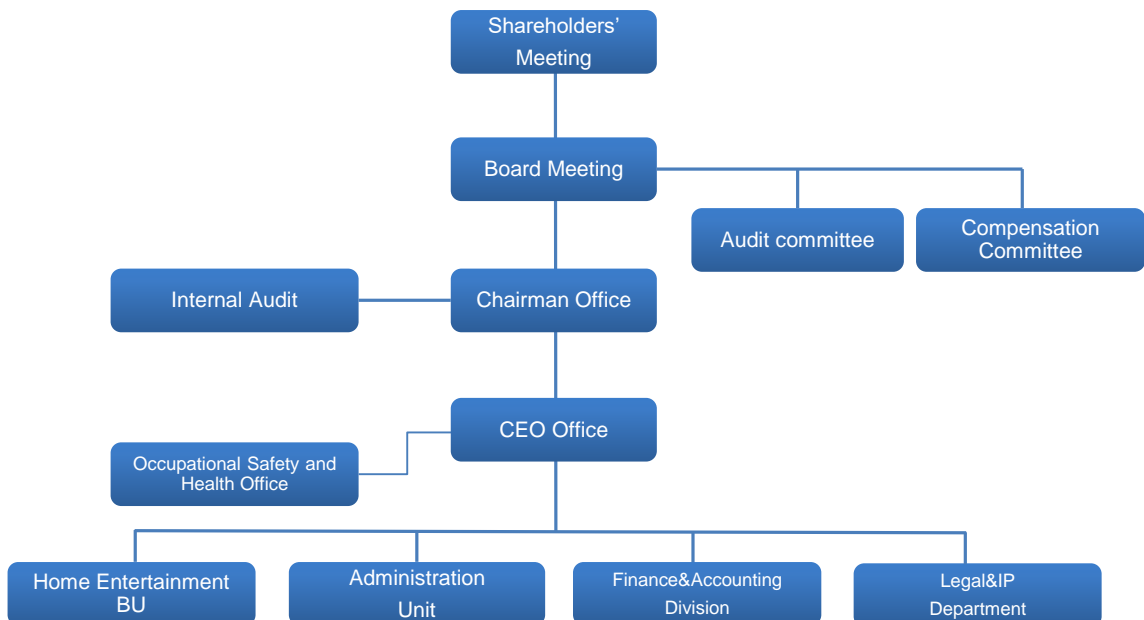
▼ Board Members

Item	Professional title	name	gender	Over 50 years old
1	Chairman & CEO	Chou-Chye Huang	male	V
2	Director	Wen-Shiung Jan	male	V
3	Director	Global View Co., Ltd.,	Not applicable	Not applicable
4	Independent Director	Che-Ho Wei	male	V
5	Independent Director	Tse-Jen Huang	male	V
6	Independent Director	Rui-qi Chen	male	X
7	Independent Director	Cong-ling Guo	male	V

Proportion of independent directors

57%

▼ organizational chart



All operating activities strictly follow domestic and foreign laws and regulations

Each of our operating activities complies with domestic and foreign laws and regulations and serves as the basis for sustainable operating capabilities. We follow the "Business Secret Law" of the Intellectual Property Bureau of the Ministry of Economic Affairs and in response to the "Personal Data Protection Law", formulate internal management procedures and measures such as "Document and Data Control Procedures", "System Security Management Measures", and "Personal Data Protection Management Measures". In addition, we also review the implementation results one by one in accordance with the regulatory compliance indicators required to be disclosed by GRI Standards. There will be no violations of laws and regulations in 2022.

In 2022, there were no huge fines imposed for violations of environmental laws and regulations, and the number of sanctions other than fines received was zero.

- For social issues such as financial reporting, workplace discrimination or corruption, there will be no large amount of fines imposed for violations of regulations in 2022, and the number of sanctions other than fines will be zero °
- For the product sales process, there will be no huge fines imposed in 2022 due to the violation of laws and regulations due to the provision and use of products and services °



- No corruption incidents will occur in 2022.
- In 2022, there will be no complaints about infringement of customer privacy or loss of customer information.
- In 2022, there will be no violations of regulations and voluntary guidelines related to marketing and promotion, including advertising, promotion and sponsorship.
- In 2022, there will be no sales of controversial products.
- In 2022, there will be no incidents of violations of regulations and voluntary norms on product and service information labeling.
- In 2022, there will be no incidents of violations of regulations and voluntary guidelines on the health and safety impact of products and services in their life cycle.



Customer Satisfaction Survey

We regularly conduct customer satisfaction questionnaire surveys every year, and promptly propose countermeasures in response to customer feedback, and close the case after replying to customers.

The average results of the two customer satisfaction surveys in 2022 reached 9.09/9.0 points. Among them, customers were satisfied with the five scoring items of sales service, HSF management and service, product quality, product research and development and engineering services, and agent services. give back.

For more detailed survey methods and results, please see Customer Satisfaction Survey Statistics.

- during the investigation : 2022/01 及2022/06
- Survey object :
 - ✓ 2022/01 : The business selected key customers or potential customers for investigation, including 4 Sunplus Technology product line agents and 17 customers. The survey list provided by the business included a total of 23 people.
 - ✓ 2022/06 : The business selected key customers or potential customers for investigation, including 4 Sunplus Technology product line agents and 17 customers. The survey list provided by the business included a total of 21 people.

Customer Satisfaction Survey

- The survey contents include, sales services, HSF management and services, product quality, product R&D and engineering services, and agent services. °
- findings :
 - ✓ 2022/01 response rate: There are a total of 18 valid questionnaires in this survey, the response rate is 78.26% (18/23), and the overall average score: 9.09
 - ✓ 2022/06 Response rate: There are a total of 15 effective questionnaires in this survey, the response rate is 71.42% (15/21), the total average score: 9.0, and the average scores of the five categories exceed the target score by 9 points for each item. The average scores for each category are as follows :
 1. Sales service: 8.78/9.10 points
 2. HSF management and service: 9.50/9.66 points
 3. Product quality: 9.19/9.13 points
 4. Product R&D and engineering services: 9.09/9.06 points
 5. Agency service: 9.02/9.14 points



6 Environmental category

Quantitative statistics on environmental resource investment

Quantitative statistics on environmental resource investment

Committed to greenhouse gas reduction

Financial disclosures related to climate change(TCFD)



Quantitative statistics on environmental resource investment

Through the quantitative statistical disclosure of environmental information investment, we can record the use of our purchased power energy, renewable energy, water resources and various raw materials.

Long-term information recording and disclosure will help us review whether our earth-friendly environmental measures have gradually achieved our set goals year by year. For relevant information, please see the 2022 Environmental Resource Investment Statistics.

For how we respond to climate change and the action plan to effectively reduce the consumption of natural resources, please read the chapters of "Smart Chips, Unlimited Possibilities to Realize a Low-Carbon Economy" and "Dedicated to Greenhouse Gas Reduction".



Quantitative statistics on environmental resource investment

▼ Environmental resource investment statistics in 2022

Properties	Category	Item	unit	2018	2019	2020	2021	2022	Remarks	
Invest	energy	gasoline	Liter	955	792	583.13	492	688.19	Emission coefficient 2.2713/lite	
		diesel fuel	Liter	420	420	900	1000	300	Emission coefficient 2.7392/lite	
		Purchased electricity	Production of non-renewable energy power generation equipment	Thousands of degrees	8092	8398	7969	7883	7135	Emission coefficient 0.509/degree
		Investing in energy and outsourcing electricity	Production of renewable energy power generation equipment, also known as green power	none	none	none	none	none	none	
	water resources	tap water	Thousand tons	29.82	30.75	32.85	30.32	29.24		



Quantitative statistics on environmental resource output

Through the quantitative statistical disclosure of environmental information output, we can record our greenhouse gas, wastewater and waste usage data.

Through long-term information recording and disclosure, it will help us review whether our earth-friendly environmental measures have gradually achieved our set goals year by year. For relevant information, please see the 2022 Environmental Information Output Quantitative Statistics Table.

For information on how we respond to climate change and our action plans to effectively reduce greenhouse gases, wastewater and waste production, please read the chapters "Smart Chips, Realizing the Unlimited Possibilities of a Low-Carbon Economy" and "Committed to Greenhouse Gas Reduction".

Quantitative statistics on environmental resource output

▼Quantitative statistics of environmental information output in 2022

Properties	Category	Identification of regulations or international standards	Item	unit	2018	2019	2020	2021	2022
output	greenhouse gases	ISO14064-1	(a)Direct greenhouse gas emissions and removals	ton CO ₂ e	3.273	2.89	3.672	3.857	2.4139
			(b)Indirect greenhouse gas emissions from input energy	ton CO ₂ e	4582.134	4471.337	4066.327	3957.09	3631.815
			(c)Indirect greenhouse gas emissions from transport	ton CO ₂ e	No disclosure	No disclosure	No disclosure	No disclosure	No disclosure
			(d)Indirect greenhouse gas emissions from product use	ton CO ₂ e	No disclosure	No disclosure	No disclosure	No disclosure	No disclosure
			(e)Indirect greenhouse gas emissions related to product use	ton CO ₂ e	No disclosure	No disclosure	No disclosure	No disclosure	No disclosure
			(f)Indirect greenhouse gas emissions from other sources	ton CO ₂ e	No disclosure	No disclosure	No disclosure	No disclosure	No disclosure
	Waste water	Water Pollution Prevention and Control Act	Process wastewater	Metric tons/year	none	none	none	none	none
	waste	waste removal laws	Business waste-general	ton	10.021	10.4	8.99*	7.57*	8.419*
			Business waste-hazardous	ton	0.42	0.69	0.20	0.23	0.60
			Resource recovery waste: paper and food paper containers	ton	4.330	2.760	3.270	4.725	4.717
			Resource recovery waste: iron, aluminum	ton	0.345	0.624	0.750	0.712	1.771
			Resource recycling waste: plastics, including plastic bottles	ton	0.135	0.290	0.402	1.003	2.012
	Recycle	wastewater recycling		km ³	none	none	none	none	none

* The monthly average volume includes three categories: general waste from business activities (D-1801), waste plastic mixture (D-0299), and waste fiber mixture (D-0899), and category D-1801 accounts for 81.59%

Committed to greenhouse gas reduction

The risks posed by climate change that we have identified include rising electricity energy costs, emerging regulations requiring enhanced disclosure of carbon emissions, and carbon fees. Continuously carry out measures such as energy management of main operating bases and improvement of energy efficiency.

We start by saving electricity in our offices to effectively reduce our impact on the environment. Since the emission source mainly comes from the electricity demanded by air conditioners and office lighting, cooperate with the factory monitoring system and publicity to reduce unnecessary waste, with the goal of reducing the amount by more than 2% per year. Compared with 2021, the amount of greenhouse gas emissions in 2022 will be reduced 8.25%; and it has reached the standard in recent years.

At the same time, we have also been paying close attention to climate change trends for a long time and closely monitor and manage climate change risks. In response to the global demand for environmental protection and energy conservation, we have been working hard to explore various ways to achieve the goal of reducing electricity energy consumption. Starting from the fourth quarter of 2022, more than NTD4 million will be spent to completely replace the traditional lamps in the factory with energy-saving LED lamps. It is expected to save at least 280KWH of electricity and reduce greenhouse gas emissions by at least 143.5 tons of CO₂e every year. Actively strive for energy saving and carbon reduction.

The greenhouse gas reduction solutions implemented over the years and during the reporting period are shown in the table below.

Committed to greenhouse gas reduction

▼ Greenhouse gas reduction solution statistics

Item	Execution time	content	Quantified or non-quantified benefits	Environmental protection expenses for energy conservation and carbon reduction (unit: NTD)
1	Continuous improvement since 2008/10	Subject to performance permitting, the UPS battery replacement cycle has been extended from 3 years to 5 years.	Reduce the output of waste batteries by 800 pieces/5 years and save about NTD977,520/year.	0
2	Continuous improvement since 2010/08	The basement parking lot adopts inductive switches.	The electricity saving is about 16,363.6 kWh/year. With the current electricity cost of NTD2.2 /kWh, the cost saving is at least NTD360,000 /year. °	1,880,000
3	Continuous improvement since 2011/11	In the past, they were directly scrapped. The improved waste photomask cleaning mode allows the scrapped/deaccounted photomasks to continue their reuse value and increase the recycling cost after removing the layout and wiring.	Reduce the number of direct discards of various photomasks by more than 1,357.pcs, reducing the chance of environmental pollution; increasing recycling costs by NT\$105,178 °	0
4	From 2017/11	In the UPS system integration project , due to the low operating capacity of the UPS, the UPS operates poorly and consumes electricity. Integrate and reduce the number of UPS to increase effective operation capacity	The installation of UPS was reduced by 8 units, the batteries were reduced by 160, the load was reduced by 127.5KVA, and the maintenance cost was reduced by NTD746,000.	685,855.
5	2020/06/15	Idle office equipment is removed and reposted on the online second-hand market for free, so that idle facilities can continue to be used and reduce waste generation.	It saved more than NTD480,000 in cleanup costs and reduced general industrial waste by more than 5 tons.	0
6	From2022/Q4	Comprehensive replacement of energy-saving LED lamps in the factory	It is estimated that more than 280KWH of electricity consumption can be saved throughout the year, and greenhouse gas emissions can be reduced by at least 143.5 tons of CO2e, and the greenhouse gas emission reduction rate can reach 3.6%.	4,000,000.

Financial disclosures related to climate change(TCFD)

Governance

Expose the organization' s climate-related risks and opportunities

Guiding principles	Specific practices
Board oversight of climate-related risks and opportunities	The inter-departmental organization for sustainable development regularly reports the identification and management of risks and opportunities related to climate change to the board of directors every year, and the board of directors supervises the management process.
Management is assessing and managing climate-related risks and opportunities	The "Environment" working group under the cross-department organization for sustainable development is responsible for coordinating/assessing the risks and opportunities of climate change across the company (including goals and promotion plans), and disclosing them in the annual sustainability report.

Financial disclosures related to climate change(TCFD)

Strategy

Immediate and potential climate-related risks and opportunities that impact an organization's business, strategy and financial planning

Guiding principles	Specific practices
<p>Climate-related risks and opportunities identified in the short, medium and long term</p>	<ul style="list-style-type: none"> • Manage the schedule based on existing internal goals, define short-term (1-3 years), medium-term (3-5 years) and long-term (5-10 years) climate-related risk and opportunity projects, and evaluate the impact of climate risk factors on the company's strategy , potential impacts on operations and financial planning. • The ISO14064-1:2018 greenhouse gas inventory standard has been introduced for independent inventory. In the future, we will continue to promote carbon reduction programs and other practices, hoping to achieve the goal of carbon neutrality by 2050.
<p>Climate risks and opportunities that have a significant impact on an organization's business, strategy and financial planning</p>	<p>Through the climate-related risk identification process, the major risks and opportunities identified are as follows:</p> <p>There are two major risks</p> <ul style="list-style-type: none"> • Emerging regulations require enhanced disclosure of carbon emissions: According to the "Sustainable Development Roadmap for Listed Overseas Companies" released by the Financial Supervisory Commission in March 2022, Sunplus Technology is a listed company with a capital of NTD5 to 10 billion and should complete the inspection in 2025 , the verification was completed in 2027 ,Sunplus Technology expects to complete internal verification in the second quarter of 2025 and external verification in the second quarter of 2027. • Carbon pricing mechanism: Taiwan is expected to trial carbon fee collection in 2024. Although it will mainly target large emitters with annual carbon emissions of 25,000 tons, it cannot be ruled out that it will continue to increase at an annual rate of 10% in the future. Sunplus Technology will continue to pay attention policy development. <p>There is a big opportunity</p> <p>Develop the low-carbon product and service market: We will be committed to developing key components with low energy consumption and high efficiency, provide the best solutions, and fulfill our responsibilities of green environmental protection, energy conservation and carbon reduction.</p>

Financial disclosures related to climate change(TCFD)

Strategy

Immediate and potential climate-related risks and opportunities that impact an organization' s business, strategy and financial planning

Guiding principles	Specific practices
<p>The potential impact of different scenarios on the organization' s business, strategy and financial planning</p>	<ul style="list-style-type: none"> • Sunplus Technology conducts simulations based on the 1.5°C Scenario (2DS) developed by the Nationally Determined Contributions (NDCs) and the International Energy Agency (IEA), with 2011 as the baseline year, estimated carbon reduction ratio of Sunplus Technology. • In order to achieve the 2050 NDCs greenhouse gas reduction target, power saving management is carried out in Category 2, which accounts for a large proportion of greenhouse gas output.

Financial disclosures related to climate change(TCFD)

Risk management

Processes used by organizations to identify, assess and manage climate-related risks

Guiding principles	Specific practices
<p>Organize processes for identifying and assessing climate-related risks</p>	<p>The "Environment" working group under the cross-department organization for sustainable development follows the framework disclosed by TCFD to identify climate-related risks, mainly through the following four steps: (1) identification of risk issues, (2) determination of major risks issues, (3) identify significant opportunity issues, and (4) develop mitigation or adaptation plans.</p>
<p>The organization's processes for managing climate-related risks</p>	<ul style="list-style-type: none"> • In accordance with ISO 14001, management is carried out through the PDCA management cycle to ensure the company's environmental protection goals are consistent with the implementation strategy. Adaptation and mitigation actions are reviewed at the management review meeting every year to ensure that the goals are achieved. • In conjunction with the ISO 9001 sustainable management mechanism for existing suppliers, as well as the ISO 14001 environmental management system and ISO45001/TOSHMS occupational safety and health management system, we conduct supplier screening through ESG and conduct annual on-site or written audits of important suppliers.
<p>How the process of identifying, assessing and managing climate-related risks is integrated into overall risk management</p>	<p>The "Environment" working group under the cross-department organization for sustainable development conducts internal communication or meeting discussions based on the TCFD structure, and combines the company's existing ISO 14001 risk assessment operations to identify important issues and include climate change issues as part of risk management. Formulate management and control strategies and action plans accordingly.</p>

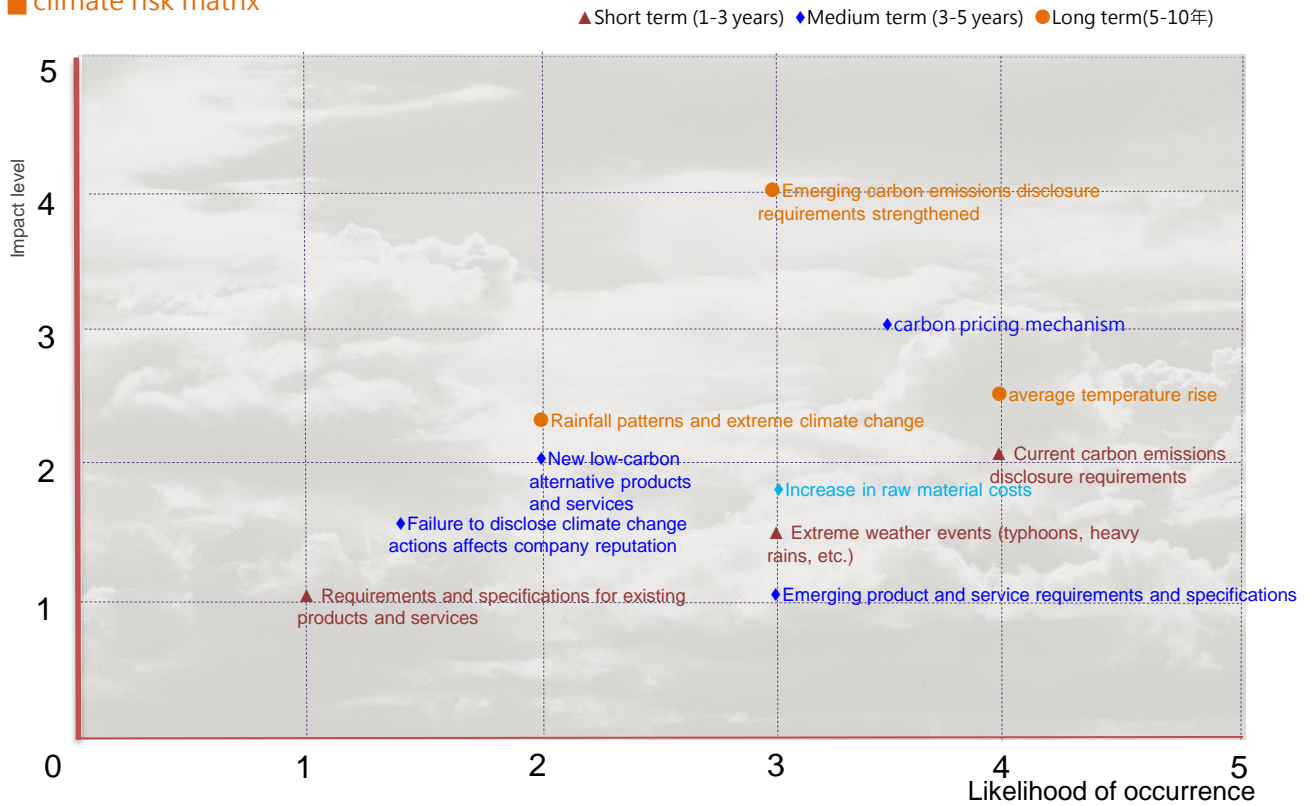
Financial disclosures related to climate change(TCFD)

Metrics and Goals

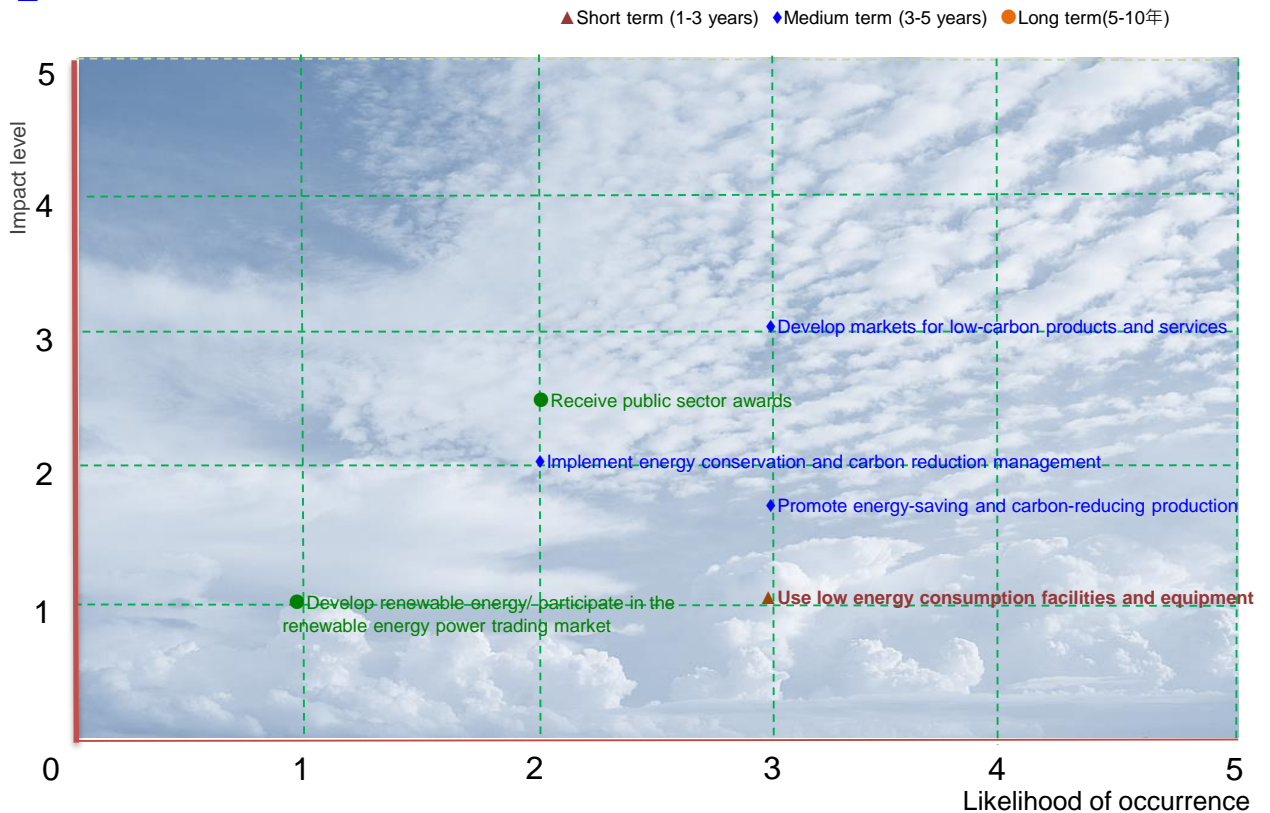
Reveal key metrics and targets for organizations to assess and manage climate-related risks and opportunities

Guiding principles	Specific practices
<p>Disclose the metrics used by the organization to assess climate-related risks and opportunities in its strategy and risk management processes.</p>	<p>The relevant risk indicators used by Sunplus Technology to assess climate include electricity usage and greenhouse gas emissions.</p>
<p>Disclose greenhouse gas emissions and related risks in Scope 1, Scope 2 and Scope 3 (if applicable).</p>	<p>Since 2012, independent inventory of greenhouse gas categories 1 and 2 has been conducted every year in accordance with the ISO 14064-1 standard. Category 3 is not applicable and has not been disclosed. The inventory items mainly focus on the use of purchased electricity. The verification results of previous years are disclosed in the sustainability report. Chapter "Quantitative Statistics of Environmental Information Output".</p>
<p>Describe the organization's goals and level of achievement in managing climate-related risks and opportunities.</p>	<ul style="list-style-type: none"> Starting from 2012, the total electricity consumption has been targeted to decrease by 1% every year. From 2011 (base year) to 2022, the electricity consumption has decreased by 33.76%. In 2022, the indirect greenhouse gas emissions target is set to decrease by 2% (approximately 79.2189 tons of CO2 equivalent, which actually reduces 352.275 tons of CO2 equivalent, which has reached the target.

climate risk matrix



climate opportunity matrix



7 Close Cooperation With Suppliers

Policies and guidelines

Wafer product supply chain

Supplier Categories and Local Procurement

Supplier ESG Survey

Establish a supplier integrity reporting hotline



Policies and guidelines

Sunplus Technology has long been aware of the environmental and social responsibilities of the supply chain, and its requirements for suppliers are not limited to performance and quality. Our colleagues in relevant departments liaise with suppliers regularly to ensure they maintain the standards they deserve. If a supplier does not meet the requirements, they are required to improve and meet the standards within a specified time. If they cannot improve, we will find other suppliers who can meet our ethical and environmental standards expectations.

At the level of internal regulations, we follow the general principles of supplier management:

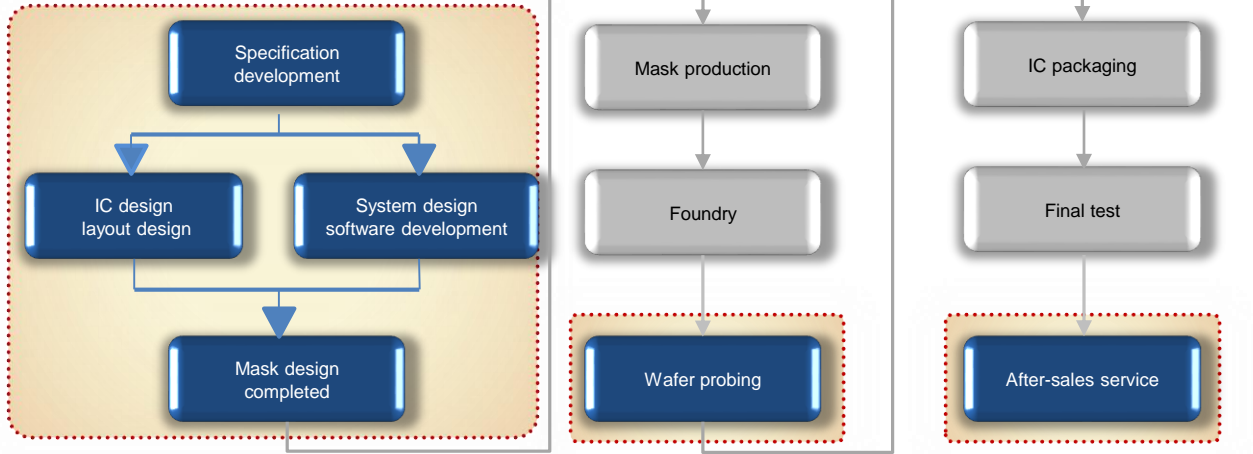
Quality, Cost, Delivery and Service (QCDS) and Environmental Safety and Health Management (EHS), as well as in compliance with relevant domestic and foreign initiatives and regulations, formulate and implement supplier management procedures.

Wafer product supply chain

In the chip industry chain, Sunplus Technology focuses on the most front-end design and development and end-end quality control. Intermediate processes including wafer manufacturing, cutting, packaging and testing are entrusted to professional manufacturers, and use small and diverse excellent production capabilities. In the wafer testing process, we use fully automated testing equipment, coupled with self-planned and designed software and hardware, to maintain high productivity and high-quality products. During the manufacturing process, we are only responsible for upstream chip specification formulation, IC design and system design, mask design and after-sales service processes. Mask production, wafer manufacturing, wafer cutting, IC packaging and final testing are entrusted to professional manufacturers.

*光罩製作、晶圓代工、IC封裝與最終測試採取委外代工

▼ Chip process supply chain



*Mask production, wafer foundry, IC packaging and final testing are outsourced.

Supplier Categories and Local Procurement

We identified 4 major supplier categories, including 10 raw material suppliers, 14 process outsourcers, 3 waste removal and disposal companies, and 6 service outsourcers. If divided by region, except for raw material suppliers whose local procurement ratio is 70%, the remaining local procurement ratios such as process outsourcing, waste removal and service outsourcers are 100%.

Supplier ESG Survey

Since 2014, we have conducted environmental, social responsibility and corporate governance (ESG) surveys and statistics. The surveys are conducted through on-site assessment and document review. Among them, document review (DR), including contract review, supplier self-disclosure of information and questionnaire survey.

For process outsourcers, we assign manpower to perform a Second Party Audit and conduct on-site interviews with suppliers to ensure that the documents they provide are consistent with their work content.

Regarding supplier audits, we will continue to conduct them and revise the investigation objects and audit methods year by year so that the supplier ESG survey results will continue to improve.

- In 2020, the proportion of environmental standards and labor practice standards used to screen process outsourcers has reached 100%.
- It is expected that by 2023, the proportion of raw material suppliers and process outsourcers that adopt environmental standards and use labor practice standards to screen will reach 100%.

Establish a supplier integrity reporting hotline

Suppliers and their employees should faithfully perform various sales and transactions, including but not limited to material procurement, project contracting, entrusted processing, equipment transfer, waste disposal, transportation customs declaration, labor dispatch and outsourcing agency, etc. In transactions, no cash, securities, non-group-standard gifts, entertainment or travel entertainment, or any other transfer of private interests shall be provided or given to any individual employee of the company, his relatives, friends, or other interested parties. You are not allowed to engage in any form of lending, leasing, investment, or any other activities that are not directly related to your work with any employee of the company or his relatives or friends. It is not allowed to provide any individual employee of the company or his or her relatives or friends with work arrangements that are based on remuneration. Any behavior that damages the company's interests and business image is prohibited.

The company requires suppliers who meet the transaction qualifications to fill in the "Declaration of Integrity Behavior". If any of our employees actively or passively violate procurement disciplines, the supplier should contact us by letter or e-mail without delay, with their real names and attachments. The contact information must contain the exact content or evidence clues and be disclosed to the following handling units of the company. Reporting and complaint email: whistleblower@sunplus.com.

▼ Supplier Environmental, Social And Governance, ESG survey statistics

Supplier type		Raw material supplier	Process outsource	Waste removal	Service outsourcing	
definition		Manufacturers that provide raw materials for product manufacturing	Manufacturers commissioned to manufacture products	Manufacturer entrusted with waste disposal	Vendors that provide on-site services, such as group catering, cleaning and security	
A	Procurement locally	Proportion of local suppliers	70%	100%	100%	100%
B	Quality management	Proportion of document reviews performed	100%	100%	0%	0%
		Proportion of field audits performed	0%	90%	0%	0%
C	environmental management	Proportion of document reviews performed	100%	100%	100%	0%
		Proportion of field audits performed	0%	79%	100%	0%
		Number of suppliers found to have violated major environmental laws and regulations	0	0	0	0
D	Occupational safety management	Proportion of document reviews performed	100%	100%	100%	50%
		Proportion of field audits performed	0%	79%	100%	83%
		Number of suppliers found to have violated major occupational safety regulations	0	0	0	0
E	human rights management	Proportion of document reviews performed	100%	100%	100%	50%
		Proportion of field audits performed	0%	79%	100%	83%
		The number of suppliers that have been found to violate human rights issues, such as illegal use of child labor, forced labor, etc.	0	0	0	0

8 Social Category-Internal Employee Care

Human resources structure

Abide by the Labor Standards Act and maintain seamless communication with employees

Comply with the Gender Equality Act and implement the suspension policy for childcare

Internal training plus external learning, a complete education, training and development system

The management examination system has been upgraded and optimized, and the performance management system has been completely revised.

Human rights supremacy policy

Occupational Safety and Health Management

Salary and benefits

Pension system that complies with laws and regulations

Comprehensive and affordable insurance plan

A vacation system that is better than the law

High-quality and diverse welfare activities

Health first, professional doctors on-site consultation and health promotion activities

8 Social Category-Internal Employee Care

Club activities create new opportunities for communication

Free parking, convenient commuting benefits

Catering services, good quality, low price, and diverse choices

Special stores, discounts and benefits extend across Taiwan

Human resources structure

We are committed to creating an equal and inclusive working environment, including diversity in gender, race and age; we also provide all colleagues with promotion opportunities with consistent standards and implement the concept of equal rights and justice. The talents we employ not only enable IC design products to maintain a leading position in the industry, but also lead the continuous innovation of the domestic industry. From professional technology to environmental protection contributions, our employees adhere to the spirit of pursuing excellence, and the results are also impressive.

We classify employees according to employment contracts and operating bases, clearly disclose the company's human resources information to the outside world, and present the stability of employees' jobs and the level of benefits provided to employees. Major positions in the organization are filled by regular employees °

In addition, we follow the Financial Supervisory Commission's "Remind listed companies to promptly respond to ESG information disclosure measures" on diversity and equality in the workplace, and further subdivide employees by gender to clarify the company's gender ratio structure. Below are our key HR figures :

- The total number of employees is 350, including 340 regular employees, accounting for 97%; and 10 informal employees, accounting for 3%. This human resources data is equivalent to the "Occupational Accident Statistics Table for December 2022" reported by the company to the Occupational Safety and Health Administration of the Ministry of Labor.
- There are 340 formal employees, including 231 male employees, accounting for 68%; 109 female employees, accounting for 32%.
- There are 10 informal employees, including 4 male employees, accounting for 40%; and 6 female employees, accounting for 60%. °
- Among the regular employees, 88 hold supervisory positions, of which 65 are male, accounting for 74%; and 23 are female, accounting for 26%.

Human resources structure

- Among the regular employees, there are 252 non-supervisory employees, 166 are male, accounting for 66%, and 86 are female, accounting for 34%.
- Statistics on the average employee benefits, average employee salary, and the average and median salary of employees who do not hold supervisory positions are as follows. See "Classification of Regular Employees Based on Gender and Supervisor Position"

We have 1 operating base in Taiwan. For the total workforce classified by gender at each base, please see the "Statistical Table of Total Employee Classification by Employment Contract, Gender, and Region". For more detailed information, please see the "Statistical Table of New and Retired Employees by Age Group, Gender and Region", "Statistics of Regular Employees by Gender and Supervisor Position" and "Salary and Benefits Information Table"

Abide by the Labor Standards Act and maintain seamless communication with employees

We comply with Article 56 of the Labor Standards Act. The Labor Retirement Reserve Supervisory Committee also holds quarterly meetings and discussions, and can convene ad hoc meetings when necessary. The content focuses on the review of the amount of the labor retirement reserve fund, fund storage, expenditure review and The amount of labor pension benefits.

If the company undergoes major operational changes, it will inevitably affect employees' employment rights and changes in various labor conditions. In this regard, we 100% comply with Article 16 of the Labor Standards Act and exercise the minimum notice period for terminating the labor contract in accordance with the law.

Although we do not have a trade union organization, we still comply with government labor laws and hold regular labor-management meetings for two-way communication. In accordance with Article 83 of the Labor Standards Act, we can convene temporary meetings when necessary to promote labor-management cooperation, labor-management relations coordination, and labor Condition improvement and labor welfare planning issues were discussed by both parties.

Comply with the Gender Equality Act and implement the suspension policy for childcare

We do comply with the Gender Equality at Work Act and implement equal leave rights and childcare leave systems for women and men.

As mentioned above, the company is committed to creating an equal and inclusive working environment, so it actively implements maternity leave, paternity leave and other due leave rights. It also implements a childcare leave without pay system, which both male and female employees can apply for in accordance with the law.

The number of people taking parental leave in 2022 is 1, including 0 males and 1 female. For details on the reinstatement rate and retention rate, please see the "Statistical Table on the Proportion of Reinstatement and Retention After Parental Leave by Gender"

The protection of these laws is the rights and benefits that employees should have, and it is also the company's responsibility. Perfect implementation will not only improve employee morale and productivity, but also make it easier for us to recruit and retain excellent employees.



▼ Statistical table of total number of employees classified by employment contract, gender, and region (unit : 1 person)

Operation base	Formal and informal employees	male		female		Total
		quantity	Proportion	quantity	Proportion	
No. 19, Chuangxin 1st Road, Hsinchu County, Hsinchu Science Park, Taiwan	Formal employees	231	68%	109	32%	340
	Informal employees	4	40%	6	60%	10
	Total	235	67%	115	33%	350

▼ Regular employees are divided according to gender and job category (unit: 1 person)

Job Category	Male		Female		Total
produce	13	4%	21	6%	34
R&D	188	55%	48	14%	236
Business	6	2%	3	0.8%	9
Administration	24	7%	37	11%	61
Total	231	68%	109	32%	340

Note: According to GRI guidelines, the calculation is based on the total number of formal employees of 340 at the end of the reporting period. The following statistics are the same.

▼ Regular employees are divided according to gender and supervisory position (unit: 1 person)

Job Category	Male		Female		Total
Supervisor	65	19%	23	7%	88
non-supervisory position	166	49%	86	25%	252
Total	231	68%	109	32%	340

▼ Regular employees are divided according to age (unit: 1 person)

	Male		Female		Total
	Number of people	Proportion	Number of people	Proportion	Number of final reports
Under 30 years old	54	16%	19	6%	65
31~50 years old	128	38%	76	22%	214
Over 51 years old	49	14%	14	4%	58
Total	231	68%	109	32%	340

▼ The total number and proportion of new and resigned employees among regular employees by age group, gender and region (unit: 1 person)

		male		female		Total	
		Number of people	Proportion	Number of people	Proportion	Number of people	Proportion
New employees	Under 30 years old	25	7%	9	3%	34	10%
	31~50 years old	12	4%	6	2%	18	5%
	Over 51 years old	0	0%	0	0%	0	0%
	Total	37	11%	15	4%	52	15%

▼ The total number and proportion of new and resigned employees among regular employees by age group, gender and region (unit: 1 person)

		Male		Female		Total	
		Number of people	Proportion	Number of people	Proportion	Number of people	Proportion
Resigned employees	Under 30 years old	16	4.7%	9	2.7%	25	7.3%
	31~50 years old	21	6.2%	5	1.5%	26	7.7%
	Over 51 years old	3	0.8%	1	0.3%	4	1.2%
	Total	40	11.7%	15	4.5%	55	16.2%

Note: According to GRI standards, the calculation is based on the total number of regular employees of 340 at the end of the reporting period, excluding retirees. °

▼ Salary and welfare information (unit: thousand yuan/person)

Salary and benefits information categories	2021	2022	Difference (%)
average employee benefits	1,643	1,770	7.73%
average employee salary	1,423	1,539	8.15%
Average salary of full-time employees not holding supervisory positions	1,442	1,592	10.40%
Median salary of full-time employees not holding supervisory positions	1,235	1,358	9.96%

▼ Statistics on the proportion of reinstatement and retention after parental leave by gender (unit: 1 person)

	Formula code	Male		Female		Total
		Number of people	Proportion	Number of people	Proportion	
Number of people taking parental leave in 2022	Code B	0	0%	1	100%	1
The total number of people who took parental leave and returned to work in 2022	Code C	1	50%	1	50%	2
The total number of people who have taken parental leave and should be reinstated in 2022	Code D	1	50%	1	50%	2
The total number of people who took parental leave and returned to work in 2021	Code E	0	0%	0	0%	0
Among the total number of people who used parental leave to return to work in 2021, the total number of employees who are still employed after 12 months	Code F	0	0%	0	0%	0
Reinstatement rate	C/D	100%		100%		—
retention rate	F/E	—		—		—

Note: In accordance with the "Gender Equality at Work Act", the childcare leave and leave system with pay is implemented, and both male and female employees can apply in accordance with the law. The application rules include: (1) The employee has worked in the company for 6 months (2) Before the child reaches 3 years old (3) The stay period can be from 30 days to two years.

Internal training plus external learning, a complete education, training and development system

In 2022, a total of 340 regular employees will receive training, and each employee will receive an average of 16.65 hours of training per year. If further distinguished by gender, the average number of hours of training received by male employees per year is 16.74 hours, and the average number of hours of training received by female employees per year is 16.48 hours. The average number of training hours for men and women is compared with previous years, which shows that the proportion of female employees holding engineering positions is increasing day by day. Sunplus Technology provides a gender-friendly environment and is committed to practicing the spirit of the gender equality law initiative. What is important is that we provide equal education and training rights to all employees regardless of gender. For more detailed education and training statistics, please see the "Statistics Table on the Average Number of Education and Training Hours Each Employee Receipts Each Year by Gender and Employee Category".

In order to coordinate with the company's operating goals and employee future development plans to train the professional and management talents needed by the organization in the future, the company has formulated "Employee Education and Training Management Procedures" so that the promotion of various business operations and employee training can be followed. The training targets all employees of the company, including contracted manpower (there will be no dispatched manpower in 2022), and does not differ based on gender, nationality and other factors.

Internal training plus external learning, a complete education, training and development system

We have constructed a complete education, training and development system, including general, management, specific, professional, self-development training (Self Development, SD) and other professional courses. Every year, in line with the company's development goals, the human resources department formulates an annual education and training plan through education and training needs surveys, questionnaires, interviews, or consensus meetings, and announces it to all employees. In addition to providing appropriate training courses based on different professional abilities, colleagues can also propose training goals and independently submit internal and external course needs. In addition to physical courses, we have also built the "Sunplus Technology Learning Management Platform" to break the limitations of time and space and provide opportunities for learning again through digital teaching materials and course videos. The system has a powerful built-in search function. You can quickly search for relevant courses by just searching by keyword, which is very convenient.

It is worth mentioning that in order to encourage colleagues to continue to improve their foreign language proficiency, the company has formulated the "Language Test Incentive Measures" to encourage colleagues to independently sign up for external language proficiency tests after internal training, and provide registration fees and bonus subsidies to those who meet the standards. Improve the language skills of colleagues and further integrate with international standards.



▼ Statistical table of the average number of hours of education and training received by each employee per year by gender and employee category (unit: 1/person, 1/hour)

		Formula code	Male	Female	Total
Produce	Number of people	A	12	10	22
	hours	B	282.5	182	464.5
	Average hours of training for employees in this category	C=B/A	23.54	18.20	21.11
R&D	Number of people	D	173	50	223
	hours	E	3109.5	955.5	4065
	Average hours of training for employees in this category	F=E/D	17.97	19.11	18.23
Business	Number of people	G	3	0	3
	hours	H	71	0	71
	Average hours of training for employees in this category	I=H/G	23.67	0	23.67
Administration	Number of people	G	14	29	43
	hours	H	403.8	658.3	1062.1
	Average hours of training for employees in this category	I=H/G	28.84	22.7	24.7
Total number of employees participating in education and training	Number of people	P	202	89	291
	hours	Q	3866.8	1795.8	5662.6
Total number of regular employees at the end of the reporting period	Number of people	R	231	109	340
Average hours of training per employee	hours	S=Q/R	16.74	16.48	16.65

Note: Training for new colleagues is not included in the calculation.

▼ Sunplus Technology Education Training Development System

OJT	OFF-JT										
department training	General staff					management position					
	"General Studies" Training (Qualification Category)					"Management" training (level)					
	Adaptation period	Exploration period	Establishment period	Maintenance period	Mature stage	Newly appointed/junior level	Intermediate/Senior			Senior/Operator	
	Career development plan (IDP)					Corporate succession planning (SP)					
	Topics, projects, activities, etc.					Technical occupation					
	"Specific type" training (functional category)					"Professional" training (department level)					
	Quality audit	Fire safety and environmental protection	Patent intellectual property	project manage	Information application	Instrumental equipment	Production testing	Marketing business	Human Resources General Affairs	R&D technology	financial accounting
	Certificate management system					Internal lecturer training system (TTT)					
Key Talent Development Program											
"Self-Enlightenment" Training (SD)											
Chinese training, digital learning platform, technical reference room, reading club, public discussion area (i-share)											

The management examination system has been upgraded and optimized, and the performance management system has been completely revised.

A total of 319 regular employees will undergo regular performance and career development reviews in 2022, accounting for 94% of the company's total. Further broken down by gender, the number of male employees who received regular performance and career development reviews was 222, accounting for 96% of the total number of male employees at the end of the reporting period. The number of female employees who received regular performance and career development reviews was 97, accounting for 89% of the total female employees at the end of the reporting period.

In addition, during the reporting period, if divided according to employee categories, the proportion of employees who received regular performance and career development reviews can be found in the "Statistical Table of the Proportion of Employees Who Accepted Regular Performance and Career Development Reviews by Gender and Employee Category".

In order to effectively connect the company/organization/individual goals, the company conducts performance evaluation operations in June and December every year. Through the continuous performance management cycle, we review the career capabilities of each colleague and take stock of manpower gaps.

Around June every year, supervisors and colleagues will jointly review the status of goal achievement to confirm the consistency between colleagues' personal development plans and the company's goals; in December, supervisors will conduct one-on-one performance interviews and feedback with colleagues to allow them to understand their work performance and learning and growth status, and jointly set work goals and personal development plans for the new year. The performance evaluation results of colleagues will also be used as an important reference for promotions, salary increases, bonuses, and dividends.

The management examination system has been upgraded and optimized, and the performance management system has been completely revised.

In addition, starting from 2019, the performance management system has been comprehensively revised. On the one hand, it strengthens the connection between the training status of colleagues and the inventory of ability gaps; on the other hand, in order to assist supervisors in effectively reviewing and improving management and leadership capabilities, colleagues can also perform performance management tasks. During this period, questionnaires were used to provide feedback on true feelings, and this two-way communication and feedback mechanism enabled both organizations and individuals to continue to move forward in positive development.

▼ Proportion of employees who receive regular performance and career development reviews by gender and employee category (unit: 1 person)

	Male			Female			Total		
	Total number of employees at the end of the reporting period	Number of male employees who receive regular performance and career development reviews	Proportion	Total number of employees at the end of the reporting period	Number of female employees who receive regular performance and career development reviews	Proportion	Total number of employees at the end of the reporting period	Number of male + female employees who receive regular performance and career development reviews	Proportion
Formula code	A	B	C=B/A	D	E	F=E/D	G=A+D	H=B+E	I=H/G
produce	222	13	5.86%	97	10	10.31%	319	23	7.21%
R&D		181	81.53%		48	49.48%		229	71.79%
Business		6	2.70%		3	3.09%		9	2.82%
Administration		22	9.91%		36	37.11%		58	18.18%
Total		222	100.00%		97	100.00%		319	100.00 %

Note 1: The following regular employees are not subject to performance appraisal:

- (1) Those who remain employed without pay during the assessment process,
- (2) Those who remain employed without pay for more than three months during the assessment period
- (3) Those during probation and apprenticeship periods

Note 2: The source of statistical data is the assessment roster for the second half of 2022.

Human rights supremacy policy

Human rights have long been a topic of great concern in contemporary society, especially the pursuit of fairness and justice, which is also an indispensable part of corporate social responsibility. In this regard, we continue to create smooth employee communication channels and set up an employee complaint mailbox wecare@sunplus.com to establish a closely connected communication network for all employees and demonstrate the company's emphasis on human rights issues.

Relevant human rights policies include: non-discrimination, gender equality, freedom of association, labor-management meetings, prohibition of child labor, prohibition of forced labor, protection of indigenous rights, etc.

We refer to, support and respect various international human rights guidelines, standards and programs as a guideline for continuous improvement of the company's human rights policies and standards. Including V6.1.0 (January 2020), V6.1.1 (August 2020), and V6.1.2 (October 2020) released by the Responsible Business Alliance (RBA, formerly EICC Electronics Industry Citizenship Alliance) , and the latest version V7.0.0 (January 2021), the United Nations Universal Declaration of Human and the 8 "Basic Principles and Rights at Work" adopted by the International Labor Organization (ILO) in 1998 Declaration of Fundamental Principles and Rights at Work.



Human Rights

Human rights supremacy policy

The following is our human rights performance during the reporting period :

1. If there are domestic and overseas expansion investment plans in the future, it is expected that the proportion of important investment agreements and contracts that contain human rights clauses or have undergone human rights screening will be 100%.
2. The total number of hours employees receive training on the operational human rights policy is 1 hour, and the proportion of regular employees receiving human rights training is 100%. The method of execution is through the signing of an employment contract, which is 100% compliant with local labor regulations.
3. No incidents of discrimination occurred during the reporting period.
4. A total of 1 operating base has undergone human rights inspection or impact assessment, accounting for 100%. The method of execution is through the signing of an employment contract, which is 100% compliant with local labor regulations.
5. No operating sites or suppliers were found that may violate or seriously endanger freedom of association and labor-management meetings.
6. No operating locations or suppliers with serious risks of child labor were found. The specific implementation method is that the company carefully selects high-quality suppliers to implement human rights protection.



Human Rights

7. Operational sites and suppliers that are not at risk of serious forced or compulsory labor incidents. The specific implementation strategy is the same as point 6.
8. The rate of security personnel receiving training on the organization's human rights policies related to operations is 100%. The company does not have a manufacturing plant, and security personnel comply with local labor regulations and perform routine duties at the operations headquarters.
9. There were no incidents involving violations of indigenous rights. The company's operating base is located in the legal business area and does not violate the "Slopeland Conservation and Utilization Regulations" and the "Aboriginal Reserve Development and Management Measures". In addition, the company's employees will not be treated unequally due to racial differences, and the labor-employer relationship will be implemented in 100% compliance with local labor regulations.
10. It is estimated that in 2023, the company will use human rights standards to screen 100% of new suppliers. The specific implementation strategy is the same as point 6.
11. No supply chain has significant actual or potential negative impact on human rights. The specific implementation strategy is the same as point 6.
12. During the reporting period, no human rights complaints were filed, handled and resolved through the formal complaint mechanism.



Occupational Safety and Health Management

In accordance with Article 23 of the Occupational Safety and Health Law, we have established an occupational safety and health management organization and an occupational safety and health committee to review and implement relevant occupational safety issues. In the occupational safety and health committee, we assist in supervising and advising the labor side on occupational health and safety-related plans. The representation ratio is 47%. Moreover, the factory environment and work content are relatively simple, and employees are not engaged in positions with high risks or high incidence of specific diseases.

As a leading company in IC design, caring for and caring for the company's workers is our primary responsibility. Based on the concept of environmental sustainability and the company's policies as well as demonstrating care and responsibility for society, Sunplus Technology has passed ISO 14001:2004 environmental management system certification since September 2004, and passed ISO 14001:2015 in November 2016. New version of certification; and has promoted the establishment of occupational safety and health management systems (ISO45001:2018 and TOSHMS) since April 2018, and completed verification in 2019 to obtain dual certifications of international and Taiwanese occupational safety and health management systems (ISO45001 and TOSHMS).

Occupational Safety and Health Management

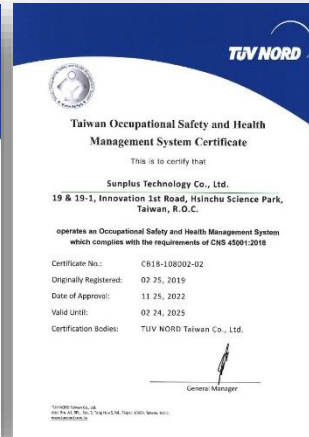
In response to the revision of TOSHMS (CNS15506:2011) to CNS45001:2018, Sunplus Technology took the lead in the IC design industry and converted to the new version in advance in December 2019, obtaining the new version of TOSHMS (CNS45001:2018) certificate.



ISO 14001:2015



ISO 45001:2018



TOSHMS(CNS 45001:2018)



Occupational Safety and Health Management

We formulate labor health examination-related matters in accordance with Article 20 of the Occupational Safety and Health Law and the Labor Health Protection Rules, and provide employees with comprehensive health examinations to ensure that every employee can understand their own health status.

General health examination items include adult health examinations such as blood pressure, blood sugar, total cholesterol, liver function, kidney function and urine protein examination, abdominal ultrasound, four cancer screenings, etc., and the physical/health examination reports and nursing records are registered internally. [Employee Health Examination Report Inquiry System] provides employees with a reference, allowing employees to self-examine disease and injury risk analysis to ensure that potential causes can be discovered in advance, and then formulate their own health promotion strategies.

Occupational Safety and Health Management

▼ Statistics on types of work-related injuries, frequency of work-related injuries, occupational diseases, proportion of lost days and absenteeism rate in 2022

	Work injury		Transportation	
	Male	Female	Male	Female
Number of people	0	0	0	0
Lost hours	0	0	0	0
Lost days	0	0	0	0
Absence rate	0.000%	0.000%	0.000%	0.000%
Absence rate	0.000%			
Incapacitating injury frequency	male : 0.00 female : 0.00			
Disabling injury severity rate	male : 0.00 female : 0.00			
Total damage index	male : 0.00 female : 0.00			

note :

- Absence rate (AR) = Total number of days absent during the reporting period (0.000) / Total number of days worked during the reporting period (87,191.)
- Frequency of incapacitating injuries (FR) = (Number of incapacitating injuries × 10⁶) (1)/Total working hours experienced (697,528.)
- Disabling injury severity rate (SR) = (number of days lost due to disabling injury × 10⁶)/total working hours experienced
- Total Injury Index (FSI) = (FR×SR)/1,000
- Commuting occupational accidents are not included in the calculation



Salary and Benefits

The company's salary and benefits are positioned to be better than the market average, and we provide competitive salaries and remuneration to attract talents, motivate existing employees, and stabilize outstanding talents. By employee category, the ratio of basic salary and remuneration for women and men is 1:1 °

The overall rewards we distribute each year will be determined based on the achievement of the company's overall operating goals, annual profits, and employees' individual performance and level of commitment. Therefore, in addition to basic generous salary packages, year-end bonuses, employee dividends and other rewards will be provided in accordance with the aforementioned conditions. Before July every year, the company will measure the overall salary level of its peers in the market and relevant principles such as employee personal performance and future development to appropriately adjust salaries for colleagues. In addition, in order to stabilize the long-term employment of outstanding employees, we have also designed a bonus system for retaining talents based on actual practice and employee performance.

We hope to attract and retain outstanding talents through a competitive overall reward system, and to express recognition to colleagues for the company's continued efforts and contributions, thereby realizing the sustainable management concept of profit sharing with employees.



Pension system that complies with laws and regulations

Since the implementation of the Labor Pension Regulations on July 1, 2005, 99.1% of the company's employees currently choose the new system, and 0.9% of the employees still choose the old system (that is, from the retirement regulations related to the Labor Standards Law).

For those who are subject to the old pension provisions of the Labor Standards Act, 2% of the total salary will be allocated to the retirement fund on a monthly basis in accordance with the law, and will be deposited in a special account at the Bank of Taiwan in the name of the Labor Retirement Reserve Supervisory Committee. As of December 31, 2022, the total amount of the company's deposits in the special account was NTD168,388 thousand, and the retirement reserve fund was fully allocated every year.

For those who are subject to the old pension provisions of the Labor Standards Act, 2% of the total salary will be allocated to the retirement fund on a monthly basis in accordance with the law, and will be deposited in a special account at the Bank of Taiwan in the name of the Labor Retirement Reserve Supervisory Committee. As of December 31, 2022, the total amount of the company's deposits in the special account was NTD168,388 thousand, and the retirement reserve fund was fully allocated every year.

For those who are applicable to the new pension system of the "Labor Pension Ordinance", the company law will bear a monthly labor pension contribution rate of 6%, and the contributions will be deposited in the employee's account according to the monthly contribution salary classification table approved by the Executive Yuan. An individual labor pension account established at the Labor Insurance Bureau. The amount of pension expenses recognized in the defined contribution plan in 2022 is NTD22,738 thousand.



Comprehensive and affordable insurance plan

We insure every employee with labor insurance, national health insurance and group insurance in accordance with the law. Group insurance is fully borne by the company. The items include: term life insurance, accidental injury insurance, accidental medical insurance, critical illness insurance, hospitalization medical limit insurance, and cancer health insurance. , Occupational disaster insurance. Employees' family members can add group insurance of different plans at their own expense at any time according to their personal needs. We also provide insurance for elderly parents and people with physical conditions, and the premiums are all affordable. These comprehensive insurance plans are designed to allow colleagues to work without worries in the workplace, take care of their homes, and benefit their families.

A vacation system that is better than the law

"Rest is for a longer journey." We believe that in addition to generous salary and comprehensive insurance policy, the most important thing is employees' work leave benefits. Every colleague of Sunplus Technology is the company's most cherished partner. Therefore, we provide a leave system that is better than the law, such as the number of special days of leave that is better than the law, 10 days of paid sick leave every year, and 19 national holidays. and anniversary.

In 2015, the Ministry of Labor revised the "Enforcement Rules of the Labor Standards Act" and changed the national holiday from the 19th to the 12th. However, in order to allow every employee to strike a balance between work and private life, taking into account family, vacation and leisure, recharge and study, etc., the company still decided to give employees 19 days when evaluating the industry's work leave benefits and legal regulations. National holidays and anniversaries will be implemented accordingly from 2016 to 2022.

In addition, we provide employees with a flexible working system and can apply to adjust their working hours according to needs.

High-quality and diverse welfare activities

In accordance with the "Organizational Guidelines for Employee Welfare Committees" promulgated by the Labor Committee, Sunplus Technology invites various departments to nominate members to form an employee welfare committee to coordinate the company's welfare committee funds and promote various welfare measures. Sunplus Technology has always used the best revenue provision ratio of 0.15%, allowing the Welfare Committee to plan more diverse and interesting welfare projects, such as Mid-Autumn Festival activities, Christmas gift-giving activities, etc. °

In addition, we have set up a fitness center in the leisure center; there is also a reading room with books and magazines for colleagues to read, so that colleagues can relax and enjoy "both active and quiet" in the company. The company has also specially designed a massage relief room and hired professional blind masseuses to serve colleagues to relieve the fatigue and stress of work and life.



High-quality and diverse welfare activities

In addition to the above-mentioned activities and equipment, the company also has many high-quality internal activities, such as family days, walking activities, etc., which are deeply loved by colleagues, allowing them to cultivate good friendship and tacit understanding with their colleagues after work. It is worth mentioning that we specially provide employees with personal travel subsidies. The travel subsidy application rate in 2022 is about 92%, which truly reflects the beauty and spirit of employee welfare.



Health first, professional doctors on-site consultation and health promotion activities

In order to protect the physical and mental health of every colleague, the company implements health examinations for general employees and senior managers every year that exceed legal requirements. It also has a medical room where professional doctors are stationed every month to provide employee health consultation services, and from time to time. Arrange health promotion activities.

In 2022, the employee attendance rate for regular health examinations will be 98%, and the COVID-19 vaccination rate will be 94%. Control and isolation will be carried out in response to the epidemic situation of colleagues in the factory, effectively avoiding infections in the factory. In the 2022 "Sunplus Technology Healthy New Life - Walking Monopoly" health promotion activity, we held online health lectures, provided employees with correct walking methods and taught correct fitness exercises to avoid sports injuries; in order to encourage colleagues to develop good habits of regular exercise, And implement it in daily life, advocate walking 10,000 steps a day within the company, and make walking a new health indicator in Sunplus Technology . In the end, the number of employees participating in the Walking Monopoly reached 136, with a total of 75,947,047 steps taken and about 55 laps around Taiwan. °

What's more worth mentioning is that we provide working women with a good breastfeeding room, equipped with refrigerators and electric breast feeding equipment. In 2015, we passed the Hsinchu County Workplace Friendly Breastfeeding Room certification, so that everyone in need can Mothers can work with peace of mind. In 2020, it also passed the Healthy Workplace Certification from the Occupational Safety and Health Administration of the Ministry of Labor to protect the physical and mental health of every colleague.



Club activities create new opportunities for communication

Sunplus Technology provides club venues and activity fee subsidies every year to make club organizations operate more smoothly. We already have 10 clubs, including yoga club, badminton club, KTV singing club, board game club, and baking club. Colleagues participating in the clubs account for about 40% of the company's employees. We also encourage colleagues to create clubs with friends who have the same interests. Through common interests or professional development, they can enjoy a relaxed and unburdened off-duty life and create new possibilities for communication channels between colleagues.

Free parking, convenient commuting benefits

In order to save colleagues from having to spend extra effort to find a parking space and start a beautiful and smooth day, the company has indoor and outdoor parking lots for automobiles and motorcycles, providing employees with free parking spaces for automobiles and motorcycles, and special parking spaces for pregnant women and colleagues with disabilities, which are convenient and convenient. The commuting life of all colleagues.



Catering services, good quality, low price, and diverse choices

The company has a staff restaurant that provides diversified catering services. The restaurant has a variety of food courses, providing buffets, pasta, vegetarian meals, healthy meals, etc.; each meal only charges NTD35 for a meal, and you can enjoy a satiating meal.

In order to ensure that colleagues eat nutritiously, safely, and hygienically, the company regularly conducts hygiene audits of the kitchens of group dining plants, surveys colleagues' dining satisfaction every six months and implements improvements to related issues, so that colleagues can eat with confidence and health.



Special stores, discounts and benefits extend across Taiwan

Sunplus Technology extends employee benefits from within the company to outside the company. There are many special stores open for employees and their dependents to enjoy exclusive benefits with their identification cards. In addition, employees can also add Google documents of contracted vendors to their mobile desktops to check local store offers anytime and anywhere, so as not to miss any good opportunities.

▼Employee welfare activity participation statistics during the reporting period

Item	content	Total number of internal and external participants (person)
1	Mid-Autumn Festival gift certificate distribution	340 internal employees
2	Christmas gift distribution	344 internal employees
3	Family Day: Come on! FUN Come and play	A total of 705 internal employees + external personnel

▼Diverse welfare projects

Caring for physical and mental health	healthy lifestyle	Sunshine leisure center, stress-relieving massage, doctor on site health check-up, lactation room
	intellectual life	Reading room, books and newspapers area
Friendly working environment	Societies	10 clubs including yoga club, badminton club, KTV singing club, board game club, baking club, etc.
	Attentive service	Gift certificate ordering, special stores, psychological consultation, free parking spaces, China Life's on-site services, Far East Commercial Bank's on-site services, manufacturers' on-site exhibitions and sales, breakfast shops, OK convenience stores.
Multiple bonus subsidies	Incentive gift money	Three festival gift money, birthday gift money, and last-minute lucky draw
	Cost subsidy	Personal travel subsidy, department-level travel subsidy, meal subsidy, convenience store gift certificate subsidy, wedding and funeral hospitalization subsidy

9 Social Category - External Public Welfare Participation

Donate scholarships and bursaries and COVID-19 testing equipment and reagents; do what you should and extend love and care infinitely.

Actively participate in external activities for cross-border public welfare

Donate scholarships and bursaries and COVID-19 testing equipment and reagents; do what you should and extend love and care infinitely

In 2022, our colleagues will still raise funds and donate approximately NTD900,000 to the Family Support Foundation to provide tuition assistance to 45 elementary and middle school children in Wufeng Township and Jianshi Township, as well as those whose family conditions qualify for subsidies, to eliminate their causes. Economic disadvantage affects the willingness to go to school and involuntary dropout behavior, helping students complete compulsory education; at the same time, it is hoped that through stable financial assistance, they can improve their family environment and even become self-sufficient, etc. °

The COVID-19 epidemic has impacted the testing capacity of various medical institutions. In 2021, Sunplus Technology donated more than NTD1.25 million in COVID-19 testing instruments and testing reagents. As the epidemic raged ruthlessly, we provided compassionate support.

In 2022, Sunplus Technology donated 50 sets of screens to the Hsinchu Family Support Center to improve its office environment; in addition to social care charity groups, we also support public welfare undertakings in industrial technology, including the promotion of common standards for the Huaju Industry Foundation, Taiwan Semiconductor Industry Association of the Republic of China, etc.

"Do what you should do, do what you want to do." Sunplus Technology hopes to do its part and do cross-border charity, so that love and care can extend infinitely.

Donate scholarships and bursaries and COVID-19 testing equipment and reagents; do what you should and extend love and care infinitely

▼ Statistics on charity donation units and amounts during the reporting period

Item	Payee unit	Donation content	Amount
1	Hsinchu Family Support Center ^(note1)	Taoshan Elementary School Encouragement Project	897,300.
2	Huaju Industrial Common Standards Promotion Foundation	Foundation affairs promotion	200,000.
3	Taiwan Semiconductor Industry Association of the Republic of China	TSIA Semiconductor Award and Industry-Academic Fund	50,000.
4	Corporate Management and Sustainable Development Association of the Republic of China	Promotion of association affairs	20,000.
5	Police Friends of the Police Friends of the Republic of China Security Police Second Corps Police	Promotion of conference affairs	15,810.
6	Taiwan Chiao Tung University Alumni Association	Big Transportation Big Future Project	1,000,000.
Total			2,183,110.

Note 1: Colleagues raise funds for adoption

Actively participate in external activities for cross-border public welfare

Sunplus Technology assists the Family Support Foundation in holding charity sales at garden parties every year, donating small gifts to children in the hometown, and conducting fundraising activities to adopt Taoshan Elementary School to continue to extend charity care.

At the entrance of the OK convenience store in the factory, public welfare groups such as Miaoli County Xinmiao Development Center, Eden Foundation, World Peace Society and Huashan Foundation are provided with invoice donation boxes. One invoice, one hope, so that colleagues can easily do charity.

We cooperate with the Hsinchu Blood Donation Center, and blood donation trucks come to the factory regularly to facilitate colleagues to donate blood, and provide immediate donation and transfusion during the domestic blood shortage. In addition, colleagues voluntarily cooperate with OK convenience stores to donate necessities or charity materials during the holidays or irregularly, so that disadvantaged families can feel the warmth and care of society.

In addition, at the 2022 annual semiconductor event SEMICON Taiwan's "Big Transportation and Big Future" forum, Sunplus Technology's Chairman Huang Chou-Chye was invited to participate and put forward his outlook for Taiwan's smart transportation. Sunplus Technology was not absent from its active participation in social activities.



Actively participate in external activities for cross-border public welfare

▼ Statistics on participation in external social activities during the reporting period

no	Projects and content	Internal peer engagement data	
		Number of participants	participation rate
1	Sponsored the Family Support Garden Party: Fundraising sponsorship funds of NTD63,700.	46	13%

In the future, Sunplus Technology will continue to organize various social care activities, go deep into every corner that needs help, and help make society a better and better place, giving full play to the spirit of social responsibility of "when people are hungry, they are hungry, and when others are drowning, they are drowning."































10 Appendix





















GRI Guidelines Content Index



























Topic	Level project	Project Description	Chapter or Description	Omit reasons/ necessary explanations	page	SDGs
GRI 2 : general disclosure 2021						
Organization and reporting practices	2-1	Organization details	2 About us		3	
	2-2	Entities included in organizational sustainability reporting	3 About the report		4	
	2-3	Reporting period, frequency and contact person	3 About the report		4,7	
	2-4	Information rearrangement	3 About the report		4	
	2-5	external assurance/assurance	3 About the report		6	
Activities and Workers	2-6	Activities, value chains and other business relationships	2 About us 4 Economic Category Wafer product supply chain		3 16-26 41	
	2-7	staff	Human resources structure		45-53	
	2-8	non-employee workers	Human resources structure		45	
governance	2-9	Governance structure and composition	5 Corporate Governance		28-30	
	2-10	Nomination and selection of the highest governance unit	5 Corporate Governance		28-30	
	2-11	Chairman of the highest governance unit	5 Corporate Governance		28	
	2-12	The role of the highest governance unit in monitoring impact management	5 Corporate Governance		29	
	2-13	Head of Impact Management	5 Corporate Governance		29	
	2-14	The role of the highest governance unit in sustainable reporting	ESG Organizational structure		5	
	2-15	Conflict of interest		Disclosed in company annual report	-	
	2-16	Communicate key events	Communication with stakeholders		11-14	
	2-17	Crowd intelligence in the highest governance unit	Improvement of board of directors functions		28-29	
	2-18	Performance evaluation of the highest governance unit	Set up an audit committee to strictly monitor legal compliance matters		29	
	2-19	Emuneration policy	Establish a salary and remuneration committee to assist in evaluating salary levels		29	
2-20	Salary Decision Process	Establish a salary and remuneration committee to assist in evaluating salary levels		29		
2-21	Annual total remuneration ratio		Maximum annual total compensation is organizational confidential information			
Strategy, Policy and Practice	2-22	Statement on sustainable development strategy	1 Chairman's words		2	
	2-23	policy commitments	1 Chairman's words		2	










Topic	Reveal project	Project Description	Chapter or Description	Omit reasons/ necessary explanations	page	SDGs
GRI 2 : general disclosure 2021						
Strategy, Policy and Practice	2-24	Incorporate policy commitments	3 About the report		12	
	2-25	Procedures for remediating negative shocks	Set up a reporting hotline		42	
	2-26	Mechanisms for seeking advice and raising concerns	Contact Information Customer Satisfaction Survey		7 32	
Strategy, Policy and Practice	2-27	Compliance	Set up an audit committee to strictly control all operating activities on legal compliance matters and strictly abide by domestic and foreign laws and regulations.		29 31	
	2-28	Membership of public associations	Participating companies/associations and positions held in 2022		18	
Stakeholder discussion	2-29	Stakeholder discussion policy	Communication with stakeholders		11-14	
	2-30	group agreement	Comply with the collective bargaining agreement in accordance with the laws of each country, and there is no group agreement signed			
































Topic	reveal project	Project Description	Chapter or Description	Omit reasons/ necessary explanations	page	SDGs
GRI 3 : Major Theme 2021						
major themes	3-1	Process for deciding major topics	Identify major considerations and boundaries		8	
	3-2	List of major topics	Ranking of major issues		9-10	
Economic aspect						
GRI 3 : major themes 2021	3-3	Major theme management	Ranking of major issues		9	
Economic performance						
GRI 201 : economic performance 2016	201-1	The direct economic value generated and distributed by the organization	operating results		16-17	
	201-2	Financial impacts and other risks and opportunities arising from climate change	Smart chips, the infinite possibilities of realizing low-carbon economy Climate Change Related Financial Disclosure (TCFD)		26 37-39	
	201-3	Defining Benefit Plan Obligations and Other Retirement Plans	Social Category-Internal Employee Care		46,48, 58-62	
	201-4	Financial subsidies from the government	Our company participates in the AI on CHIP project of the Technology Division of the Ministry of Economic Affairs			
market position						
GRI 202 : market position 2016	202-1	Ratio of standard salary to local minimum wage for entry-level staff of different genders	Human resources structure		48	
	202-2	Proportion of local residents employed as senior managers	Senior management are all local residents			
Indirect economic shocks						
GRI 203: Indirect economic shocks 2016	203-1	Development and impact of infrastructure investment and support services	In addition to operating facilities, restaurants, leisure centers and medical rooms are set up to protect and enhance the physical and mental health and safety of colleagues.		60-62	
	203-2	Significant indirect economic impact	Identified significant indirect economic impact		25,31	
Procurement Practice						
GRI 204: Procurement Practices 2016	204-1	Proportion of procurement spend from local suppliers	Supplier Categories and Local Procurement		42	

Topic	Relevant project	Project Description	Chapter or Description	Omit reasons/ necessary explanations	page	SDGs
Anti-corruption						
GRI 205 : Anti-corruption2016	205-1	Operational locations that have undergone corruption risk assessments	Establish a supplier integrity reporting hotline		42	
	205-2	Communication and training on anti-corruption policies and procedures	Establish a supplier integrity reporting hotline		42	
	205-3	Confirmed corruption incidents and actions taken	All operational activities strictly abide by domestic and foreign laws and regulations and set up a supplier integrity reporting hotline.		31 42	
Anti-competitive behavior						
GRI 206 : Anti-competitive behavior2016	206-1	Legal actions involving anti-competitive conduct, antitrust and monopoly conduct	All operational activities strictly comply with domestic and foreign laws and regulations		31	
Tax						
GRI 207 : TAX 2019	207-1	tax policy	According to the requirements of the local government of each operating base		3	






















Topic	reveal project	Project Description	Chapter or Description	Omit reasons/ necessary explanations	page	SDGs	
Environmental aspect							
GRI 3 : major themes2021	3-3	Major Theme Management	Identify major considerations and boundaries		8		
Materials							
GRI 301 : materials2016	301-1	Weight or volume of materials used		The current technology is not feasible and cannot be traced			
	301-2	Renewable materials used		301-1 cannot be calculated, so the ratio cannot be calculated			
	301-3	Recycled products and packaging materials	If there are any defective products, they will be sent back to the company for cleaning.		41	 	
Energy							
GRI 302 : Energy 2016	302-1	Energy consumption within the organization	Quantitative statistics on environmental resource investment		34	 	
	302-2	Energy consumption outside the organization	Quantitative statistics on environmental resource investment		34	 	
	302-3	Energy intensity	1.0639 (Thousands of degrees/hundred million yuan)	Purchased electricity			
	302-4	Reduce energy consumption	Committed to greenhouse gas reduction		36	 	
	302-5	Reduce the energy requirements of products and services	Committed to greenhouse gas reduction		36	 	
Water and flowing water							
GRI 303 : water and flowing water 2018 management policy	303-1	Interactions among shared water resources	Sunplus Technology is a general office building, and water intake and drainage are in compliance with local government regulations.			 	
	303-2	Management of drainage-related impacts	Sunplus Technology g is a general office building, and water intake and drainage are in compliance with local government regulations.			   	
GRI 303 : water and flowing water2018	303-3	Water intake	Quantitative statistics on environmental resource investment		34		
	303-4	Displacement	Sunplus Technology is a general office building, and all wastewater is piped and discharged into the sewer system designated by the government, so it is impossible to calculate drainage and water consumption.			 	



Topic	event project	Project Description	Chapter or Description	Omit reasons/ necessary explanations	page	SDGs	
Water and flowing water							
GRI 303 : Water and flowing water 2018	303-5	Water Consumption	Sunplus Technology is a general office building, and all wastewater is piped and discharged into the sewer system designated by the government, so it is impossible to calculate drainage and water consumption.			 	
Lodiversity							
GRI 304 : Lodiversity 2016	304-1	The operating sites or adjacent areas owned, leased or managed by the organization are located in environmental protection areas or other areas of high biodiversity value	Each operating base of Sunplus Technology is located in industrial zones designated by the local government, and is not located in environmental protection areas or other areas with high biodiversity value.			   	
	304-2	activities, products and services that have a significant impact on biodiversity	Relevant activities, products and services have no significant impact on biodiversity.			   	
	304-3	Protected or restored habitat	Each of Sunplus Technology's operating sites are located in industrial zones designated by the local government and are not located in protected or restored habitats.			   	
	304-4	Among the habitats affected by the operation, species that have been included in the IUCN Red List and national protected lists	Each of Sunplus Technology's operating sites are located in industrial zones designated by the local government and are not located in protected or restored habitats.			   	
Emission							
GRI 305 : emission 2016	305-1	Direct (Scope 1) greenhouse gas emissions	Quantitative statistics on environmental resource output		35	 	
	305-2	Energy indirect (scope 2) greenhouse gas emissions	Quantitative statistics on environmental resource output		35	 	
	305-3	Other indirect (Scope 3) greenhouse gas emissions	Quantitative statistics on environmental resource output		35	 	
	305-4	Greenhouse gas emission intensity	0.54194 (Metric ton CO2e/million yuan)	Emissions/Turn over (million yuan)		 	
	305-5	Greenhouse gas emission reduction	Committed to greenhouse gas reduction		36		
	305-6	Emissions of substances that damage the ozone layer		No relevant facilities and equipment			
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other major gas emissions		No relevant facilities and equipment			

Topic	Reveal project	Project Description	Chapter or Description	Omit reasons/ necessary explanations	page	SDGs
waste						
GRI 306 : waste 2020 management policy	306-1	Waste generation and significant waste-related impacts	Quantitative statistics on environmental resource output		35	
	306-2	Managing significant waste-related impacts	Quantitative statistics on environmental resource output		35	
GRI 306 : waste 2020	306-3	waste generation	Quantitative statistics on environmental resource output		35	
	306-4	Waste disposal and transfer	Quantitative statistics on environmental resource output		35	
	306-5	Direct disposal of waste	Quantitative statistics on environmental resource output		35	
Supplier Environmental Assessment						
GRI 308 : Supplier Environmental Assessment 2016	308-1	Use environmental criteria to screen new suppliers	Supplier ESG Survey		42	 
	308-2	Negative environmental impacts of supply chains and actions taken	Supplier ESG Survey		42	 

Topic	reveal project	Project Description	Chapter or Description	Omit reasons/ necessary explanations	page	SDGs
Social Aspect						
GRI 3 : Major themes2021	3-3	Major topic management	Identify major considerations and boundaries		8	
Labor-employer relationship						
GRI 401 : labor-employer relationship2016	401-1	New and retired employees	Human resources structure		45, 47-48	
	401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	Social Category-Internal Employee Care		58-62	  
	401-3	parental leave	Comply with the Gender Equality Act and implement the suspension policy for childcare		46,48	  
Labor/management relations						
GRI 402 : labor/management relations2016	402-1	Minimum notice period for operational changes	Abide by the Labor Standards Act and maintain seamless communication with employees		46	  
Occupational safety and health						
GRI 403 : Occupational safety and health2018 management policy	403-1	Occupational safety and health management system	Occupational Safety and Health Management		56	  
	403-2	Hazard identification, risk assessment, and accident investigation	Occupational Safety and Health Management		56	  
	403-3	Occupational health services	Occupational Safety and Health Management		57	
	403-4	Worker participation, consultation and communication on occupational safety and health	Occupational Safety and Health Management		56	 
	403-5	Worker training on occupational safety and health	Sunplus Technology Education Training Development SystemOccupational Safety and Health Management		51 56	  
	403-6	Worker health promotion	Occupational Safety and Health Management		57	
	403-7	Prevent and mitigate the impact of occupational safety and health directly related to business relationships	Occupational Safety and Health Management		56-57	  
GRI 403 : Occupational safety and health2018	403-8	Workers covered by the occupational safety and health management system	Occupational Safety and Health Management		56	 
	403-9	Occupational injuries	Occupational Safety and Health Management		57	
	403-10	Occupational diseases	Occupational Safety and Health Management		57	

Topic	Reveal project	Project Description	Chapter or Description	Omit reasons/ necessary explanations	page	SDGs
Training and education						
GRI 404 : Training and education 2016	404-1	Average hours of training per employee per year	Internal training plus external learning, a complete education, training and development system		49-50	 
	404-2	Enhancement of employee functions and transition assistance programs	Internal training plus external learning, a complete education, training and development system		49-50	 
	404-3	Percentage of employees who receive regular performance and career development reviews	The management examination system has been upgraded and optimized, and the performance management system has been completely revised.		51-52	 
Employee Diversity and Equal Opportunities						
GRI 405 : Employee Diversity and Equal Opportunities 2016	405-1	Diversity of governance units and employees	Human resources structure		45	 
	405-2	Female to male base salary plus salary ratio	Salary and benefits		58	 
Non-discrimination						
GRI 406 : Non-discrimination 2016	406-1	Incidents of discrimination and actions taken by the organization to improve	Human rights supremacy policy		54-55	 
Freedom of association and group consultation						
GRI 407 : Freedom of association and group consultation 2016	407-1	Operational sites or suppliers that may be at risk for freedom of association and group negotiation	Abide by the Labor Standards Act and maintain seamless communication with employees		46	 
Child labor						
GRI 408 : Child labor 2016	408-1	Significant risks of child labor at our operations and suppliers	Human Rights First Policy as Supplier ESG Survey		54 42	  
Forced or compulsory labor						
GRI 409 : Forced or compulsory labor 2016	409-1	Operational sites and suppliers with significant risks of forced and compulsory labor incidents	Human Rights First Policy as Supplier ESG Survey		54 42	 
Preservation Practice						
GRI 410 : Preservation Practice 2016	410-1	Security personnel receive training on human rights policies or procedures	Human rights supremacy policy		55	 

Topic	Relevant project	Project Description	Chapter or Description	Omit reasons/ necessary explanations	page	SDGs
Aboriginal rights						
GRI 411 : Aboriginal rights 2016	411-1	Incidents involving violations of indigenous rights	Human rights supremacy policy		55	 
Local community						
GRI 413 : Local community 2016	413-1	Operational activities through local community communication, impact assessment and development planning	Each operating base of Sunplus Technology is located in an industrial zone designated by the local government. Office operations are pollution-free, and communication with local communities is through government agencies, without major impact.			 
	413-2	Operational activities that have significant actual or potential negative impacts on local communities	Each operating base of Sunplus Technology is located in an industrial zone designated by the local government. It is an operation with no pollution from office operations and no significant actual or potential negative impact on the local community.			 
Supplier Social Assessment						
GRI 414 : Supplier Social Assessment 2016	414-1	New suppliers screened using social criteria	Supplier ESG Survey		42	 
	414-2	Negative social impacts in supply chains and actions taken	Supplier ESG Survey		42	 
Public policy						
GRI 415 : Public policy 2016	415-1	Political donation	No political contributions			
Customer Health and Safety						
GRI 416 : Customer Health and Safety 2016	416-1	Assess the impact of product and service categories on health and safety	Through research and development technology, user experience and security are improved		19-21	 
	416-2	Breach of health and safety regulations regarding products and services	No violations of laws and regulations		31	 
Marketing and Labeling						
GRI 417 : Marketing and Labeling 2016	417-1	Product and service information and labeling requirements	Implemented in accordance with the requirements of international regulations, standards, voluntary codes of conduct, and environmental protection labels			 
	417-2	Incidents of failure to comply with regulations on information and labeling of products and services	Implemented in accordance with the requirements of international regulations, standards, voluntary codes of conduct, and environmental protection labels		31	 
	417-3	Incidents of failure to comply with laws and regulations regarding marketing communications	No violations of laws and regulations		31	 

Topic	Materiality project	Project Description	Chapter or Description	Omit reasons/ necessary explanations	page	SDGs
Customer privacy						
GRI 418 : Customer privacy2016	418-1	Complaints of substantiated breach of customer privacy or loss of customer information	Complaints of substantiated breach of customer privacy or loss of customer information		31	 

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Reveal theme/indicator code	Reveal indicators	nature	Content summary	Reference section	Page number
Greenhouse gas emissions TC-SC-110a.1	1.Scope 1 greenhouse gas emissions 2.Total emissions from fluorinated compounds	Quantify	1. The annual greenhouse gas emissions in 2022 belong to [a. Direct greenhouse gas emissions and removal] (i.e. [Category 1]) is only 2.4139 tons-CO ₂ e, which is only about 0.07% of the total emissions. 2. No fluoride emissions	Quantitative statistics on environmental resource output	35
Greenhouse gas emissions TC-SC-110a.2	For scope 1 greenhouse gas management, explain the long-term and short-term strategic planning, reduction targets, and reduction promotion process	Qualitative	[Category 1] For example, the fuel consumption of official vehicles and generator oil is only about 0.07% of the total emissions, and the reduction is limited.	Quantitative statistics on environmental resource output	35
Energy management TC-SC-130a.1	1.Total energy consumption 2.Energy use of purchased electricity as a percentage of total electricity consumption 3.Proportion of renewable energy used	Quantify	1. The total energy consumption in 2022 will be 7,135,000 kilowatt-hours. 2. All energy uses purchased electricity, accounting for 100% of the total power consumption. 3. The proportion of renewable energy used is 0%.	Quantitative statistics on environmental resource investment	34
water management TC-SC-140a.1	1.Total water withdrawal 2.Total water consumption, percentage of water withdrawal from areas with high water pressure and extremely high pressure	Quantify	1. The total water consumption in 2022 is 29.24 thousand tons 2. All water is taken from Taiwan Water Company, and the proportion of water taken from areas with high water pressure and extremely high pressure is 0%	Quantitative statistics on environmental resource investment	34
waste management TC-SC-150a.1	Total amount of hazardous waste generated by the manufacturing process and recycling ratio	Quantify	All production is outsourced, and hazardous waste is only returned defective products that cannot be reused; the output in 2022 will be 0.60 tons, and the proportion of recyclable copper after treatment is approximately 23.1%	Quantitative statistics on environmental resource output	35

Reveal theme/indicator code	Reveal indicators	nature	Content summary	Reference section	Page number
Employee health and safety TC-SC-320a.1	Describe the steps the company takes to assess, monitor, and reduce employee exposure to human health hazards	Qualitative	We implement the ISO45001/TOSHMS occupational safety and health management system and have passed the verification. We evaluate the workplace through regular risk assessments, health inspections, working environment measurements, etc., and cooperate with health promotion activities, education and training, etc., and regularly report to the Occupational Safety and Health Committee. Continuous improvement.	Occupational Safety and Health Management	56-57
Employee health and safety TC-SC-320a.2	Total financial losses related to breaches of employee health and safety regulations	Quantify	No occupational diseases or fines in 2022	Occupational Safety and Health Management	56-57
Recruitment and management worldwide TC-SC-330a.1	Proportion of employees in the following categories (1) foreigners (2) working overseas	Quantify	(1). 0% (no foreign employees) (2). 0% (no overseas workers)	Human resources structure	48
Product life cycle management TC-SC-410a.1	Proportion of products containing IEC 62474 material declaration list substances	Quantify	The proportion of products using IEC 62474 material declaration list substances is 0%.		
Product life cycle management TC-SC-410a.2	Energy efficiency at the overall system level of the processor, by (1) server, (2) desktop, (3) notebook	Quantify	The products sold by Sunplus Technology are key components, not end products, and are not applicable.	NA	
Raw material procurement TC-SC-440a.1	Disclose relevant risk management policies for the use of key raw materials	Qualitative	Sunplus Technology fills in responsible mineral surveys from time to time to reveal the current situation and conducts related risk management.	Supplier ESG Survey	42
Intellectual property rights protection and competitive behavior TC-SC-520a.1	Total financial losses related to breaches of anti-competitive conduct regulations	Quantify	No anti-competitive behavior violations occurred in 2022	All operational activities strictly comply with domestic and foreign laws and regulations	31
Activity indicators TC-SC-000.A	Total output	Quantify	The consolidated net revenue in 2022 will be NT\$6.706 billion; production involves costs and will not be disclosed.		
activity indicators TC-SC-001.B	Percentage of production from own plants	Quantify	0%, Sunplus Technology all outsources production	Wafer product supply chain	41

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