# 2024
Sunplus Technology
Sustainability Report

Make difference

SUNPLUS

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Chairman's Words

Sunplus Technology is actively implementing its corporate social responsibility and sustainable development strategy. We believe that sustainable operations will create greater shared benefits for the company, its shareholders, and society. Through this Sustainability Report, Sunplus Technology discloses concrete actions in the economic, environmental, and social categories to respond to stakeholders' needs.

Sunplus Technology places strong emphasis on action and results orientation. High-efficiency energy performance and leading-edge products in the industry are the key forces driving us to surpass ourselves. Through our many years of efforts, we have reduced the power consumption of our chip products year by year; compared with our first-generation chips, the energy-saving benefits of our current chips have exceeded 25.28 times, demonstrating our commitment to creating low-power green products in response to the advent of the low-carbon economy era. In 2024, Sunplus continued to develop new ICs, using a more advanced process to increase computing power and reduce power consumption on the basis of the seventh and eighth generation products, and also integrated DDR into the same IC package, thereby reducing PCB material and creating a more environmentally friendly product.

Sunplus Technology is dedicated to reducing greenhouse gas emissions. We participated in the "Semiconductor Industry Net-Zero Takeoff Declaration & Carbon Reduction Technology Seminar" held by the Taiwan Semiconductor Industry Association (TSIA) on September 27, 2023, and together declared that "Using 2020 greenhouse-gas emissions as baseline, we will achieve an absolute reduction of 10 % by 2030 (a 40 % reduction under business-as-usual); by 2050 we will reach net zero emissions." We simultaneously prioritize environment-related aspects of sustainable development. In view of the high procurement standards set by global top customers for product quality and green manufacturing processes, we strive to ensure that our service processes and external suppliers meet global environmental regulations, thereby creating a sustainable growth curve for Taiwan's integrated-circuit and module-design-and-manufacturing industry. In addition, Sunplus Technology continues to invest substantial resources in our employees: through training and development, an excellent working environment, and optimization of performance-assessment systems, we encourage employees to continuously improve and enhance their competencies.

Sunplus Technology continues to implement the ESG concept and actively participates in social-welfare programs. We regularly donate to the Taiwan Fund for Children and Families (TFCF), supporting students in remote rural areas to attend school and reducing the risk of drop-outs due to economic hardship. We improve their learning and living environments, actively put into practice equal access to education and the social responsibility of assisting the disadvantaged, in response to sustainable-development goals, thereby demonstrating a long-term corporate commitment to society.

Moreover, in April 2024, a magnitude-6.1 strong earthquake occurred in Hualien, causing severe damage to local residents' homes. To assist the disaster-affected residents in rebuilding their homes as quickly as possible, Sunplus Group donated NT$10 million to the Hualien County Government, fully supporting the rescue and reconstruction efforts in the disaster area, and called on society at large to join the aid effort — thereby exemplifying the core value of corporate-society shared good and the sustainable-spirit of being in the community's boat in times of crisis.

Looking ahead, we will continue to adopt the most responsible management policies and guidelines to achieve the mission of sustainable operation. At the same time, we sincerely welcome feedback from all stakeholders. In the next year's Sustainability Report, we will present even more outstanding performance.

Chairman 黃洲杰

About us

A leader in automotive and Audio system-on-chip design

Sunplus Technology Co., Ltd., abbreviated as Sunplus Technology, was founded in 1990 and is a leading manufacturer of automotive, Audio system-on-chip and silicon intellectual property design and system solutions. In 2024, the paid-in capital was 5.9 billion, and the number of regular employees was 324. The company type is a listed company, stock code Taiwan Stock Exchange 2401.

Key products and services

Sunplus Technology focuses on chip design and system integration of audio-visual platforms, providing automotive digital audio-visual and intelligent acoustic chips, and actively expands automotive driver assistance applications and immersive acoustic technology development, and is committed to creating intelligent system chip solutions for safe driving and ultimate audio-visual enjoyment.

Since its establishment in 1990, Sunplus Technology has stepped into multimedia and intelligent computing from consumer orientation, accumulating profound R&D strength and silicon intellectual property, and in recent years, it has entered an open platform business model, providing AIOT SOC development platform and open source software to create a more efficient AI computing core, and provide high-performance computing power with low-cost and low-power edge devices.

The company is headquartered in Hsinchu Science Park, Taiwan, and has operations in Shanghai, Shenzhen, Chengdu and Chongqing, providing customers with comprehensive system support and technical services. As a leading manufacturer of multimedia chip solutions, Sunplus Technology will continue to innovate and develop to help customers provide a complete system design platform and support services from a customer-first perspective.

For more information about Sunplus Technology Technology, please visit the company's website: www.sunplus.com.

Main operating bases and subsidiary companies

Sunplus Technology's operational headquarters is located at No. 19, Innovation 1st Road, Hsinchu Science Park.

Sunplus Technology has operating bases in Shanghai, Shenzhen, Chengdu, Beijing and other places to provide customers with comprehensive system support and technical services. The information disclosure of the subsidiary company is as shown in the list on the right:

NO.	COMPANY
1	Generalplus Technology Inc.
2	Sunplus Innovation Technology Inc.
3	Jumplux Technology Co., Ltd.
4	Sunplus mMedia Inc.
5	Generalplus Technology (Hong Kong) Co., Ltd
6	Shanghai Sunplus Co., Ltd.
7	Generalplus Technology (Shenzhen) Co., Ltd.
8	Sunplus Prof-tek (Shenzhen) Co., Ltd.
9	Sunmedia Technology Co., Ltd.
10	Beijing Sunplus-ehue Tech Co.,Ltd.
11	Chongqing CQPlus1 Technology Co., Ltd.
12	Worldplus Technology (Shen Zhen)Co.,Ltd
13	Shanghai Beyond Technology Co., Ltd.
14	Shanghai Joyhorn Technology Co., Ltd.
	The remaining subsidiaries are engaged in investment business

About us

Basic information of the report

This is the ninth time that Sunplus Technology has issued an ESG Report/Sustainability Report (formerly known as the CSR Report/Corporate Social Responsibility Report), and we will continue to publish this report every year in the future, regularly disclose operational results other than non-financial performance to the outside world, and take actions to implement the corporate vision of sustainable management.

Information Disclosure Period

The 2024 ESG Report was disclosed from January 1, 2024 to December 31, 2024.
The information disclosure period of the previous annual report (2023 ESG Report) is from January 1, 2023 to December 31, 2023.

Reporting period

The report is published once a year.

Scope and consideration boundaries of the report

The data source of the economic category of this report was the consolidated financial statements published in the 2024 corporate annual report, and the consolidated revenue data covered the overall operating income information of Sunplus Technology Co., Ltd., including the operating headquarters and subsidiaries.
In addition to the economic category, this information disclosured in the environmental and social category only disclosed the information of the operation headquarters, which is located in Hsinchu Science Park (Hsinchu County, Taiwan). There were no material changes in organizational size, ownership, or supply chain during the reporting period.

Compile guidelines

This report is based on the GRI Universal Standards 2021, a new version of the Global Reporting Initiative. It also includes a GRI criteria content index for indexing the content of each section.
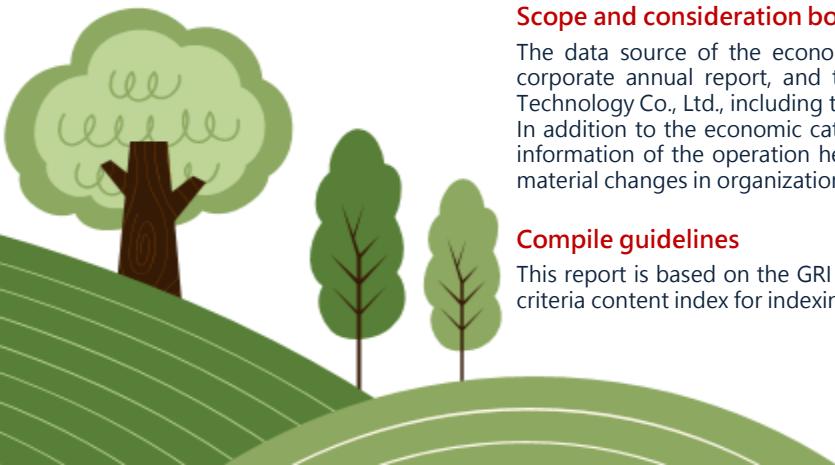
Corresponding Department	Working Group	Economy	Circumstance	Social/Governance				
				Labor conditions and dignified labor	Human rights	Society	Product liability	Cyber security
Chairman's Office		V			V	V		V
Finance and Accounting Office		V				V		V
Administrative Management Office	HR			V	V	V		V
	Administrative Management	V	V	V	V	V		V
EHS			V	V	V	V		V
ETC		V					V	V
QS		V	V		V		V	
SQE		V	V			V	V	
PM/RD		V	V			V	V	V
Business		V				V	V	V

Extensive collection of various international sustainability indicators

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

- The United Nations' 17 Sustainable Development Goals (SDGs)
- The 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (Conference of the Parties, COP 28)
- Intergovernmental Panel on Climate Change(IPCC)Sixth Assessment Report(AR6)
- The Responsible Business Alliance Code of Conduct (RBA)
- ISO 22301 Business Continuity Management
- Sustainability Accounting Standards Board, SASB
- United Nations International Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD)

ESG Organizational Structure

We have organized a cross-departmental organization for sustainable development of Sunplus Technology, setting up three working groups on economic, environmental, and social/governance, with the Director of the Administrative Management Office designated by the Board of Directors as the convener, responsible for developing sustainable development trends, understanding the needs of stakeholders, proposing risks and opportunities for the company on related issues, and jointly planning application strategies and implementation plans with each working group.

Through regular meetings, we review issues such as corporate governance, social responsibility, and environmental sustainability, and various business units integrate, report, and promote related issues across departments. Regarding the strategic planning and implementation results of sustainable development, we regularly report to the Board of Directors on the implementation results of economic, environmental, social/governance issues arising from our operating activities in accordance with Article 7 of the TWSE's Code of Practice on Sustainable Development for Listed and OTC Listed Companies.

External security measures with reports

The financial data disclosed in this report comes from the consolidated financial reports audited and certified by Deloitte Zhongxin Accounting Firm 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 Systems, ISO45001:2018 Occupational Health and Safety Management Systems, and ISO26262:2018 Automotive Electronics Functional Safety Process Certification have all been verified by independent third-party certification bodies.

▼ Authentication information of each management system

management system	International standard codes and versions	Initial Certification	Issue Date	Valid from	Valid until
Quality	ISO9001:2015	2010/01/04	2021/12/07	2022/01/04	2028/01/03
Automotive electronic functional safety process certification	ISO26262:2018	2023/06/07	-	2023/06/07	-
Hazardous substance process management	IECQ QC080000:2017	2009/04/06	2024/04/04	-	2027/04/05
Environmental Management	ISO14001:2015	2011/02/10	2023/01/21	2023/02/15	2026/02/09
Occupational safety and health management	ISO45001:2018	2019/02/25	2022/02/14	2022/02/25	2028/02/24

Contact information

If you have any suggestions for the "Sunplus Technology 2024 Sustainability Report", you are welcome to contact us through the following methods. We will also publish this report on our official website at the same time.

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

Official

website: http://www.sunplus.com

Contact person : Joseph Chuang

Telephone: +886-3-5786005

Email: ir@sunplus.com

Identify key considerations and boundaries

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

Next, perform step 2 sorting, which also defines the report content 3 principle according to GRI Standards, and sorts the relevant topics. Include stakeholder inclusiveness to identify stakeholders and explain how to respond to their reasonable expectations and interests in this report. There is also materiality, which reaffirms whether the topics selected in this report are sufficient to cause significant impacts on the economy, the environment, and society. Finally, sustainability context, which discloses how the company has improved or reduced 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, long-term and short-term, and direct and indirect impacts.

At the same time, we also follow the GRI Standards, and the relevant topics identified in step 1 are called aspects from this stage onwards. We also distributed questionnaires to collect issues of concern to stakeholders through diversified communication methods, and convened the heads of various departments to raise the concerns of all stakeholders at internal meetings. During the verification process in Step 3, we use the GRI Completenes to evaluate the material considerations that have been identified. The integrity principle includes scope, aspect boundaries, and defining impact boundaries for each major consideration. and the completeness of information in 2024. The list of material considerations in this report has been confirmed and approved by the Sustainability Working Group meeting. In the final stage of identifying key considerations and boundaries, which is the Step 4 review, stakeholder feedback will be gathered after the release of this report to prepare for the next reporting cycle. Because the results of the survey of stakeholders will help in the identification steps of the next reporting cycle..

Material issues are ranked

Step(1) Identification

Through inter-departmental internal meetings for sustainable development and various management system risk assessment meetings, the company is used as the boundary of risk assessment, GRI Standard considers Aspects and selects Relevant Topics . We have identified 19 GRI Standard major consideration areas for sustainability reports in the next three years, including 4 economic aspects , 10 environmental aspects, and 5 social aspects .

Step② Prioritization

The major considerations for the economic category are operational performance, risk management, customer service, and innovative technologies and services. The major considerations in the social/governance category are legal compliance, ethical management, supplier cooperation and management, and information security. The major considerations in the environmental category are greenhouse gas emissions, low-energy product design, and energy and resource management. We also clearly define the boundaries of constant impact inside and outside the organization.

Economic Category:
- Operational performance
- Risk control
- customer service
- Innovative technology and services

Social/Governance Category:
- Legal compliance
- Integrity management
- Supplier cooperation and management
- Information security
- Corporate governance
- Occupational safety and health
- Human rights assessment
- Salary and benefits
- Talent cultivation

Environmental Category:
- Greenhouse gas emissions
- The product is designed with low energy consumption
- Resource management
- Climate change risks and opportunities
- The raw material is free of conflict ores

We have identified material considerations and analyzed the potential risks and opportunities for each issue by category.

Topic	category	Potential Risks	Potential opportunities
Operational performance	economy	Revenue fluctuations affect confidence	Improve long-term value
Risk control	economy	Failure to grasp the risk leads to losses	Stabilize business operations
customer service	economy	Poor service quality leads to loss of goodwill	Enhance brand value
Innovative technology and services	economy	Lack of innovation is eliminated	Enhance product value
Legal compliance	Social/Governance	fines or damage to reputation	Reduce legal risks
Integrity management	Social/Governance	Fraud affects goodwill and stock price	Build trust
Supplier cooperation and management	Social/Governance	Supply chain instability, social responsibility disputes	Increase competitiveness
Information security	Social/Governance	Data breaches lead to a loss of trust	Build digital trust assets
Corporate governance	Social/Governance	internal control failure and fraud risks	Increase investor trust
Occupational safety and health	Social/Governance	Losses caused by occupational accidents	Increase employee loyalty
Human rights assessment	Social/Governance	Legal and reputational risks	Enhance investment attractiveness
Compensation and benefits	Social/Governance	Resignations and reputational controversies	Attract and retain talent
Talent cultivation	Social/Governance	Brain drain and skills lag	Improve employee satisfaction
Social welfare	Social/Governance	It is seen as a lack of corporate conscience	Establish a positive image
Greenhouse gas emissions	circumstance	Lack of transparency in carbon emissions	Carbon inventory, low-carbon label
The product is designed with low energy consumption	circumstance	Lagging regulations and market trends	Expand the green market
Resource management	circumstance	Rising energy costs and water shortages	Improve energy efficiency and attract sustainable investment
Climate change risks and opportunities	circumstance	Extreme weather affects operations	Develop climate-adapted products
The raw material is free of conflict ores	circumstance	Violations of human rights lead to brand crisis	Obtain international certifications

Economic Category:
- Operational performance
- Risk control
- customer service
- Innovative technology and services

Social/Governance Category:
- Legal compliance
- Integrity management
- Supplier cooperation and management
- Information security
- Corporate governance
- Occupational safety and health
- Human rights assessment
- Salary and benefits
- Talent cultivation
- Social welfare

Environmental Category:
- Greenhouse gas emissions
- The product is designed with low energy consumption
- Resource management
- Climate change risks and opportunities
- The raw material is free of conflict ores

Step③ 確證 (Validation)

We use the GRI Standard Completeness principle to assess the material considerations that have been identified. The integrity principle includes the scope of all considerations covered in this report, such as corporate governance, occupational safety and health, compensation and benefits, and talent development... Wait; Aspect Boundaries, which define impact boundaries for each critical aspect and the completeness of information during the reporting period.

Stakeholder communication

In pursuit of sustainable development, we establish transparent and effective multi-directional communication channels with all stakeholders, actively understand their needs and expectations for us, and serve as an important reference for formulating corporate social responsibility policies and related plans. Through internal meetings, identify stakeholder categories.

Stakeholders related to us include (1) employees, (2) government agencies, (3) shareholders/investors, (4) customers/agents, (5)suppliers/outsourcers/contractors, (6) media, (7) others. We hope that the quality of the information in this report will allow all stakeholders to make a reasonable assessment of the results of our efforts, and we will continue to gather valuable feedback to formulate and implement appropriate sustainability plans and actions.

Conduct internal and external stakeholder engagement from time to time, and actively respond to their concerns and precautions. Please refer to the following for the method and frequency of stakeholder meetings.
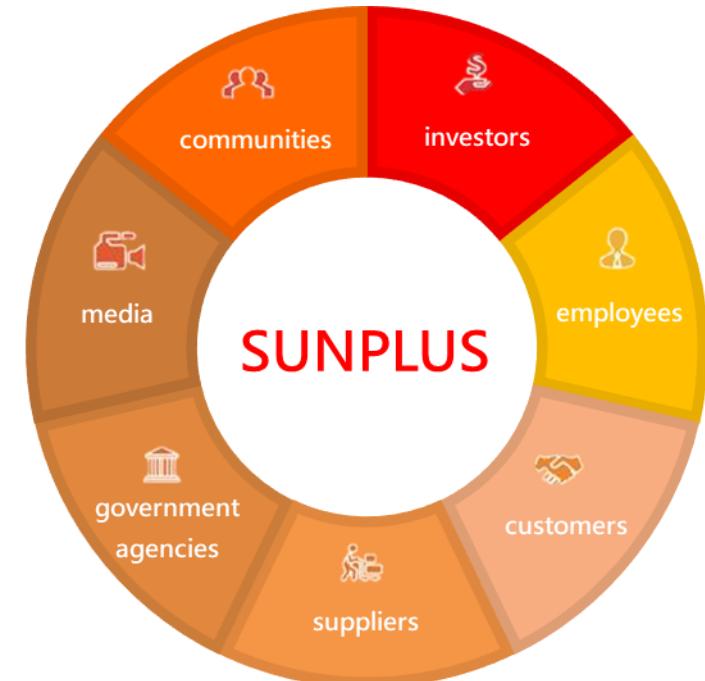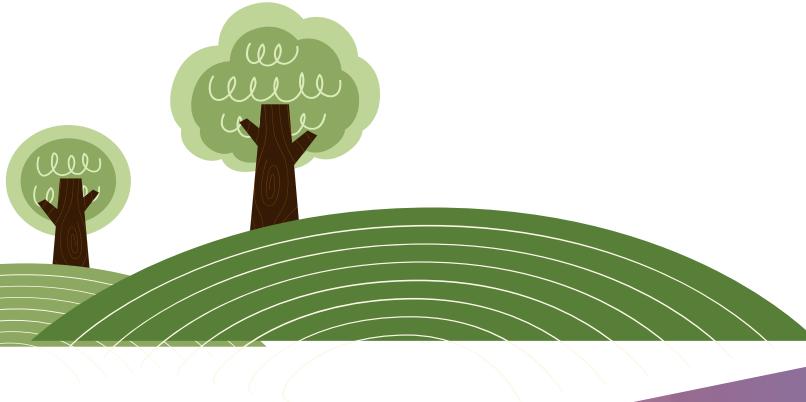
Regularly publish financial performance reports to disclose operational performance to investors

- Annual Financial Report: Published by March 31 of each year. In accordance with Article 36 of the Securities and Exchange Act, within 3 months after the end of each fiscal year, the financial report audited and certified by a certified public accountant shall be announced and filed. The publication media is the official website and the Taiwan Stock Exchange's public information observatory, allowing shareholders and stakeholders to conveniently and quickly obtain transparent financial information.

- Quarterly financial reports: The first quarter financial report is announced before May 15 each year, the second quarter financial report is released before August 14 each year, and the third quarter financial report is released before November 14 each year. In accordance with Article 36 of the Securities and Exchange Act, within 45 days after the end of the first, second and third quarters of each fiscal year, the financial report reviewed and submitted to the board of directors shall be announced and filed by a certified public accountant. The publication media is the official website and the Taiwan Stock Exchange Public Information Observatory.

- Monthly revenue report: Released once a month, consolidated revenue financial report is published within the time limit of the Securities and Exchange Act. The publication media is the official website and the Taiwan Stock Exchange Public Information Observatory, allowing shareholders and stakeholders to easily obtain transparent financial information.

Regularly publish non-financial performance reports to disclose sustainability policies to all stakeholders

The "Sustainability Report" is released before August 31 every year to disclose to stakeholders 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, demonstrating the corporate vision and mission of sustainable management. The publication media is the official website and the Taiwan Stock Exchange Public Information Observatory, allowing shareholders and stakeholders to conveniently and quickly obtain transparent non-financial performance information.

▼Stakeholders are concerned about issues, communication methods, and implementation status in 2024

| boundary	Stakeholders	Concerns	Communication channels	Communication frequency	Contact window	2024 Implementation status
External	client	Customer appeal	Customer complaint defective product analysis	According to the case of the customer	Quality and Reliability Engineering Department LIN,WEN-BIN QA@sunplus.com	In 2024, there were 54 customer complaints, 20 of which were Sunplus Technology's responsibility, all of which were successfully concluded.
		Customer satisfaction	Customer satisfaction surveys	2 times a year	Quality System Department ZHANG,XIN-TI QS@sunplus.com	In two surveys at the beginning of the year and in the middle of the year, customer satisfaction was below 10 points, quality: 9.19/9.15; non-hazardous substances (HSF): 9.66/9.53, and related issues were handled and closed
		Product quality and hazardous substance requirements	mail	Irregular	Quality System Department SUN,YI-JUN QS@sunplus.com	quality and hazardous substance requirements, a total of 50 foreign documents to regulate; All are handled properly
	agent	Quarterly inventory of defective products	Quarterly inventory of defective products	1 time per quarter	Quality System Department ZHANG,XIN-TI QS@sunplus.com	2024 has been completed
	Outsourcing factory	Green product requirements	GPM system	Update of reporting deadlines, new product launches, new specification requirements	Quality System Department SUN,YI-JUN QS@sunplus.com	A total of 219 reports were updated in 2024
		Supplier Management Measures	Outsourcing factory quality/environmental safety and health assessment	Once per factory per year	Quality Assurance Department HE,GUI-QI QC@sunplus.com	Conduct assessments on the quality/environmental safety and health of existing outsourcing factories, with a total of 10 factories
	Tenant	relevant environmental protection and safety regulations	Meetings, E- mail ; LINE notifications	Irregular	Environmental Protection CHANG KUO-SHIH shamir.chang@sunplus.com	Establish an engineering coordination LINE group to contact and notify relevant matters
	government agencies	Legal compliance	Official document round-trip, meeting, E-mail	Irregular	Spokesperson Director ZHUANG,JI-AN IR@sunplus.com	1.Participate in seminars and symposiums of competent authorities 2.Cooperate with the competent authority for supervision and audit 3.Establish a contact point to maintain good interaction with the competent authority
	shareholders and investors	operational performance, risk management, Corporate governance, shareholder participation	Company Annual Report	Once a year	Spokesman Director ZHUANG,JI-AN IR@sunplus.com	1.2024/5/24 Uploaded the 2023 annual report on the Public Information Observatory 2.Upload financial reports quarterly in 2024
			Financial reporting	Once a quarter		
			Corporate briefing	More than twice a year	Spokesman Director ZHUANG,JI-AN IR@sunplus.com	2024/8/19 and 2024/12/4, the company was invited to participate in two corporate briefings
			Shareholders' meeting	Once a year		The regular shareholders' meeting was held on June 1 and 2, 2024
			The official website has set up a special area for corporate social responsibility and stakeholders	Anytime	Spokesman Director ZHUANG,JI-AN 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	Spokesman Director ZHUANG,JI-AN IR@sunplus.com	The Shareholder Affairs and Investor Relations Contact Desk provides external communication channels

▼Stakeholders are concerned about issues, communication methods, and implementation status in 2024

bounda ry	Benefits related person	Concerns	Communication channels	Communication frequency	Contact window	2024 Implementation status
Interior	Employees	Payroll, benefits, education and training, occupational health and safety, quality systems, HSF management	Employee communication meeting	Once every six months	Spokesperson Director ZHUANG,JI-AN IR@sunplus.com	held 2 meetings and announced colleagues' questions and replies
			Employee Welfare Committee	Irregular	Spokesperson Director ZHUANG,JI-AN IR@sunplus.com	Relevant information is announced at the Welfare Committee forum on the Internal Life Exchange Channel
			Labor Retirement Reserve Oversight Committee	1 time per quarter	Spokesperson Director ZHUANG,JI-AN IR@sunplus.com	Held 4 meetings and have meeting minutes for inquiry
			Internal advocacy	Irregular	Spokesperson Director ZHUANG,JI-AN IR@sunplus.com	E-mail, posters, announcements, etc. are promoted from time to time
			Employee performance interviews	2 times a year	Spokesperson Director ZHUANG,JI-AN IR@sunplus.com	Employee performance interviews are conducted in the middle of the year and at the end of the year, and a performance and future development analysis table is prepared for reference, with an achievement rate of more than 90%
			Labor-management meetings	1 time per quarter	Spokesperson Director ZHUANG,JI-AN IR@sunplus.com	Held 4 meetings and have meeting minutes for inquiry
			Occupational Safety and Health Committee	1 time per quarter	Occupational Safety Office HUANG KUO JUNG kuojung.huang@sunplus.com	Held 4 meetings and have meeting minutes for inquiry
	Board of Directors	Promotion of sustainable development	Sustainable Development Implementation Report	1 time per year	Spokesperson Director ZHUANG,JI-AN IR@sunplus.com	On May 13, 2024, the Board of Directors reported on the implementation status in 2023
			Greenhouse gas inventory and verification schedule planning report	1 time per quarter	Spokesperson Director ZHUANG,JI-AN IR@sunplus.com	The board of directors reported on the implementation progress of the greenhouse gas inventory and verification schedule in January, May, August, and November
		Communicate with various stakeholders	Report on the Company's communication with various stakeholders	At least 1 time per year	Spokesperson Director ZHUANG,JI-AN IR@sunplus.com	Report of the Directors on December 25, 2024

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01
Economy category

- ✓ Operational results
- ✓ Sunplus Technology provides mobile phone and vehicle interconnection solutions
- ✓ Teana Bel Canto immersive experience - intelligent acoustic solution
- ✓ C3V: AI on Chip solution with universal and efficient computing power combined with dedicated peripherals
- ✓ High-definition audio-visual entertainment enjoyment - Sunplus Technology digital audio and video player single chip
- ✓ Smart chips, the infinite possibilities of low-carbon economy
- ✓ Customer satisfaction surveys

Key achievements in 2024

Operational performance

- Consolidated revenue in 2024 increased by 16.23% compared to 2023, and gross profit margin increased slightly by 48% from 46% in the previous year.
- The gross margin has remained above 45% over the years.
- R&D expenses accounted for 34% of net revenue, exceeding 30% in the past three years.

Innovative technology and services

In 2024, the company developed a new driver monitoring system (Driver Monitor System) function that can be integrated into the smart cockpit platform. It continued to develop new ICs to improve computing power and reduced power consumption. The DDR was built into the same IC package to reduce PCB board materials, making the product more environmentally friendly.

Integrating the latest Bluetooth and wireless technologies, this intelligent acoustic solution delivers a spatial wireless surround sound experience. It saves space, eliminates the interior decoration, wiring, and power requirements of traditional home theaters, and reduces the number of power outlets and electricity required.

The C3V chip, with its compact size, high performance, and low power consumption, is a visual AI edge platform designed for AI implementation.

customer service

The results of the two customer satisfaction surveys in 2024 averaged 9.19/9.15 points.
In sales service, HSF management and service, product quality, product development and engineering services, and agency services, customers give satisfactory feedback.

Operational results

Consolidated net revenue in 2024 was NT$6.434 billion, gross operating profit was NT$3.115 billion, R&D expenses were NT$2.153 billion, management expenses were NT$0.526 billion, and sales expenses were NT$0.328 billion, and operating profit in 2024 was NT$0.107 billion. After adding non-operating net income of NT$0.686 billion, the net profit before tax reached NT$0.792 billion, after deducting income tax expenses of NT$0.196 million, the company's net profit after tax in 2024 was NT$0.596 billion, the net profit attributable to owners of Sunplus Technology was NT$0.259 billion, and the net profit per share after tax in 2024 was NT$0.44.

Consolidated revenue in 2024 increased by 16.23% compared to 2023, and gross profit margin increased slightly by 48% from 46% in the previous year. The operating net profit in 2024 was NT$0.107 billion, compared with the operating net loss of NT$0.247 billion in 2023, and the profit increased by 143.08%.

Non-operating income increased from NT$0.161 billion in 2023 to NT$0.686 billion in 2024, mainly due to an increase of NT$0.425 billion in the company's profit from the disposal of equity method in 2024 compared with 2023.

The IFRS consolidated statements disclosed other comprehensive income in 2024, including the exchange difference translated from the financial statements of foreign operating institutions, the unrealized gain or loss on investment in equity instruments measured at fair value through other comprehensive income, the remeasurement of defined benefit plans, and the share of other comprehensive income of affiliates recognized using the equity method,etc., totaling NT$-97 million in net other comprehensive income after tax in 2024. The total comprehensive profit and loss in 2024 was NT$0.499 billion, and the total comprehensive profit and loss attributable to the interests of the owners of the Company was NT$0.149 billion.

▼ Economic Category Key Performance Indicators Unit: NT$ thousand

	2020	2021	2022	2023	2024
Capital	5,919,949	5,919,949	5,919,949	5,919,949	5,919,949
Consolidated revenue	6,414,140	7,960,831	6,705,708	5,535,421	6,434,086
gross profit	2,925,096	4,161,606	3,300,767	2,524,245	3,114,921
income tax	165,911	302,085	211,893	135,103	196,176
Consolidated after-tax earnings	618,827	1,756,242	670,457	(221,273)	596,208
Earnings after tax per share	0.55	2.01	0.37	(0.84)	0.44
Net Value per Share (Unit: NTD dollar)	14.21	17.09	15.65	14.42	14.63
Employee salary and welfare expenses (Note 2)	1,753,059	2,180,086	2,091,500	1,825,903	1,878,675
Payment to the contributor: Shareholder dividends are paid in cash	316,061	593,194	1,734,868	812,703	250,978

Note 1: Since 2013, financial statements have been prepared in accordance with International Financial Reporting Standards（IFRS）。
Note 2: The source of information is IAS 19 Employee Benefits.

annual	2020	2021	2022	2023	2024
Gross margin	46%	52%	49%	46%	48%

GROSS MARGIN
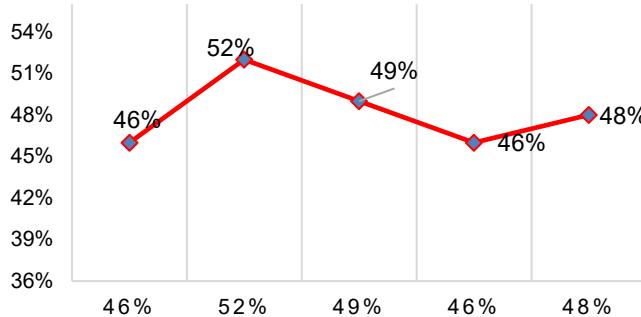
▲The gross profit margin has remained above 45% over the years
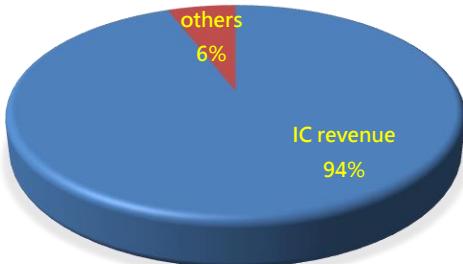

▲ Revenue distribution statistics

Project\Year	2020	2021	2022	2023	2024
R&D expenses	1,623,728	2,088,699	2,153,458	2,040,283	2,153,360
Net operating income	6,414,140	7,960,831	6,705,708	5,535,421	6,434,086
R&D expenses as a percentage of net revenue	25%	26%	32%	37%	34%

▲ R&D expenses as a percentage of net revenue

R&D expenses as a percentage of net sales revenue
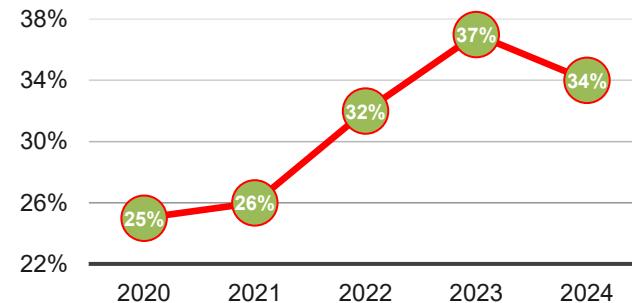
▲R&D expenses account for more than 25% of net revenue

▲ Market area map of the services provided

▼ Participating publics/associations and positions in 2024

Name of the industry association	Executives Title and name	In the public/association Hold a position	Note
Taiwan Semiconductor Industry Association	Chairman Chou-Chye Huang	Director	
Taiwan IC Industry & Academia Research Alliance	Spokesperson and Director of Administration Ji-An Zhuang	Director	
SINOCON Industrial Standards Foundation	Chairman Chou-Chye Huang	Director	
Association for Victims Support Taiwan Hsinchu Branch	Chairman Chou-Chye Huang	Member	
Policefriend of the second Special Police Corps, National Police Agency,Ministry of the Interior	Chairman Chou-Chye Huang	Member	
Chu-Ming Foundation	Chairman Chou-Chye Huang	Director	

Sunplus Technology provides mobile phone and vehicle interconnection solutions

It has Taiwan's first ITU-T laboratory that complies with CarPlay regulations, and builds a smart cockpit SoC platform based on this technology

According to the figures released by Apple's 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, indicating that since its first release in 2014, CarPlay has been widely accepted by car manufacturers and consumers. Apple's in-car system CarPlay brings maps, calls, messages, music, podcasting and many third-party software from the iPhone into the car, and can use the in-car entertainment and communication functions through the control screen of the in-car system and Siri. The new generation of CarPlay can also project applications and information, such as navigation and music being played, to the instrument screen, making it more convenient and safer for drivers to use CarPlay functions.

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

In order to allow users to have the same excellent experience on different cars or in-vehicle infotainment, Apple and Google both require hosts equipped with CarPlay or Android Auto functions to pass their required test standards, including the connection speed and transmission bit rate of the mobile phone and the car, call quality, voice recognition accuracy and other strict regulations.

Sunplus Technology provides Apple CarPlay, Google Android Auto, Baidu CarLife, Weblink, Huawei Hi-Car and other mobile phone and machine interconnection solutions, and has Taiwan's first ITU-T laboratory that meets CarPlay requirements (time to market) time, there is no need to repeatedly rectify hardware or software, saving customers a lot of manpower and material resource investment, from the perspective of the development and verification process, it is an environmentally friendly comprehensive solution.

In 2019, Sunplus Technology upgraded the original method of connecting mobile phones and car machines to wireless (WiFi), saving cables, optimizing user experience and improving security.

In 2020, the promotion of mobile phone interconnection in the motorcycle industry was also completed, and in 2021, it officially mass-produced motorcycle instruments with mobile phone interconnection functions, successfully helping motorcyclists obtain safer navigation prompts. Whether it is wireless Car Play or Android Auto functions, it provides safer and more stable navigation functions for motorcyclists who deliver food and motorcyclists who travel, 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, and achieving the goal of environmental protection and cost saving for customers. The seventh-generation product in 2021 expands the DDR size and resolution, but does not increase the package size, allowing automakers to achieve richer functions with a consistently streamlined size.

In 2022, based on the success of the mobile phone interconnection system, Sunplus Technology launched a more integrated smart cockpit platform to realize a multi-function and multi-screen system in one machine, popularizing functions that could only be enjoyed in high-end cars to national cars, so that most consumers can use more convenient and safer functions, improving the fun of travel while also ensuring the safety of life and property. In the future, Sunplus Technology will continue to invest resources in this direction to do its best to upgrade the industry and create people's well-being.

In 2023, Sunplus Technology also added a full 3D Around View Monitor function on the smart cockpit platform, which can improve safety when driving at low speeds, and after integration into the smart cockpit platform, in addition to improving consumer convenience, it also saves an electronic control unit (ECU) compared to traditional systems for car manufacturers or Tier 1 suppliers, saving raw materials such as PCBs, cables, and shells, and also reduces the weight of the vehicle and plays an energy-saving role.

In 2024, a new feature was developed: the Driver Monitor System, which can be integrated into the smart cockpit platform, which uses AI algorithms to monitor the driver's status in real time, and if it determines that the driver is fatigued or distracted, it can issue warnings to remind the driver to protect the driver and passengers. In 2024, Sunplus Technology continued to develop new ICs, using more advanced processes to increase computing power and reduced power consumption based on the seventh and eighth generation products, and embedding DDR in the same IC package can reduce PCB boards, making it a more environmentally friendly product.

Heavenly Voices: An Immersive Experience

Intelligent acoustic solutions

Sunplus Technology's intelligent acoustic solution uses the most advanced DSP high-performance computing technology built into the chip, and applies innovative 3D acoustic algorithms to easily enjoy home theater sound quality. At the same time, it can handle various audio source codecs, multi-channel surround sound and special field effects through rich audio interfaces, so as to achieve the best listening experience of Sound plus Technology.

Sunplus Technology uses excellent acoustic algorithm technology and integrates Dloby Atmos and DTS V: X to develop 3D immersive high-resolution audio SoCs, which have been mass-produced by most well-known audio-visual brands around the world by 2023. In 2024, the latest Bluetooth and wireless technologies have been integrated to achieve a spatial wireless surround sound field experience; At the same time, it develops AI artificial intelligence voice processing audio chips and promotes them to various consumer or informational audio products, hoping to become the world's most professional audio chip supplier.

The main application of the smart acoustic solution is the soundbar, which is designed to complement the TV and compensate for the weak sound effect of the existing TV. Nowadays, TVs are getting thinner and thinner due to obvious physical limitations, smaller speakers cannot produce good sound, making TVs sacrifice sound quality. Compared to traditional multi-channel speakers, soundbars are slimmer, sleek, and more refined, and they are convenient and versatile. The introduction of the Soundbar saves indoor space, eliminates the need for interior decoration, wiring cables, and reduces power outlets and electricity, enhancing the auditory experience of watching TV and watching movies in the living room.

C3V: AI on Chip solution with universal and efficient computing power combined with dedicated peripherals

Edge AI Applications

Autonomous Mobile Robots

Smart Surveillance

Retail Analytics

Smart Healthcare
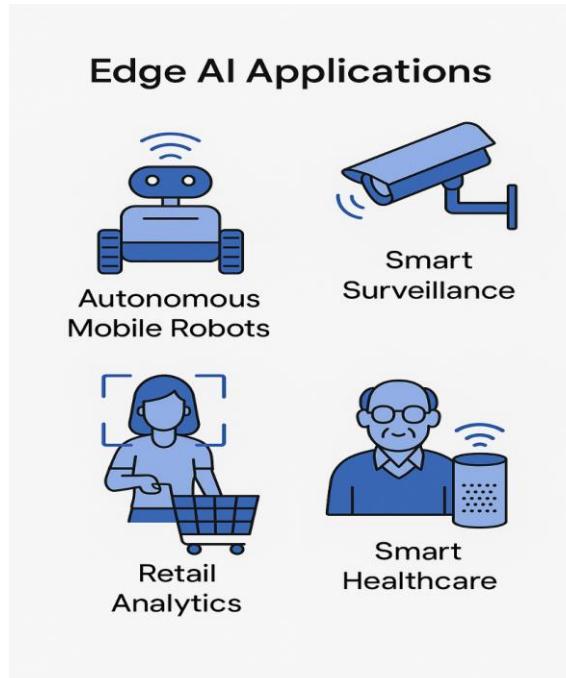
The vision AI chip developed by Sunplus Technology is a highly integrated AI system-on-chip (SoC) designed for edge computing and vision AI applications. The chip supports multiple MIPI sensor inputs, can receive high-definition color and high-speed monochrome camera signals, and is equipped with a built-in ISP and vision processing engine to provide stable and low-latency image input capabilities. Unlike traditional AI chips that only focus on screen analysis, C3V further integrates spatial vision computing capabilities, enabling depth-of-field estimation, 3D scene construction, and real-time depth map generation with binocular stereo cameras, making it suitable for applications such as navigation, obstacle avoidance, pose estimation, and human-computer interaction.

The chip also has a built-in neural network accelerator that supports high-speed inference of a variety of mainstream AI algorithms, including object detection (such as YOLO), key point estimation, human pose recognition, and distance prediction, and supports INT8 / INT4 precision model deployment, taking into account performance and power consumption. The software platform is based on open-source Linux, providing a complete development toolchain, model conversion process, and C/C++ APIs to help developers quickly deploy applications and integrate them into the final product.

The C3V chip has three major advantages: small size, high performance, and low power consumption, making it particularly suitable for applications in autonomous mobile robots, intelligent surveillance systems, retail analytics, smart care, and spatial interaction devices.

High-definition audio-visual entertainment enjoyment

Sunplus Technology digital video player single chip

The single-chip solution combines Sunplus Technology's excellent MPEG-1/2/4 video decoding technology to output traditional DVD discs into 1080p/1080i/720p high-definition images and provide multi-channel surround sound.

With proficient audio-visual technology and high additional functions, Sunplus Technology digital audio-visual player single-chip solution helps customers create low-cost, high-quality digital audio-visual products, allowing consumers to experience a new digital audio-visual entertainment experience.

Sound Evolution	Image Evolution	CPU Computing Power Evolution
8 channels	1080p	850MCPS
	720p	
2 channels	480p	145MCPS
Sound: 2 channels>8 channels	SD to HD:480 > 720 > 1080	CPU computing power：145MCPS > 850MCPS
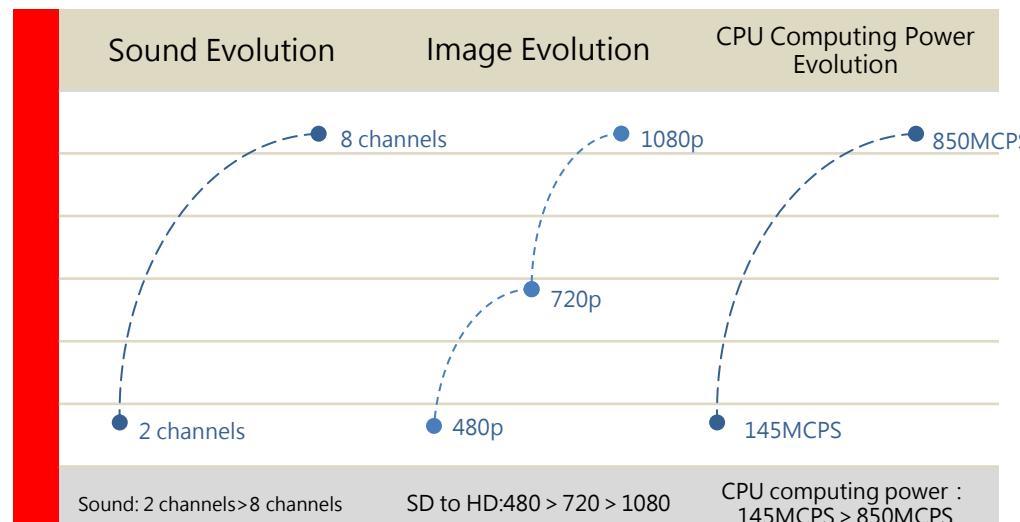
▲**Comparison of the first generation chip with the latest generation chip**

SUNPLUS product use 1. Driving fun, safe and comfortable

Sunplus Technology automotive infotainment and driving assistance system chip

Sunplus Technology's automotive infotainment and driving assistance system chips combine image codec technology and are equipped with rich multimedia additional functions, providing a variety of intelligent driving assistance functions, allowing drivers and passengers to enjoy a safer and more comfortable journey.

SUNPLUS product use 2. Heavenly Voices: An Immersive Experience

Intelligent acoustic solutions

With the latest multi-core DSP high-efficiency computing technology built into the chip, and innovative artificial intelligence acoustic algorithms, it can handle various audio source codecs and decodes at the same time, and fully supports various audio interfaces, and can develop various multi-channel surround sound effects and special field effects, visualizing sound technology to achieve the best experience of Sound plus Technology.

SUNPLUS product application 3. Visual AI edge platform designed for "AI implementation"

General-purpose and efficient computing power combined with dedicated peripherals for AI on chip solutions

Sunplus Technology C3V has launched the business model of AI Linux open platform, providing AIOT SOC development platform and open source software, and pairing with Sunplus Technology's peripheral interface IP accumulated over the years to meet a small number and variety of various applications of edge AI. At the same time, it creates more efficient AI computing cores to provide high-performance computing power with low-cost and low-power edge devices. It is suitable for applications in autonomous mobile robots, intelligent monitoring systems, retail analytics, smart care, and spatial interaction devices.

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Sunplus Technology digital video player single-chip solution

With proficient audio-visual technology and high additional functions, Sunplus Technology digital audio-visual player single-chip solution helps customers create low-cost, high-quality digital audio-visual products, allowing consumers to experience a new digital audio-visual entertainment experience.

Early warning and climate risk response

Smart chips, the infinite possibilities of low-carbon economy

The financial impact of climate change on organizational activities and other risks and opportunities have become a global sustainability issue that must be faced in recent years.

The 28th Conference of the Parties (COP28) held in Dubai in 2023 is the first time since countries signed the Paris Agreement in 2015 to conduct an inventory of global carbon reduction effectiveness. The United Nations Intergovernmental Panel on Climate Change (IPCC) pointed out that the world needs to reduce emissions by 43% by 2030 (based on 2019) and achieve at least a 60% reduction by 2035 to achieve the goal of net-zero emissions by 2050.

With each generation of semiconductor process technology, the integrated circuit width continues to shrink, resulting in smaller and smaller die areas, and the energy and raw materials consumed per unit wafer are naturally decreasing, and the power consumption per unit product is also reduced.

Sunplus Technology Technology's 8th generation products in 2023 have expanded DDR size and resolution, and compared with the 7th generation products, the volume has only increased slightly, but the energy-saving benefits have increased significantly by 67.57%. Compared with the first-generation 8202T series, the energy saving benefits are more than 25.28 times, and based on the 2024 automotive IC shipments, it was estimated that power consumption can be reduced by at least 3,124,040.14μW. and the number of transistors per unit area was 33.94 times higher than that of the first-generation 8202T series.

Located in the upstream of the semiconductor industry, Sunplus Technology leverages its excellent R&D technology to continuously promote advanced semiconductor process technology and practice Moore's Law to save chip energy consumption, thereby driving the use of power and energy in downstream consumer electronics terminal products, effectively helping to realize the infinite possibilities of low-carbon economy.

	1st generation product	2nd generation product	3rd generation product	4th generation product	4th generation product	5th generation product	6th generation product	7th 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

Customer satisfaction surveys

We regularly conduct customer satisfaction questionnaires every year, and in response to customer responses, we propose timely countermeasures and close the case after replying to customers.

The average score of the two customer satisfaction surveys in 2024 was 9.19/9.15, with customers giving satisfaction feedback on five items: sales service, HSF management and service, product quality, product development and engineering services, and agency service.

For more detailed survey methods and results, please refer to customer satisfaction survey statistics.

- Survey period: 2024/01 and 2024/06
- Survey Target:
  - ✓ 2024/01: The business selected key customers or potential customers for survey, including 5 agents and 15 customers of Sunplus Technology's product line, with a total of 21 survey lists provided by the business.
  - ✓ 2024/06: The business selected key customers or potential customers for survey, including 6 agents and 14 customers of Sunplus Technology's product line, with a total of 21 survey lists provided by the business.
- Survey content: including sales services, HSF management and services, product quality, product research and development and engineering services, and agency services.

- Survey Results:
  - ✓ 2024/01 Response Rate:
    A total of 17 valid questionnaires were sent in this survey, with a response rate of 80.9% (17/21) and an average score of 9.19
  - ✓ 2024/06Response rate:
    The total number of valid questionnaires in this survey was 17, the response rate was 80.9% (17/21), and the total average score: 9.15.
  - ✓ The average scores of each item in the follows:
    1. Sales service: 9.33/9.14 points
    2. HSF Management and Services: 9.66/9
    3. Product quality: 9.01/9.14 points
    4. Product research and development and engineering services: 9.08/9.05 points
    5. Agent service: 9.25/9.28 points

02

Corporate governance

✓ The functions of the board of directors have been improved

✓ All operational activities are strictly in accordance with domestic and foreign laws and regulations

✓ Rigorous information and communication security management strengthens corporate resilience and long-term value

Key achievements in 2024

Legal compliance/ethical management

- All operational activities strictly comply with domestic and foreign laws and regulations, and there was no violations of laws and regulations in 2024.
- The number of independent directors accounts for 57% to strengthen the independence and diversity of the board of directors and play a strategic guiding function.
- The Audit Committee is established in accordance with Article 14-4 of the Securities and Exchange Act to supervise the presentation of the Company's financial statements, the appointment and dismissal of CPAs, and the evaluation of independence, the effective implementation of the Company's internal controls, the Company's compliance with relevant laws and regulations, and the control of the Company's existing or potential risks. It is composed of all independent directors with a total of 4 people, one of whom is the convener and one of them has accounting or financial expertise. The Audit Committee met 8 times in 2024, with a 100% attendance rate for all members.

Supplier cooperation and management

In local procurement, the proportion of raw material suppliers is 85% local procurement and 92% of process outsourcing, and the proportion of local procurement of the rest such as waste removal and service outsourcing is 100%.

In 2024, 10 factories conducted environmental, social and governance (ESG) audits and audits of suppliers, and the proportion of process outsourcing and waste removal and disposal companies using environmental standards and labor practice standards has reached 100%.

Information security

- Rigorous information and communication security management strengthens corporate resilience and long-term value.
- Invest professional manpower and system resources to ensure protection effectiveness.

The functions of the board of directors have been improved

In the reporting year, there were 7 directors, including 4 independent directors, accounting for 57% of the independent directors, to strengthen the independence and diversity of the board of directors and play a strategic guidance function. Board meetings are held at least once a quarter, and a total of 10 board meetings was held in 2024, with an average attendance rate of 97.14%.

The chairman is Huang Chou-Chye, who is responsible for improving corporate governance and presiding over the operation of the board of directors. In accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", the selection of directors shall consider the overall allocation of the board of directors. The overall considerations for the composition of Sunplus Technology's board of directors include: operational judgment and management capabilities, accounting and financial analysis capabilities, crisis management capabilities, industry knowledge, international market perspectives, leadership capabilities, and decision-making capabilities.

At the same time, the board of directors also follows the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies" and conducts continuing education courses for directors every year. The themes for Directors' Education in 2024 included: (1). The latest developments and impacts of CFC laws, (2). ESG trends and the epidemic environment: Global tax reform and corporate tax governance, (3).Challenges and opportunities of sustainable development paths and introduction to greenhouse gas inventory, (4).Discussion of corporate financial statement fraud cases, (5).Emerging risk management from the perspective of ransomware, trade secret protection and integrity management, (6).Development trends of the generative AI industry, (7). Introduction to IFRS sustainable disclosure standards and sharing of domestic and international net-zero carbon emissions trends...etc.

The Board of Directors fulfills corporate governance principles, reviews corporate operating performance, and discusses important strategic issues, including economic, environmental and social impacts, risks and opportunities. Important resolutions of the board of directors are also published on the Market Observation Post System of Taiwan Stock Exchange. At the same time, we also publicly provide information such as the company's articles of association, rules of procedure of the board of directors, director remuneration, operation status, and implementation of recusal of interest proposals for domestic and foreign investors to inquire in real time. The board of directors of Sunplus Technology has an audit committee and a Compensation Committee , which are composed of independent directors.

Item	Job title	name	sex	Age over Over 50 years old
1	Chairman	Chou-Chye Huang	man	V
2	Director	TAIWAN LAF' E CO., LTD representative: Wen-Hsiung Jan	man	V
3	Director	Chih-Chieh Tsai	man	V
4	Independent Director	Huang Ze-Ren	man	V
5	Independent Director	Rui-Qi Chen	man	X
6	Independent Director	Cong-Ling Guo	man	V
7	Independent Director	Shu-Jun Huang	woman	V

▲ Board member

Proportion of independent directors
57%

Set up an audit committee to strictly control compliance matters

On June 12, 2015, Sunplus Technology established an audit committee in accordance with Article 14-4 of the Securities Exchange Act, consisting of all independent directors with a total of 4 members, one of whom is the convener and one of whom has accounting or financial expertise. The Audit Committee met 8 times in 2024, with a 100% attendance rate for all members.

The Audit Committee is responsible for supervising the presentation of the Company's financial statements, the appointment and dismissal of accountants, the evaluation of independence, the effective implementation of the Company's internal controls, the Company's compliance with relevant laws and regulations, and the control of existing or potential risks of the Company.

Set up a compensation committee to assist in evaluating salary levels

The Company established the Compensation Committee on December 21, 2011 in accordance with Article 14-6 of the Securities Exchange Act, consisting of 4 independent directors. In 2024, a total of 2 meetings were held, and the attendance rate of all members of the Compensation Committee was 100%.

The Compensation Committee assists the Board of Directors in evaluating the connection between the company's directors and managers' compensation levels and the company's operating performance, determining the dividend allocation ratio, making recommendations on managers' remuneration and the company's remuneration policy, and constructing company-level strategies based on the industrial competitive environment, the company's operating performance, and benchmark market conditions.

In addition, the company regularly participates in salary surveys in the industry or consulting firms, regularly reviews the connection between salary and welfare measures and the market, and designs incentive systems. 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 ethical management and protect the rights and interests of shareholders

We comply with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the "Corporate Governance Evaluation Indicators" of the Corporate Governance Center of the Taiwan Stock Exchange, and formulate internal regulations such as (1) the Code of Practice for Corporate Governance, (2) the Ethical Management Procedures and Conduct Guidelines, and (3) the Procedures for the Management of Handling Internal Material Information Disclosure and the Prevention of Insider Trading.

The board of directors and management actively implement the commitment of the ethical management policy, and also implement the ethical management policy in internal management and business activities.

In 2024, there were no complaints or reports due to violations of ethical integrity or illegal activities by company operations or employees.

ORGANIZATION
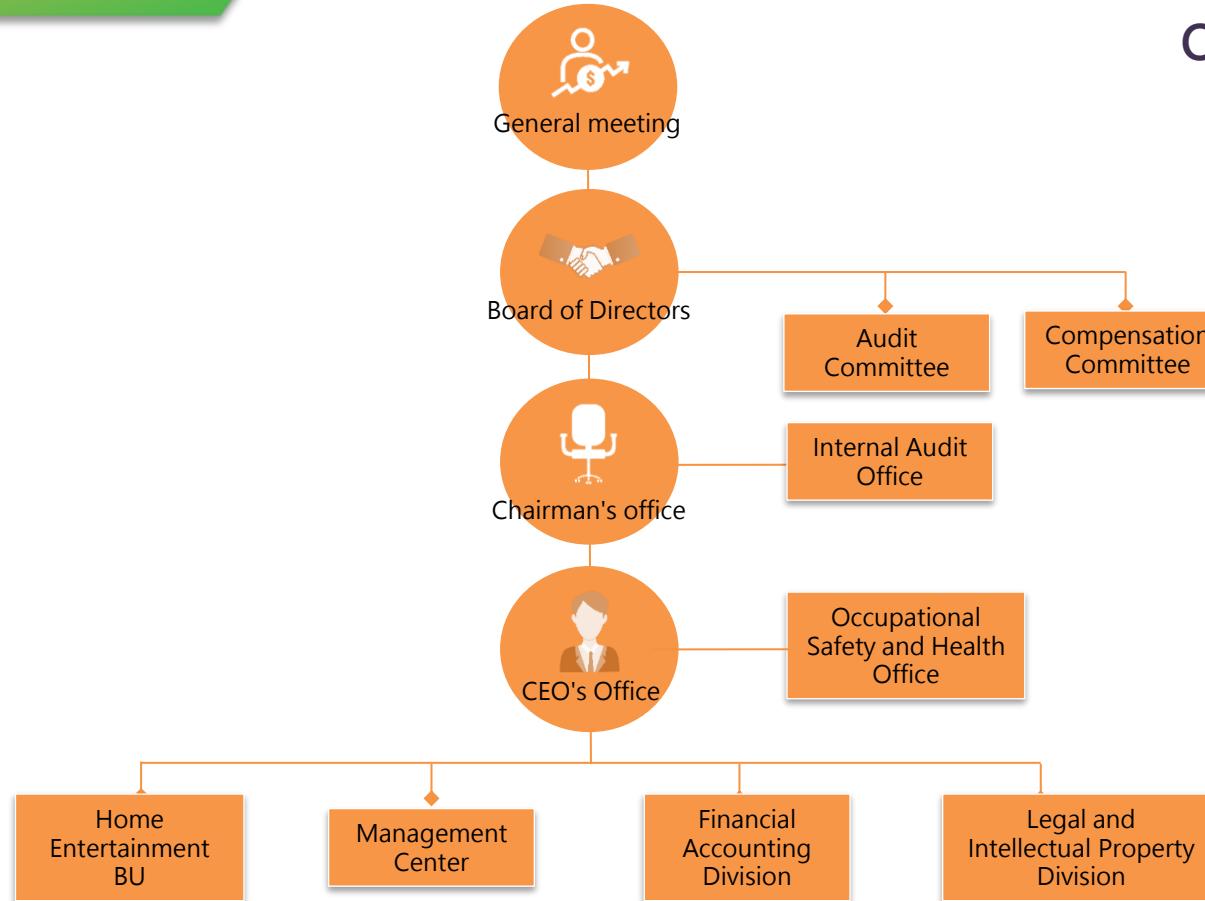
General meeting

Board of Directors

Audit Committee

Compensation Committee

Chairman's office

Internal Audit Office

CEO's Office

Occupational Safety and Health Office

Home Entertainment BU

Management Center

Financial Accounting Division

Legal and Intellectual Property Division

All operational activities are strictly in accordance with domestic and foreign laws and regulations

Each of our operations complies with domestic and international laws and regulations, and serves as the basis for our ability to continue operating. We follow the Trade Secrets Act of the Intellectual Property Office of the Ministry of Economic Affairs and in response to the Personal Data Protection Act, we have formulated internal management procedures and measures such as the Document and Data Control Procedures, the System Security Management Measures, and the Personal Data Protection Management Measures. In addition, we review the results of our implementation on a case-by-case basis against the compliance metrics required by GRI Standards. There were no violations of laws and regulations in 2024.

- In 2024, there were zero large fines imposed for violating environmental laws and regulations, and the number of sanctions other than fines imposed.

- For social issues such as financial reporting, workplace discrimination or corruption, there were no significant fines for violations in 2024, and the number of sanctions other than fines was zero.

- Regarding the product sales process, there were no large fines imposed in 2024 for violating laws and regulations due to the provision and use of products and services.

- In 2024, there were no corruption incidents.

- In 2024, there were no complaints about customer privacy violations or loss of customer data.

- In 2024, there were no violations of regulations and voluntary guidelines related to marketing promotions, including advertising, promotion, and sponsorship.

- In 2024, there were no sales of controversial products.

- In 2024, there were no violations of laws and regulations and voluntary regulations for product and service information labeling.

- In 2024, there were no incidents of violations of regulations and voluntary guidelines regarding the health and safety impacts of products and services over their lifetime.
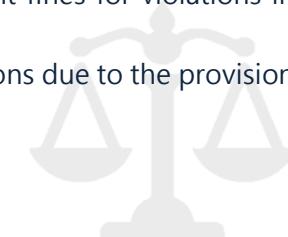
Rigorous information and communication security management strengthens corporate resilience and long-term value

Cyber security management is an indispensable part of modern corporate governance and has a profound impact on achieving corporate governance goals and sustainable development. As digitalization becomes increasingly advanced, the vast amounts of data generated and processed during operations, including customer data, trade secrets, and financial information, need to be properly protected to prevent data breaches or attacks.

In order to ensure the security and stability of information and communication operations, provide reliable information services, and maintain the confidentiality, integrity, and availability of information assets, the Company complies with relevant laws, regulations, regulatory requirements, and customer contract regulations, and adopts the following information security strategies to resist internal and external threats and promote smooth business operations:

1. Improve information security procedures: Establish relevant regulations for information operation security to ensure the confidentiality, integrity, and availability of information assets, while ensuring the continuous operation of business and complying with regulations and operational requirements.

2. Clear organizational division of labor: Establish a dedicated information security organization and establish a clear division of responsibilities to effectively promote information security operations.

3. Establishment of response mechanisms: Establish information security incident reporting and response mechanisms to ensure rapid response, effective control, and proper handling of incidents.

4. Continuous education and training: Promote information security policies and regulations from time to time, implement employee information security education, and enhance the information security awareness of all employees.

5. Regular Audit and Supervision: Conduct information security audits to ensure that information security management measures are implemented and continuously improved.

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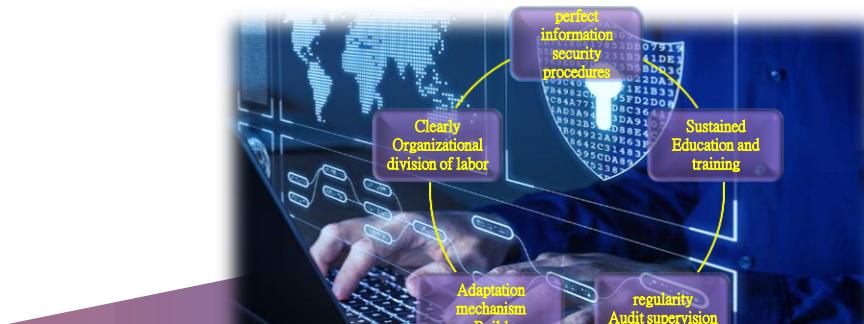
In order to strengthen information security management, the Company actively participates in information security information sharing organizations, establishing internal and external reporting windows and standard operating procedures (SOPs) for response to emergencies.

We hold information security promotion activities from time to time to enhance employees' information security awareness and hold weekly internal information security management meetings to promote information sharing and collaboration.

In addition, through annual information operation audits by the internal audit office and external accountants, information security measures are continuously reviewed and optimized.

In terms of resource investment, the company has allocated professional manpower and system resources:

- Human resources: The Director of the Information Office serves as the dedicated supervisor of information security, assigning dedicated personnel to be responsible for information security management, and colleagues in the Information Department jointly maintain the information and communication system and assume the responsibility of information security management.

- System resources: Build a multi-level network security defense-in-depth covering networks, gateways, servers, systems, application software, terminal equipment, and peripheral facilities, and invest corresponding resources to ensure protection performance.

Through comprehensive information security management, the Company effectively improves its risk management capabilities, strengthens internal control, and implements the principles of transparency, accountability, and fairness in corporate governance. This move not only earns the trust of shareholders, employees, and customers but also strengthens the company's reputation and market competitiveness, laying a solid foundation for sustainable development.

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03
Work closely with suppliers

- ✓ Policies and guidelines
- ✓ Wafer product supply chain
- ✓ Supplier categories and local sourcing
- ✓ Supplier ESG survey
- ✓ Set up a supplier integrity reporting hotline

Policies and guidelines

Sunplus Technology has long recognized the environmental and social responsibility of the supply chain, and the requirements for suppliers are not limited to performance and quality. Our colleagues in relevant departments regularly liaise with suppliers to ensure they maintain the standards they should have. If a supplier does not comply with the regulations, they need to improve and meet the standards within a specified timeframe. If they can't improve, we work with other suppliers who meet our expectations of ethical and environmental standards.

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 comply with relevant domestic and international initiatives and regulations, and formulate and implement supplier management procedures.

Wafer product supply chain

In the chip industry chain, Sunplus Technology focuses on the front-end design and development and end-end quality control, and entrusts professional manufacturers with intermediate processes including wafer manufacturing, packaging, and testing, and leverages small quantities and diverse excellent production capacity.

In the wafer testing process, we use fully automated testing equipment with self-designed software and hardware to maintain high productivity and high-quality products.

In the process, we are only responsible for upstream chip specification formulation, IC design and system design, mask design and after-sales service process. Mask manufacturing, wafer manufacturing, IC packaging, and final testing are entrusted to professional manufacturers.

▼Chip process supply chain
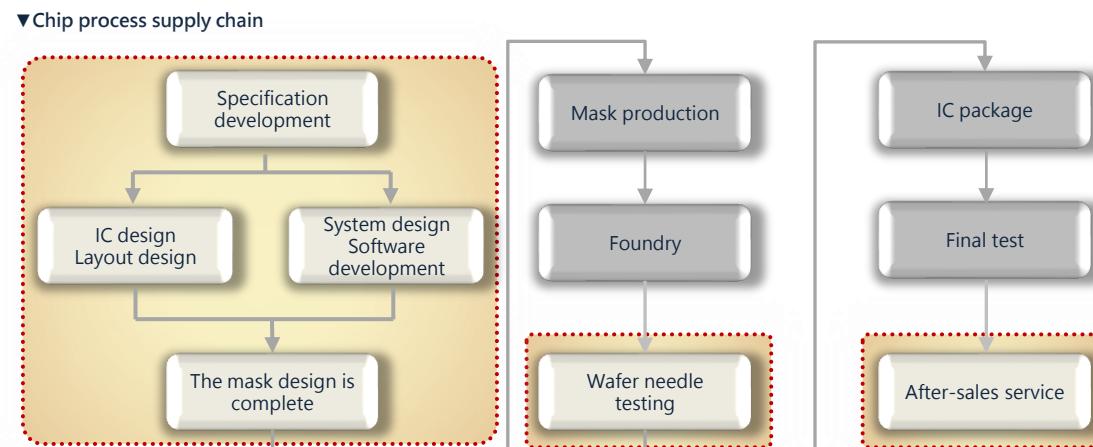
*Mask fabrication, wafer foundry, IC packaging and final testing are outsourced

Supplier categories and local sourcing

We identified 4 major supplier categories, 7 raw material suppliers, 13 process outsourcing companies, 3 waste removal and treatment companies, and 5 service outsourcing companies. When categorized by geographic location, the local procurement ratio is 85% for raw material suppliers and 92% for outsourced manufacturing vendors, while the local procurement ratio for other categories, such as waste disposal and service outsourcing vendors, is 100%.

Supplier ESG survey

Since 2014 , we have conducted surveys and statistics on Environmental, Social Responsibility and Corporate Governance (ESG). The survey methods 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 personnel to perform a Second Party Audit, conducting on-site interviews with suppliers to ensure that the documents they provide are consistent with the content of the operation.

Regarding supplier audits, we will continue to conduct and revise the survey targets and audit methods year by year to continuously improve the supplier's ESG survey results.

- In 2023, 100% of process outsourcing companies and waste removal and disposal companies were screened using environmental standards and labor practice standards.
- It is expected that by 2025, the proportion of service outsourcing companies that adopt environmental standards and labor practice standards will reach 100%.

Set up a supplier integrity reporting hotline

Suppliers and their employees shall faithfully execute all transactions and transactions, including but not limited to material procurement, engineering contracting, entrusted processing, equipment transfer, waste disposal, transportation customs declaration, labor dispatch, and outsourcing agents, and shall not provide or gift cash, securities, non-group gifts, leisure, entertainment or travel entertainment, or any other private benefits to any employee of the Company, their relatives, friends, or other interested parties. Do not engage in any form of lending, leasing, investing, or any activities that are not direct work dealings with any employee of the company or their relatives and friends. It is not allowed to provide any employee of the company or their relatives and friends with a paid work arrangement. Do not engage in any behavior that harms the company's interests and business image.

The Company requires suppliers who meet the transaction qualifications to fill out the "Statement of Integrity Conduct", and if the Company's employees actively or passively violate procurement discipline, the supplier shall disclose it to the following Company's acceptance unit through letter or e-mail without delay with their real name, contact information, and must contain accurate content or evidence clues. Reporting and complaint mailbox: whistleblower@sunplus.com.

▼ Supplier Environmental, Social And Governance (ESG) Survey Statistics

	Types of suppliers		Raw material suppliers	Process outsourcing	Waste removal treatment	Service outsourcing
	definition		Provide product manufacturing Raw material manufacturer	Contract manufacturing manufacturer of the product	Commissioned waste processing manufacturer	Manufacturers who provide on-site services, For example, group meals, cleaning and security
A	Local sourcing	The proportion of local suppliers	85%	92%	100%	100%
B	Quality control	The percentage of reviews/audits performed	100%	100%	-	-
C	Environmental Management	The percentage of reviews/audits performed	100%	100%	100%	100%
		The number of suppliers found to be in violation of major environmental laws and regulations	0	0	0	0
D	Occupational safety management	The percentage of reviews/audits performed	100%	100%	100%	100%
		The number of suppliers that have been found to have violated material occupational safety	0	0	0	0
And	Human rights management	The percentage of reviews/audits performed	100%	100%	100%	100%
		The number of suppliers that have been found to violate human rights issues, such as illegal use of child labor and forced labor, etc	0	0	0	0

04

Environment category

- ✓ Quantitative statistics on environmental resource input
- ✓ Quantitative statistics of environmental information output
- ✓ Committed to greenhouse gas reduction
- ✓ Climate risks and opportunities
- ✓ Extreme heat and drought risk
- ✓ Task Force on Climate-Related Financial Disclosures(TCFD)

Key achievements in 2024

Greenhouse gas emissions

- Greenhouse gas emissions in 2024 was approximately 3,124.277 tons-CO_2e, a decrease of approximately 40.246 tons of CO_2e compared to 3,164.523 tons of CO_2e in 2023, and if only Scopes 1 and 2 are considered, emissions in 2024 was reduced by 8.24% compared to 2023.

- The greenhouse gas emission intensity in 2024 was reduced by approximately 1.0143 (metric tons of CO_2e/million yuan) compared to 2023.

The product is designed with low energy consumption

Sunplus Technology's 8th generation products in 2023 have expanded DDR size and resolution, and compared with the 7th generation products, the volume has only increased slightly, but the energy-saving benefits have increased significantly by 67.57%.

The 8th generation product achieves more than 25.28 times the energy saving benefits created by the first-generation 8202T series, and is estimated to reduce power consumption by at least 3,124,040.14μW based on 2024 automotive IC shipments. The number of transistors per unit area is 33.94 times higher than that of the first-generation 8202T series.

Resource management

- The company is in the IC design industry, and more than 97% of greenhouse gas emissions are indirect emissions, mainly from purchased electricity for air conditioning and office lighting needs. Through the factory monitoring system, we have made the operation of air conditioning equipment more efficient, and at the same time promoted the concept and actions of energy conservation to colleagues, reducing unnecessary waste and effectively reducing our impact on the environment.

- Participated in the purchase and sale of renewable energy power and certificates under Taipower's small-scale green power sales pilot program, bidding for a total of 50,000 kWh of green electricity for a period of 5 years, and obtaining 10 renewable energy certificates every year.

Quantitative statistics on environmental resource input

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

Long-term information recording and disclosure will help us review our earth-friendly environmental measures year by year to see if we have gradually achieved our set goals, please refer to the 2024 Environmental Resource Investment Statistics for relevant information.

For more information on how we are tackling climate change and how to effectively reduce the consumption of natural resources, please read the chapters "Smart Chips, Limitless Possibilities for a Low-Carbon Economy" and "Committing to Greenhouse Gas Reduction".

▼2024 environmental resource investment statistics

attribute	Category	item		unit	2020	2021	2022	2023	2024	Note
plunge into	Energy	gasoline		litre	583.13	492	688.19	613.45	713.69	
		diesel fuel		litre	900	1000	300	500	500	
		purchased electricity	Non-renewable energy power generation equipment production	thousand degrees	7,969	7,883	7,135	6,252.827	5,737.893*	
		Invest in energy outsourcing to purchase electricity	Production of renewable energy power generation equipment (green power)	thousand degrees	none	none	none	none	10	
	Water resources	Tap water		thousand tons	32.85	30.32	29.24	28.26	30.19	

* The purchased electricity consumption has been deducted from the shared amount of the tenant in the factory

Quantitative statistics on environmental resource output

Through 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 our environmentally friendly environmental measures year by year to see whether we have gradually achieved our set goals.

For more information on how we can address climate change and effectively reduce greenhouse gases, wastewater, and waste production, read the chapters "Smart Chips, Limitless Possibilities for a Low-Carbon Economy" and "Committed to Greenhouse Gas Reduction".

attribute	Category	Regulatory or international standard identification	item	unit	2020	2021	2022	2023	2024
output	Greenhouse gases	ISO14064-1	Category 1 Direct greenhouse gas emissions and removals.	ton CO_2e	3.672	3.857	2.4139	75.5367*	75.7731
			Category 2 Indirect greenhouse gas emissions from imported energy	ton CO_2e	4056.327	3957.090	3631.815	3,088.9864	2,834.5191
			Category 3 Indirect greenhouse gas emissions from transportation	ton CO_2e	No disclosure	No disclosure	No disclosure	No disclosure	172.1585
			Category 4 Indirect greenhouse gas emissions from the use of products	ton CO_2e	No disclosure	No disclosure	No disclosure	No disclosure	41.8262
			Category 5 Indirect greenhouse gas emissions associated with the use of the product	ton CO_2e	No disclosure	No disclosure	No disclosure	No disclosure	Not disclosed
			Category 6 Indirect greenhouse gas emissions from other sources	ton CO_2e	No disclosure	No disclosure	No disclosure	No disclosure	Not disclosed
	wastewater	water pollution Prevention and control law	Process wastewater	metric tons/year	none	none	none	none	none
	waste	waste Cleanup method	Industrial Waste - General	ton	8.99*	7.57*	8.419*	8.63*	8.42*
			Industrial waste - hazardous	ton	0.20	0.23	0.60	0.49	0.32
			Recyclable waste: paper and food paper containers	ton	3.270	4.725	4.717	8.480	11.295
			Recyclable waste: iron, aluminum	ton	0.750	0.712	1.771	0.738	0.965
			Recyclable waste: plastics, including plastic bottles	ton	0.402	1.003	2.012	1.629	2.095
	reclaim	Wastewater recycling		km^3	none	none	none	none	none

* Starting from 2023, carbon emissions from stationary and mobile fugitive sources was increased, and carbon emissions inventory for categories 3 and 4 was increased from 2024.

* General industrial waste is the average monthly amount, including general waste from business activities (D-1801), waste plastic mixture (D-0299), and waste fiber mixture (D-0899), and D-1801 accounts for 80.08%

Quantitative statistics on environmental resource output

greenhouse gas emission intensity for the most recent two years

Greenhouse gas emissions in 2024 were approximately 3,124.277 tons -CO_2e decreased by approximately 40.246 tonsCO_2e compared to 3,164.523 tonsCO_2e in 2023.

In 2024, due to the addition of Scope 3, greenhouse gas emissions only decreased by 1.27% compared to 2023; If only Scope 1 and 2 was considered, emissions in 2024 was reduced by 8.24% compared to 2023.

The greenhouse gas emission intensity in 2024 was reduced by approximately 1.0143 (metric tons of CO_2e/million yuan) compared to 2023.

According to the Taiwan Stock Exchange's "Sustainable Development Roadmap for Listed and OTC Companies", the company should complete the inventory in 2025 and complete the assurance in 2027. The consolidated statement subsidiary should complete the inventory in 2026 and complete the conviction in 2028; There is no need to be convinced at this time.

Since 2012, the Company has independently conducted and disclosed the results of the greenhouse gas inventory on the Company's external website, annual report, and ESG Report, and is expected to complete the verification of Sunplus Technology Individual Company in 2026.

	Total emissions (metric tons of CO_2e)		Intensity (metric ton CO_2e/million yuan)		Statement of the certainty
annual	2023	2024	2023	2024	
Category 1	75.5367	75.7731	0.0667	0.0464	There is no need to be sure
Category 2	3088.9864	2,834.5191	2.7276	1.7351	
Category 3	Not checked	213.9847	-	-	
Total	3,164.523	3,124.277	2.7943	1.7800	
difference	-40.246		-1.0143		

*If only Scope 1 and 2 are considered, emissions in 2024 was reduced by 8.24% compared to 2023.
*Emission intensity is calculated only for Scope 1 and 2.

Committed to greenhouse gas reduction

The risks we identified from climate change include rising electricity and energy costs and increased disclosure of carbon emissions by emerging regulations. Continue to implement measures such as energy management and energy efficiency improvement at major operating sites.

The company is in the IC design industry, and more than 97% of greenhouse gas emissions are indirect emissions, mainly from purchased electricity for air conditioning and office lighting needs. Therefore, starting from saving electricity in the office, we set a target of reducing indirect greenhouse gas emissions by 2% per year; Through the factory monitoring system, we have made the operation of air conditioning equipment more efficient, and at the same time promoted the concept and actions of energy conservation to colleagues, reducing unnecessary waste and effectively reducing our impact on the environment. In 2024, due to the addition of Scope 3, greenhouse gas emissions only decreased by 1.27% compared to 2023; If only Scopes 1 and 2 was considered, emissions in 2024 was reduced by 8.24% compared to 2023, achieving the reduction target. and from 2011 to 2024, it has reached the standard.

Not only are governments legislating to promote net-zero transformation, but companies are also responding to net-zero commitments to achieve the Paris Goals by reducing greenhouse gas emissions, promoting the green energy industry, and developing energy-saving and carbon-reducing technologies.

Sunplus Technology participated in the "Semiconductor Industry Net Zero Take-off Announcement and Carbon Reduction Technology Seminar" held by the Taiwan Semiconductor Industry Association (TSIA) on September 27, 2023, jointly declaring that "based on 2020 greenhouse gas emissions, we will absolutely reduce greenhouse gas emissions by 10% by 2030 (BAU reduction by 40%); Achieve net-zero emissions by 2050", jointly creating the first public carbon reduction plan for the World Semiconductor Council member to disclose the net-zero target carbon reduction plan for climate change mitigation.

▲Sunplus Technology signed the TSIA net-zero emission independent reduction common goal

We have been closely monitoring 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 striving to explore various ways to achieve the goal of reducing electricity and energy consumption. Starting from the fourth quarter of 2022, with an expenditure of nearly 4 million, the traditional lamps in the factory was completely replaced with energy-saving LED lamps, which is expected to save at least 280 KWH of electricity consumption and reduce greenhouse gas emissions by at least 143.5 tons of CO_2e per year, making active efforts to save energy and reduce carbon emissions.

The following table shows the greenhouse gas reduction solutions implemented over the years and during the reporting period.

Item	Execution time	content	quantitative or non-quantitative benefits	environmental protection expenses for energy conservation and carbon reduction (Unit: yuan)
1	Continuous improvement in 2008/10 to date	The replacement cycle of UPS batteries has been extended from 3 years to 5 years with performance permits.	reduce the output of waste batteries by 800 pieces per 5 years, saving about 977,520 yuan/year.	0
2	2010/08 has continued to improve	The basement parking lot adopts an induction switch.	The electricity saving is about 16,363.6 kWh/year, and the electricity bill at that time was 2.2 yuan/kWh, saving at least 36 yuan/year.	1,880,000
3	It has continued to improve since 2011/11	Change the waste mask cleaning mode, from the previous direct scrapping to scrapped/debited waste masks, remove the layout wiring, continue the reuse value and increase the recycling cost.	Reduce the direct disposal of various photomasks by more than 1,357.pcs to reduce the chance of environmental pollution; increased the recycling fee by 105,178 yuan.	0
4	From 2017/11	UPS system integration increases operating efficiency and reduces the number of UPS to improve effective operation.	The installation of UPS was reduced by 8, the number of batteries was reduced by 160, the load was reduced by 127.5KVA, and the maintenance cost was reduced by 746 thousand.	685,855
5	2020/06/15	Remove idle office equipment and repost it to the online second-hand market for free, so that idle facilities can continue to be used and reduce waste generation.	saved more than 48 yuan in cleanup costs and reduced general industrial waste by more than 5 tons.	0
6	From 2022/Q4	The factory completely replaced energy-saving LED lamps.	It can save more than 280 KWH of electricity consumption throughout the year, reduce greenhouse gas emissions by at least 143.5 tons of CO_2e, and reduce greenhouse gas emissions by 3.6%.	3,740,000
7	From 2024	Participated in the purchase and sale of renewable energy power and certificates in Taipower's small-amount green power sales pilot program, and bid for green electricity with a five-year total of 50,000 kWh of electricity certificates.	It can reduce greenhouse gas emissions by more than 474 Kg-CO_2e per year; Taipower supplies and distributes 10,000 kWh of green electricity per year, and obtains 10 renewable energy certificates every year.	247,500

▲ Statistics on greenhouse gas reduction solutions

Climate risks and opportunities

Climate risk matrix

▲Short-term (1-3 years) Medium-term ♦ (3-5 years) ●Long-term (5-10 years).

Rush hit Procedure Spend (y-axis)

Possibility of occurrence (x-axis)

- ●Strengthening the disclosure requirements for emerging carbon emissions
- ♦Failure to disclose climate change actions, Affect company reputation
- ♦Increase in raw material costs
- ♦Emerging product and service requirements and specifications
- ●Rainfall patterns and extreme climate change
- ●The average temperature rises
- ♦New low-carbon alternative products and services
- ♦Current carbon emission disclosure requirements
- ♦Carbon pricing mechanism
- ▲Extreme weather events (typhoons, heavy rains, etc.)
- ▲Requirements and specifications for existing products and services

Climate Opportunity Matrix

▲Short-term (1-3 years) Medium-term ♦ (3-5 years) ●Long-term (5-10 years).

Shadow Sound Journey Degree (y-axis)

Possibility of occurrence (x-axis)

- ▲Low-energy facilities and equipment are adopted
- ♦Implement energy conservation and carbon reduction management
- ♦Promote energy-saving and carbon-reducing production
- ●Obtain public sector awards
- ●Develop renewable energy/ Participate in the renewable energy electricity trading market
- ♦Developing the market for low-carbon products and services

extreme heat and drought risk

In the Sixth Assessment Report (AR6) released by the IPCC in 2021, the "Shared Socioeconomic Pathway" (SSP) was proposed in the context of climate change scenarios, combining the results of multiple research communities in the international climate change research community.
Using two scenarios, SSP3-7.0 and SSP5-8.5, the risk of extreme heat and drought is estimated:
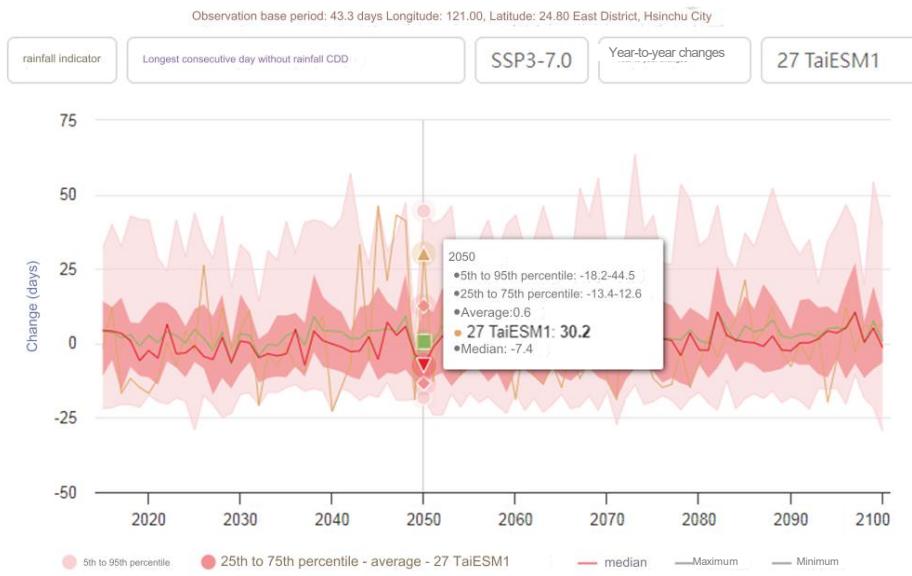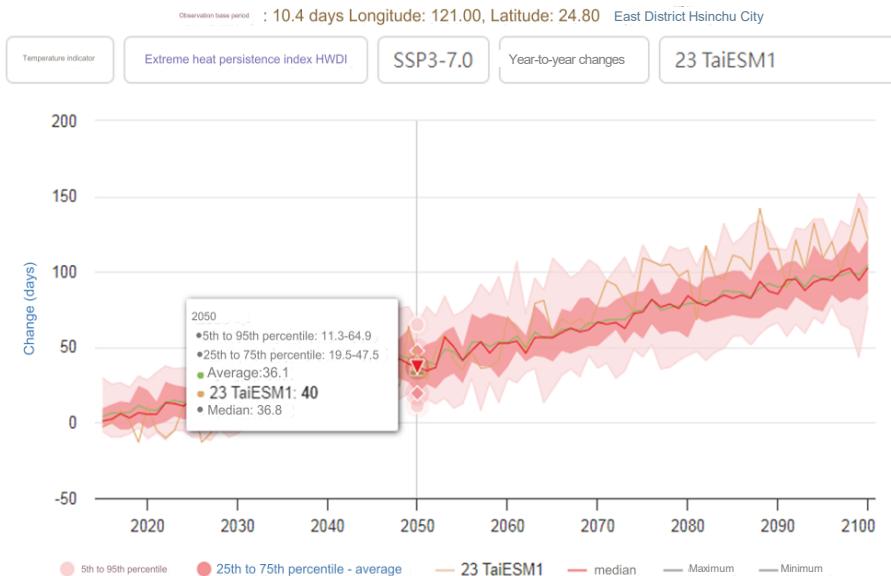
SSP3-7.0 is a medium-to-high forcing pathway, SSP3 combines relatively high social vulnerability and radiative forcing, and the analysis of AR5's no climate policy intervention scenario (no climate policy) in the past relied heavily on the RCP8.5 scenario, and the addition of SSP3-7.0 provides another option for medium-to-high emission pathways, unlike SSP5-8.5, SSP3-7.0 has strong land use change and high NTCF[2] emissions.

- According to the data of the "Taiwan Climate Change Prediction Information and Adaptation Knowledge Platform (TCCIP)" (AR6 statistical downscaling version), extreme high temperatures may lead to temporary power shortages, but the company has a complete uninterruptible power supply system, emergency generator system, and data backup measures to prevent operational risks.

- The company's main business is IC design, and it does not involve IC production activities, and the risk of production line shutdown due to prolonged drought and rain is not included in the major risk consideration.

SSP5-8.5 is a high-forcing path, and the reason for choosing this socio-economic scenario is that SSP5 is the only SSP scenario with emissions high enough to generate a radiative forcing force of 8.5 W/m² in 2100.

Climate Change-related Financial Disclosures (TCFD)

Governance — Disclose the organization's climate-related risks and opportunities

Guiding principles	Specific methods
The Board oversees climate-related risks and opportunities	The sustainable development cross-departmental organization regularly reports on the identification and management of climate change-related risks and opportunities to the board of directors every year, and the board of directors supervises the management process.
Management assesses and manages climate-related risks and opportunities	The Environmental Working Group under the Sustainability Interdisciplinary Organization is responsible for coordinating/assessing the risks and opportunities of climate change (including targets and initiatives) across the company, and discloses them in the annual sustainability report.

Strategy — Immediate impact on an organization's business, strategy, and financial planning with potential climate-related risks and opportunities

Guiding principles	Specific methods
Short, medium, and long-term climate-related risks and opportunities have been identified	• Define short-term (1-3 years), medium-term (3-5 years), and long-term (5-10 years) climate-related risks and opportunities according to the existing internal target management schedule, and evaluate the potential impact of climate risk factors on the company's strategy, operation, and financial planning. • The IS014064-1:2018 greenhouse gas inventory standard has been introduced for independent inventory, and will continue to promote carbon reduction plans and other practices in the future, hoping to achieve the goal of carbon neutrality by 2050.
Climate risks and opportunities that have a significant impact on an organization's business, strategy, and financial planning	After the climate-related risk identification process, the following significant risks and opportunities were identified: **There are two major risks** • Emerging regulations require enhanced disclosure of carbon emissions: According to the "Sustainable Development Roadmap for Listed and OTC Companies" released by the Financial Supervisory Commission in March 2022, Sunplus Technology is a listed and OTC company with a capital of 50~100 billion yuan, and should complete the inventory in 2025 and the verification in 2027. Sunplus Technology has completed internal verification in the second quarter of 2025 and external verification in the second quarter of 2027. • Failure to disclose climate change actions affects company reputation: The impact of climate change can extend to the supply chain, and if the company fails to disclose related risks, it may affect the confidence of suppliers and partners, affecting long-term partnerships. According to the Taiwan Stock Exchange, regulators may also strengthen requirements for climate change information disclosure, and companies may face stricter scrutiny and penalties if they do not respond in a timely manner. In accordance with the requirements of the competent authorities and the stock exchange, Sunplus Technology has implemented the disclosure of climate change-related information. **There is a big chance** • Adopt low-energy facilities and equipment: We plan to replace old ones with new ones, choose energy-efficient air conditioning units, optimize the control strategy of air conditioning systems to reduce energy costs, reduce environmental pollution, and fulfill our responsibilities of green environmental protection, energy conservation and carbon reduction.
The potential impact of different scenarios on the organization's business, strategy, and financial planning	• Sunplus Technology conducted simulations based on the Nationally Determined Contributions (NDCs) and the 1.5°C Scenario (2DS) developed by the International Energy Agency (IEA), using 2011 as the base year to estimate Sunplus Technology's carbon reduction ratio. • In order to achieve the 2050 NDCs greenhouse gas reduction target, electricity conservation management is carried out for Scope 2, which accounts for a relatively large proportion of greenhouse gas output. • According to the data of the "Taiwan Climate Change Prediction Information and Adaptation Knowledge Platform (TCCIP)" (AR6 statistical downscaling version), extreme high temperatures may lead to temporary power shortages, but the company has a complete uninterruptible power supply system, emergency generator system, and data backup measures to prevent operational risks. • The company's main business is IC design, and it does not involve IC production activities, and the risk of production line shutdown due to prolonged drought and rain is not included in the major risk consideration.

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

Guiding principles	Specific methods
Organize processes for identifying and assessing climate-related risks	The "Environment" Working Group of the Interdisciplinary Organization for Sustainable Development follows the framework disclosed by the TCFD to identify climate-related risks through the following four steps: (1) identification of risk issues, (2) determination of material risk issues, (3) identification of material opportunity issues, and (4) development of mitigation or adaptation plans.
Organizing processes for managing climate-related risks	• In accordance with ISO 14001, the PDCA management cycle is used to ensure that the company's environmental protection goals are consistent with the implementation strategy, and the management review committee reviews the adjustment and mitigation actions every year to ensure that the goals are achieved. • Combined with the ISO 9001 existing supplier sustainability management mechanism, as well as the ISO 14001 environmental management system and ISO45001 occupational safety and health management system, supplier screening is conducted through ESG aspects, and annual on-site or written audits are conducted for important suppliers.
How the process of identifying, assessing and managing climate-related risks can be integrated into overall risk management	The "Environment" Working Group under the Sustainability Cross-Door Organization conducts internal communication or meeting discussions in accordance with the TCFD framework, and combines the company's existing ISO 14001 risk assessment operations to identify important issues, include climate change issues as part of risk management, and formulate control strategies and action plans accordingly.

Metrics and goals
Disclose important indicators and goals for the organization to assess and manage climate-related risks and opportunities

Guiding principles	Specific methods
Disclose the metrics used by the organization to assess climate-related risks and opportunities in its strategy and risk management processes	The climate-related risk indicators used by Sunplus Technology include electricity consumption and greenhouse gas emissions.
Disclose Scope 1, Scope 2, and Scope 3 (as applicable) greenhouse gas emissions and related risks	Since 2012, we have conducted independent inventories of greenhouse gas Scope 1 and 2 in accordance with the ISO 14064-1 standard, with the inventory items mainly using purchased electricity, and since 2024, Scope 3 has been added, and the results of previous verifications have been disclosed in the "Quantitative Statistics of Environmental Information Output" section of the sustainability report.
Describe the goals and levels of compliance set by the organization for managing climate-related risks and opportunities	• Starting from 2012, the target is to reduce total electricity consumption by 1% every year, and the target has been reached from 2011 to 2024. • set a target of reducing indirect greenhouse gas emissions by 2% per year; In 2024, due to the addition of Scope 3, greenhouse gas emissions only decreased by 1.27% compared to 2023; If only Scope 2 was considered, emissions in 2024 was reduced by 8.24% compared to 2023.

05
Social category – internal employee care

✓ HR structure

✓ Talent Acquisition and Retention

✓ A complete education and training development system

✓ Performance development system

✓ Human rights-first policy actions

✓ Occupational Safety and Health Management

✓ Compensation and benefits

Key achievements in 2024

Occupational safety and health

- In the Occupational Safety and Health Committee, the proportion of labor representatives who assist in supervising and recommending occupational health and safety-related plans is 55%, which is higher than the statutory ratio of 1/3, and employee participation and consultation are implemented.
- Employees are not engaged in positions with high risk or high incidence of specific diseases, and there are no occupational accidents or diseases.
- Comply with laws and regulations, and conduct courses on illegal assault and sexual harassment in the workplace. In addition to meeting 100% of the training required by the regulations, it has also listed "Workplace Infringement and Sexual Harassment Prevention" as a compulsory course for new employees since April of the same year.

Human rights assessment

Continue to create smooth communication channels for employees 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.

- After human rights review or impact assessment, 100% comply with local labor regulations.

Talent cultivation

- E-learning, providing one-stop service for colleagues and a better learning experience.
- In 2024, all employees of Sunplus Technology received nearly 6,000 hours of training, with an average of 17.6 hours per colleague.
- Regardless of the employee's job type or gender, the company has always valued and strongly supported the learning and development of each employee. We will continue to work with colleagues to practice the spirit of the Gender Equality Work Act and jointly maintain a fair and respectful working environment and corporate culture.

HR structure

Sunplus Technology is committed to creating an equal and inclusive work environment, including gender, race, and age diversity. According to 2024 statistics, female colleagues in Sunplus Technology account for 33%; At the same time, it also provides promotion opportunities for all colleagues with consistent standards and implements the concept of equality and justice. The talents hired by Sunplus Technology not only enable IC design products to maintain a leading position in the industry, but also lead the domestic industry to continue to innovate.

As of the end of 2024, Sunplus Technology has a total of 327 employees, including 324 regular employees, accounting for 99%; 3 non-regular employees, accounting for 1%. This human resources data is the same as the "Occupational Accident Statistics Table for December 2024" submitted by the Company to the Occupational Safety and Health Administration of the Ministry of Labor.

Currently, Sunplus Technology has one operating base in Taiwan, and the total labor force of each base is categorized by gender, please refer to the "Statistical Table of the Total Number of Employees by Employment Contract, Gender, and Region". For more detailed information, please refer to the "Statistics of New and Departing Employees by Age Group, Gender and Region", "Table of Regular Employees by Gender and Supervisory Positions" and "Salary and Benefits Information Table"

Women's employment

2024 Female Colleagues of Sunplus Technology Technology

occupy **33%**

and 29% of female supervisory positions represent Sunplus Technology's commitment to providing a gender-equal workplace environment and looking forward to providing more opportunities for female workers to develop more.

Employee gender

33% | 67%
male
female

Supervisory position

29% | 71%
male
female

Note: Supervisory positions are calculated based on the proportion of 324 regular employees

▼ Statistics on the total number of employees by employment contract, gender, and region (unit: 1 person)

Operating base	category	man		woman		all told
		quantity	proportion	quantity	proportion	
Taiwan-Hsinchu Science Park No. 19, Chuangxin 1st Road, Hsinchu County	Regular employees	216	67%	108	33%	324
	Non-regular employees	2	67%	1	33%	3
	sum	218	67%	109	33%	327
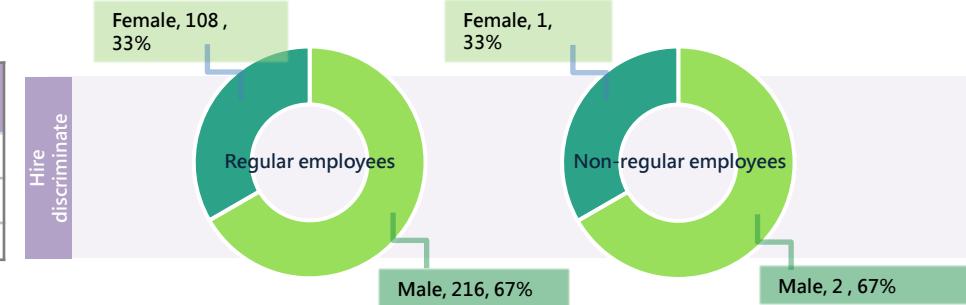
▼Regular employees are classified according to gender and job category (unit: 1 person)

Job category	man		female		subtotal
produce	9	3%	17	5%	26
R&D	182	56%	54	17%	236
business	3	1%	3	1%	6
manage	22	7%	34	10%	56
sum	216	67%	108	33%	324

Note: According to the GRI standards, the total number of regular employees at the end of the reporting period is 324, and the following statistics are the same.
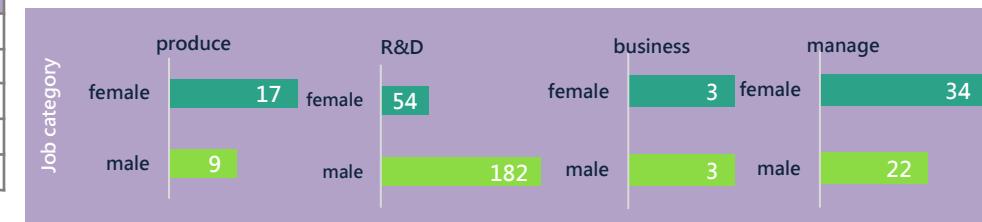
▼Regular employees are classified according to gender and supervisory position (unit: 1 person)

Job category	man		female		subtotal
Supervisory position	59	18%	17	6%	76
Non-supervisory positions	157	48%	91	28%	248
sum	216	67%	108	33%	324

Hire discriminate

Female, 108 , 33%

Female, 1, 33%

Regular employees

Non-regular employees

Male, 216, 67%

Male, 2 , 67%

Job category

produce
female 17
male 9

R&D
female 54
male 182

business
female 3
male 3

manage
female 34
male 22

Supervisory positions are differentiated

Supervisory position
female 17
male 59

Non-supervisory positions
female 91
male 157
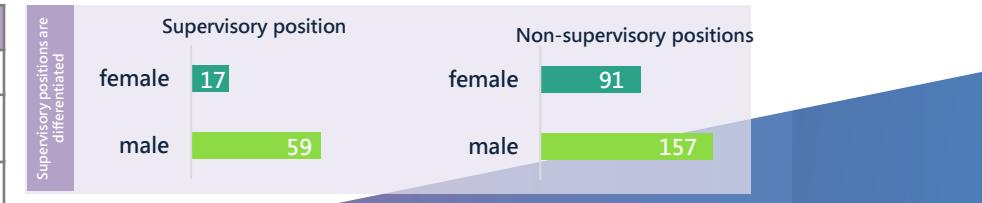
▼Regular employees are classified according to age (unit: 1 person)

	man		woman		sum
	Number of people	proportion	Number of people	proportion	Number of people reported at the end of the period
Under 30 years old	48	15%	23	7%	71
31~50 years old	113	35%	63	19%	176
51 years of age or older	55	17%	22	7%	77
subtotal	216	67%	108	33%	324

Age difference

- Under 30 years old: 48 (Number of men), 23 (Number of women)
- 31~50 years old: 113 (Number of men), 63 (Number of women)
- 51 years of age or older: 55 (Number of men), 22 (Number of women)
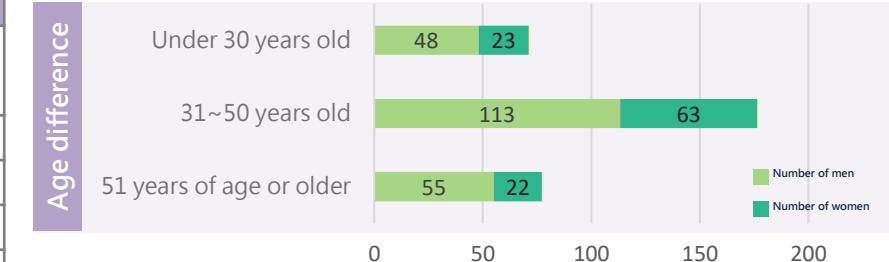
▼Number of new and former employees by gender (unit: 1)
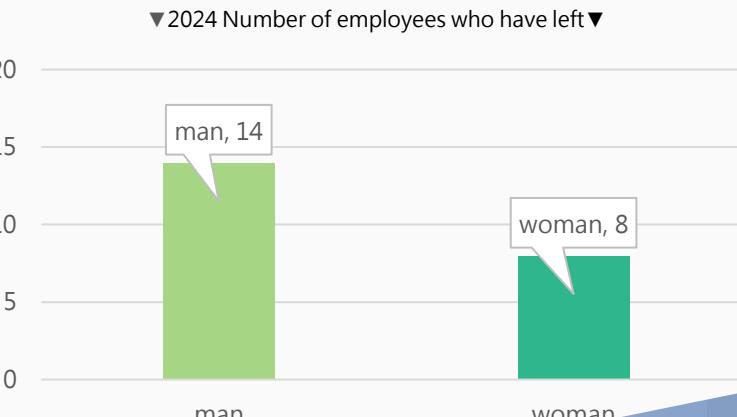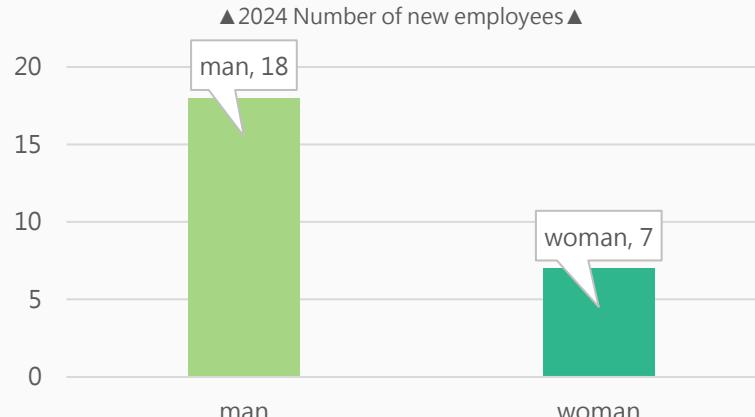
▲2024 Number of new employees▲

man, 18
woman, 7

▼2024 Number of employees who have left▼

man, 14
woman, 8

Note: According to the GRI standards, the total number of regular employees at the end of the reporting period is 324, and it is not included in retirees.

Talent Acquisition and Retention

Diversified recruitment channels to attract outstanding talents from all walks of life

By cooperating with recruitment platforms to recruit outstanding talents from various professions, Sunplus Technology received a total of 8,642 active applications in 2024 and successfully matched 290 interviews.

Recruitment website

In 2024, Sunplus Technology participated in spring and autumn campus recruitment activities such as National Tsing Hua University and National Yang Ming Chiao Tung University, including two different forms of recruitment: expos and briefings, effectively interacting with students and deepening Sunplus Technology's corporate image and brand to major colleges and universities.

Campus recruitment

In recent years, it has also participated in the semiconductor industry-university-research co-education talent program, working with ITRI and the company's research units to cultivate students in related professional fields, so that students can try to apply their majors to research and development and smoothly connect to the workplace.

Industry-academia cooperation

Since 2007, Sunplus Technology has successively applied for the R&D substitute service quota of the Ministry of the Interior, and has hired more than 1,000 R&D substitute professionals to serve in Sunplus Technology and completed a number of patent applications. In 2024, Sunplus Technology's five R&D substitutes were in different departments for product R&D and creation.

R&D substitute service

The newcomer care system assists talents in quickly integrating into the team

In order to help new colleagues adapt to the new workplace life, Sunplus Technology has established a newcomer care system. At the work level, department heads will arrange senior colleagues to assist in teaching and conduct training according to the new employee development plans of each department. In terms of living environment, from the reception on the day of joining, the care of newcomers within a week of arriving, newcomer education and training courses, dinner with senior executives, interviews at the end of the probationary period, etc., are all to help newcomers better adapt to Sunplus Technology, provide newcomers with multiple communication channels, and make newcomers feel more belonging.

DAY1	DAY7	DAY30	DAY90
In-service reception	New comers are cared for for one week after taking office	Newcomer education and training courses	Interview after the probationary period expires
• Newcomer registration procedures • Introduce the work environment	Conduct in-depth interviews with newcomers to understand their adaptation to work and their daily life	Courses such as legal promotion and company introduction are provided, and meals are also arranged for newcomers to dine with senior executives	Newcomers share their feelings and job satisfaction during the trial period

Note: The start time of the new employee education and training course depends on

2024 Implementation results	92% Interview completion rate	26 people Number of new interviews	36H Interview hours

Newcomer care + trial period expires, a total of 90 minutes

Abide by the Labor Standards Act, and employees communicate seamlessly

In accordance with Article 56 of the Labor Standards Act, the Labor Retirement Reserve Supervisory Committee also meets quarterly to discuss and may convene extraordinary meetings when necessary, focusing on the amount of labor retirement reserve contributions, fund storage, expenditure audits, and the amount of labor pension benefits.

If a 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 have not established a labor union organization, we still follow government labor laws and regulations, hold regular labor-management meetings for two-way communication, and in accordance with Article 83 of the Labor Standards Act, we can convene extraordinary meetings when necessary to discuss issues such as promoting labor-management cooperation, coordination of labor-management relations, improvement of labor conditions, and labor welfare planning.

Follow the Gender Equality Work Act and implement the parental leave system

We do follow the Gender Equality in Employment Act and implement equal leave rights for women and men and the parental leave system.

As mentioned earlier, 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, and also implements a parental leave without pay system, which both male and female employees can apply for in accordance with the law.

The number of people using childcare leave in 2024 was 5, including 2 men and 3 women. For details of the reinstatement rate and retention rate, please refer to the "Statistical Table of the Proportion of Reinstatement and Retention After Parental Leave by Gender".

The protection of these laws and regulations is the rights and benefits of employees, and it is also the responsibility of the company, and the implementation of these laws not only improves employee morale and productivity, but also makes it easier for us to recruit and retain excellent employees.

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

Salary and benefits information categories	In 2023	In 2024	YOY(%)
Employee benefits average	1,636	1,678	2.6%
Average employee salary	1,414	1,452	2.7%
The average salary of full-time employees who do not hold supervisory positions	1,421	1,462	2.9%
Median salary of full-time employees who do not hold supervisory positions	1,246	1,243	(0.2)%

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

	Formula codename	male		female		subtotal
		quantity	proportion	quantity	proportion	
Number of people using parental leave in 2024	Code B	2	40%	3	60%	5
The total number of people who returned to work using parental leave in 2024	Code C	1	34%	2	66%	3
The total number of people who should be reinstated for using parental leave in 2024	Code D	2	40%	3	60%	5
Thetotal number of people who returned to work using parental leave in 2023	Code E	0	0%	0	0%	0
In 2023, the total number of people who used parental leave to return to work , the total number of employees who are still employed after 12 months	Code F	0	0%	0	0%	0
Reinstatement rate	C/D	50%		60%		-
Retention rate	F/E	-		-		-

Note: In accordance with the "Gender Equality in Work Act", the parental leave without pay system is implemented, and both male and female employees can apply in accordance with the law. The application rules include: (1) the employee has worked for the company for 6 months (2) before the child turns 3 years old (3) the stay period can be from 30 to 2 years.

Internal training is multiplied by external learning
A complete education and training development system

OJT	departmental training	Work rotation	Task assignments

"Self-Inspiration" Training (SD) → Language Training, Digital Learning Platform, Technical Data Room, Reading Club → Key Talent Cultivation Program

OFF-JT	"General Studies" training	"Specific Class" training	"Professional" training	"Management" training
	Adaptation period Exploratory period Establishment period Maintenance period Maturity period	Quality audit Environmental safety and fire protection Patent Intellectual Property Project manager Information application	Instrument Equipment Production testing marketing business Human Resources General Affairs R&D technology Financial Accounting	New appointment/ grassroots level Intermediate/Senior Executive/Operator
	Career Development Program (IDP)	License management system	Internal Instructor Training Program (TTT)	Corporate Succession Plan (SP)

General personnel / managerial position

"Continuous Learning and Talent Development"

Through measures such as rich internal courses, fully subsidized external training, and language proficiency rewards, Sunplus Technology provides diverse learning opportunities for colleagues, creating a learning culture that promotes knowledge sharing and skill improvement. We understand that continuous learning is key to employee growth and organizational competitiveness.

Internally, in addition to promoting teamwork and knowledge exchange through departmental training, job rotation, and task assignment, the training unit also conducts education and training needs surveys every year according to the company's development goals and plans diverse training courses. These courses cover various needs such as professional, management, life, language, and law, and provide online learning platforms that allow colleagues to participate in learning anytime, anywhere.

We believe that through continuous training, everyone can become the professional and managerial talent needed in the future. We also promise to continue to provide colleagues with the best learning environment and growth opportunities in the future, jointly achieving personal and organizational development goals.

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2024 Implementation Results

interior train

In accordance with laws and regulations and the needs of students, various courses are arranged every month, covering technical majors, financial planning, health lectures, etc., in addition to helping colleagues improve their work skills, it also strengthens work-life balance and promotes the all-round development of colleagues. With the launch of diverse courses, this not only stimulates employees' curiosity and attention to monthly training course information but also increases their willingness to participate and motivate them to learn, further driving discussions and learning atmospheres within the company.

External train

In addition to internal training, colleagues can also propose training goals and independently sign up for external courses, and Sunplus Technology will cover the cost of external training and classes, thereby encouraging colleagues to expand their professional capabilities.

■ The number of applications has increased significantly in the past three years:

50 58 71 90 74

2020 2021 2022 2023 2024

Language proficiency further education

Sunplus Technology is very supportive of colleagues in continuing their foreign language skills and aligning with international standards.

In addition to the internal language-related training, colleagues can also sign up for language tests, and those who meet the standards will be fully subsidized for the registration fee and incentives.

supervisor train

In 2024, the core training theme was to help supervisors adapt to their responsibilities and improve their leadership capabilities, with the core theme of supervisory role awareness and subordinate guidance and cultivation. At the same time, it also promoted communication through training, established a common language for the team, and strengthened collaboration and management efficiency.

New recruits train

In order to familiarize new employees with the company culture, Sunplus Technology has designed a series of diversified courses with the theme of ESG, covering essential courses such as occupational safety and disaster prevention, information security prevention, ethical management, patent introduction, and sexual harassment prevention. This allows new employees to understand the overall picture of the company and acquire the necessary working knowledge in a short period of time, while also cultivating an awareness of corporate social responsibility and sustainable development.

In addition to focusing on the planning of course content, Sunplus Technology also attaches great importance to the feelings of new employees. After the end of the epidemic, we added a warm luncheon on the day of the physical new employee training, allowing newcomers and supervisors to have enough time to communicate with each other, and also allowing new colleagues to feel the unique warmth and care of the Sunplus Technology team.

2024 Implementation Results

▼Employee training hours are divided by gender and job category (unit: hours)

Job category	male		female		subtotal
produce	88.8	1.5%	209.1	3.5%	297.9
R&D	3487.5	59%	970.2	16.4%	4457.7
business	42.2	0.7%	26.7	0.5%	68.9
manage	420.1	7.1%	665.2	11.3%	1085.3
sum	4038.6	68.3%	1871.2	31.7%	5909.8

▼ Average training hours of employees in each year are differentiated by gender and job category (unit: n hours per person)

Job category	male		female	
Year	this year	last year	this year	last year
production	9.9	28.07	11.6	21.62
R&D	18.9	29.02	17.6	22.08
sales	14.1	41.5	8.9	5.5
manage	15.6	20	19.0	16.51

Note: According to the GRI standard, the total number of regular employees at the end of the reporting period is 324.

Job Category

Production
Male 88.8
Female 209.1

R&D
Male 3487.5
Female 970.2

business
Male 42.2
Female 26.7

manage
Male 420.1
Female 665.2
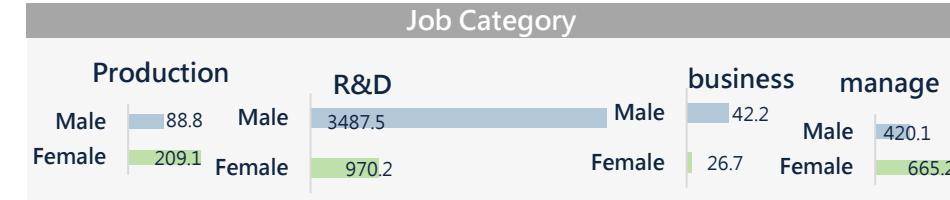
conclusion

In 2024, all employees of Sunplus Technology received nearly 6,000 hours of training, with an average of 17.6 hours per colleague!

From the table on the left, it can be seen that compared with last year, the gap in average training hours between male and female colleagues has narrowed this year. The gap that is getting closer to zero also indirectly reflects our stride in creating a more equitable, diverse, and inclusive work environment.

Regardless of the employee's job type or gender, the company has always valued and strongly supported the learning and development of each employee. In the future, we will continue to work with colleagues to practice the spirit of the Gender Equality Work Act and jointly maintain a fair and respectful working environment and corporate culture.

Focus Cases - Comply with laws and regulations, conduct workplace illegal assault and sexual harassment courses

Law:

According to Articles 3 and 9 of the "Guidelines for Workplace Sexual Harassment Prevention Measures" authorized by the Ministry of Labor in accordance with Article 13, Paragraph 6 of the Gender Equality in Employment Act, the implementation of sexual harassment prevention education and training is a necessary part of the above regulations, and directors, supervisors, managers, and those holding supervisory positions are given priority to implementation.

Implementation in 2024:

Invite professional lawyers to give lectures to directors (directors), supervisors (supervisors), managers, and supervisory positions of relevant business units required by laws and regulations, as well as personnel designated by employers in accordance with Subparagraph 2, Paragraph 2 of Article 3, to ensure that key personnel have the necessary legal compliance knowledge and sense of responsibility.

In addition to meeting 100% of the legal requirements, since April of the same year, [Workplace Illegal Infringement and Sexual Harassment Prevention] has been listed as a compulsory course for new employees.

Focus Case - E-learning, providing one-stop service for colleagues and a better learning experience

With the progress of digital transformation, the education and training model of enterprises is also quietly changing, from the past paper data and distributed management to a more efficient and intelligent one-stop digital learning platform. This transformation not only simplifies the course management process but also greatly reduces the use of paper through digital registration, online uploading of course materials, and card sign-in, achieving environmental protection and efficiency.

The design of the one-stop service integrates learning record tracking, course registration and other functions, allowing employees to easily track their learning progress and obtain the learning resources they need anytime, anywhere. Moreover, this system design also promotes knowledge sharing and collaboration within the company, allowing enterprises and employees to move towards a new era of smarter and more environmentally friendly learning.

The use of training paper over the years

	FY109	FY110	111 years	112 years	113 years
Printing frequency	47%	36%	24%	24%	16%

Printing frequency

66
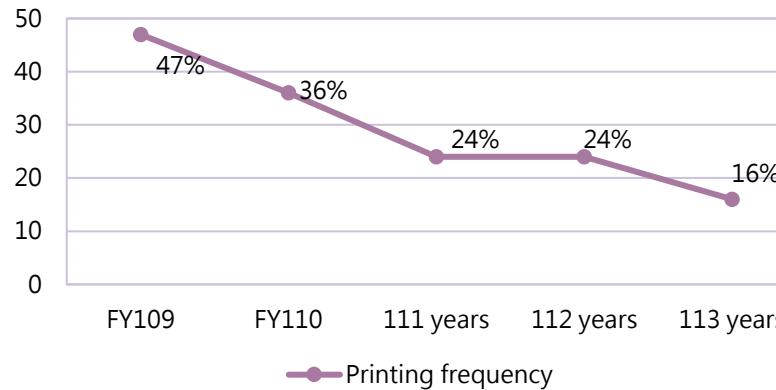
Performance development system

The evaluation system is linked to the company's strategic goals and then launches the department's annual goals and plans, which are implemented by colleagues, and the performance appraisal results will also be used as an important reference for promotion, salary adjustment, bonuses, and dividends.

Assessment items	Object	Assessment time	How it works	Performance development
Mid-year performance appraisal	All indirect colleagues	Every year in June	During the implementation process, the supervisor assists colleagues in developing the direction, reviews the achievement of goals, understands the development and learning status of colleagues through performance interviews, and jointly sets new work goals	Enhance the career development of colleagues
Year-end performance appraisal		Every December		

	male			female			subtotal		
	The total number of employees at the end of the reporting period	Number of male employees who receive regular performance and career development reviews	Proportion	The total number of employees at the end of the reporting period	Number of female employees who receive regular performance and career development reviews	Proportion	The total number of employees at the end of the reporting period	Number of male+female employees who received regular performance and career development reviews	Proportion
Formula codename	A	B	C=B/A	D	And	F=E/D	G=A+D	H=B+E	I=H/G
engineering		44	22%		30	31%		74	25%
administrative		11	5%		34	35%		45	15%
R&D	201	142	71%	97	30	31%	298	172	58%
sales		4	2%		3	3%		7	2%
subtotal		201	100%		97	100%		298	100%

▲ Percentage of employees who receive regular performance and career development reviews by gender and employee category (unit: 1)

Note 1: The following regular employees have not implemented performance appraisals: (1) those who are still on leave without pay at the time of appraisal (2) those who are suspended without pay for more than three months during the appraisal period (3) those who are on probation and probationary period.

Note 2: The data source of statistics is the performance appraisal roster for the second half of 2024.

Human rights-first policy actions

Human rights have long been a topic of great concern in contemporary society, especially the pursuit of fairness and justice, and it is also an indispensable part of corporate social responsibility. In this regard, we continue to create smooth communication channels for employees 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 importance to 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 international human rights guidelines, standards, and programs, and serve as a continuous improvement policy for our human rights policy guidelines. These include V6.0.0 (January 2018) to V7.1.1 (September 2022) and V8.0.1 (February 2024) issued by the Responsible Business Alliance (RBA), the United Nations Universal Declaration of Human Rights, and the International Labour Organization (International). Labor Organization (ILO) adopted eight "Declarations of Fundamental Principles and Rights at Work" in 1998.

The following are the human rights performance we performed during the reporting period:

1. If there are domestic and foreign investment plans to expand factories in the future, it is expected that 100% of them contain human rights clauses or have undergone human rights screening.

2. The total number of hours of training for employees in operating human rights policies is 1 hour, and the percentage of regular employees receiving human rights training is 100%. The execution method is through the signing of the employment contract, which is 100% in compliance with local labor regulations.

3. There were no incidents of discrimination during the reporting period.

4. There is one operating base that accepts human rights reviews or impact assessments, and the ratio is 100%. The execution method is through the signing of the employment contract, which is 100% in compliance with local labor regulations.

5. No operating sites or suppliers were found that may violate or seriously endanger freedom of association and labor meetings.

6. No sites or suppliers were found to pose a serious risk of child labor. The specific implementation method is that the company carefully selects high-quality suppliers to implement human rights protection.

7. Sites and suppliers that are not at risk of serious forced or forced labor incidents. The specific implementation strategy is the same as point 6.

8. 100% of security personnel receive training, on organizational human rights policies related to operations. The company does not have a manufacturing plant, and security personnel comply with local labor laws and regulations and perform routine duties at the operation headquarters.

9. There have been no incidents involving violations of the rights of indigenous peoples. The company's operating base is located in the statutory business area and has not violated the "Regulations on the Conservation and Utilization of Hillside Land" and the "Administrative Measures for the Development and Management of Indigenous Peoples' Reservations". In addition, our employees are not treated unequally due to racial differences, and 100% of our labor relations are implemented in accordance with local labor laws and regulations.

10. The company uses human rights standards for new suppliers at a 100% screening rate. The specific implementation strategy is the same as point 6.

11. There is no significant actual or potential negative impact on human rights in the supply chain. The specific implementation strategy is the same as point 6.

12. During the reporting period, there were no complaints about human rights issues filed, handled and resolved through formal grievance mechanisms.

Occupational Safety and Health Management

In accordance with Article 23 of the Occupational Safety and Health Act, we have established an occupational safety and health management organization and an occupational safety and health committee to review and implement related occupational safety issues. Moreover, the factory environment and operation content are simple, and employees are not engaged in positions with high risk or high incidence of specific diseases.

As a leading IC design company, 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 showing care and responsibility for society, Sunplus Technology has passed the ISO 14001:2004 environmental management system certification since September 2004 and the new version of ISO 14001:2015 certification in November 2016. Since April 2018, it has promoted the establishment of occupational safety and health management systems (ISO45001:2018 and TOSHMS), and in 2019, it completed the verification and obtained two international and Taiwanese occupational safety and health management system (ISO45001 and TOSHMS) dual certifications.

Currently, it maintains occupational safety and health management system (ISO45001) certification; The certificate renewal audit was conducted in December 2024, and the validity period of the certificate has been extended to 2028/02/24.

▲ ISO 14001:2015

▲ ISO 45001:2018

In accordance with Article 20 of the Occupational Safety and Health Act and the Labor Health Protection Rules, we have established matters related to labor health examinations, providing employees with comprehensive health examinations to ensure that every employee can grasp their own health status.

General health check-up items include blood pressure, blood sugar, total cholesterol, liver function, kidney function, urine protein test, abdominal ultrasound, four cancer screening, etc. for adult health check-ups, and the physical/health check-up report and nursing records are registered in the internal [Employee Health Examination Report Inquiry System] for employees to refer to, allowing employees to self-examine disease and injury risk analysis, ensuring that potential causes can be detected in advance, and then formulating their own health promotion countermeasures. For colleagues with health risks after the physical examination, arrange for doctor consultations and follow-up to ensure the health of colleagues.

▼ Statistics on the categories, frequency, proportion of lost days, and absenteeism rate in 2024

	Occupational injuries		Occupational diseases	
	man	woman	man	woman
number of people	0	0	0	0
Lost man-hours	0	0	0	0
The number of days lost	0	0	0	0
Absenteeism rate AR	0.000%	0.000%	0.000%	0.000%
Absenteeism rate AR	0.000%			
Disabling damage frequency FR	Male: 0.00 Female: 0.00			
Disabling injury severity rate SR	Male: 0.00 Female: 0.00			
Total Damage Index FSI	Male: 0.00 Female: 0.00			

Register:
- Absenteeism Rate (AR) = Total number of days absent during the reporting period (0.000) / Total number of days worked during the reporting period (79,277 .)
- Disabling Injury Frequency (FR) = (Number of Disabling Injuries×10^6) / Total Experienced Working Hours (634,216.).
- Disabling injury severity rate (SR) = (number of days lost from disabling injury×10^6) / total experienced working hours
- Total damage index (FSI)=(FR×SR)/1,000
- Commuting occupational accidents are not included
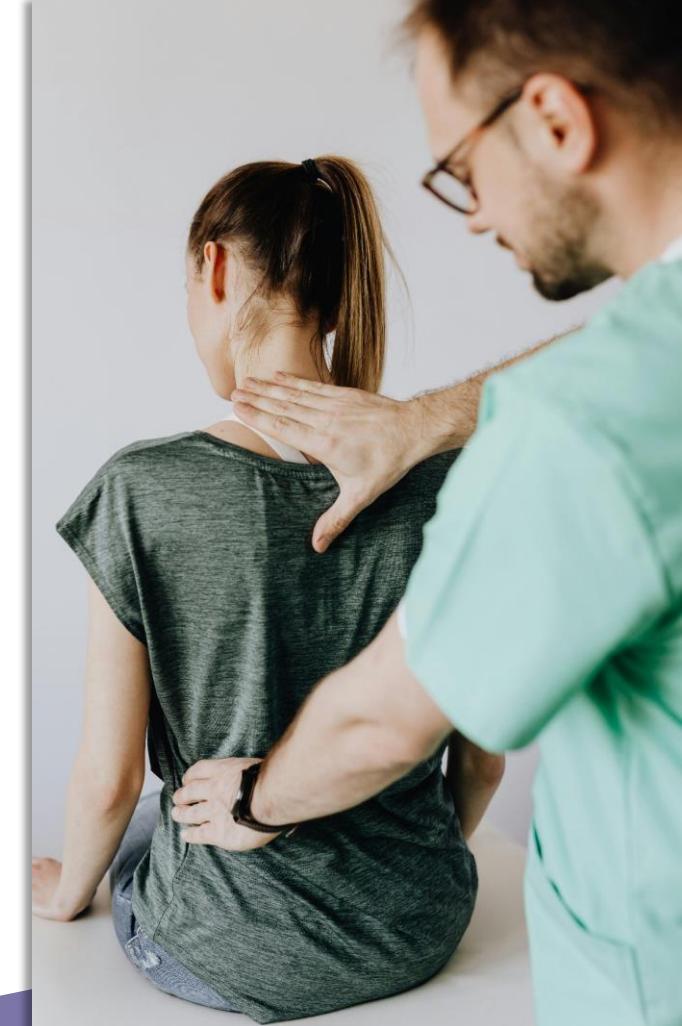
Compensation and benefits

The positioning of Sunplus Technology's compensation and benefits strategy aims to exceed the average salary level of the industry market and provide competitive salaries to attract, cultivate and retain outstanding talents.

In order to strengthen the competitiveness of talent retention and recruitment, Sunplus Technology has formulated an incentive bonus system, which is realized in the form of year-end bonuses, employee dividends, and retention bonuses. In addition, we participate in market salary surveys every year, refer to the salary market of peers, evaluate economic indicators, and individual performance of employees, and make appropriate salary adjustments for colleagues.

Sunplus Technology looks forward to retaining outstanding talents through a competitive overall compensation system, and expressing recognition to colleagues for the company's continuous efforts and contributions, thereby realizing the sustainable business philosophy of sharing profits with employees.

Retirement security

In order to take care of the lives of employees after retirement, the company complies with the "Labor Standards Act" and the "Labor Pension Act" and other relevant regulations, and allocates 6% of their monthly salary to the personal pension account of the Labor Insurance Bureau.

For colleagues who apply the old labor retirement system, the company has established the "Labor Retirement Reserve Supervision Committee" in accordance with the law, and in accordance with the relevant provisions of laws and regulations, the labor retirement reserve has been deposited into the statutory special account, and the labor retirement reserve account has been fully allocated.

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An insurance plan that takes care of colleagues in all aspects

In addition to providing labor insurance and health insurance in accordance with the law, Sunplus Technology also plans a well-planned group insurance for each colleague, and the premium is borne by the company; In addition to taking care of colleagues, you can also care about the health protection and lives of your colleagues' dependents, and you can purchase group insurance for your spouse, children, and parents, so that your family can also enjoy the protection provided by the company.

- The coverage of group insurance for colleagues includes life insurance, accidental medical injury insurance, critical illness insurance, hospitalization medical insurance, cancer medical insurance, etc., and the cost is 100% borne by the company
- For overseas business travelers, we take the initiative to assist in purchasing travel safety insurance to provide more adequate protection for our colleagues

A leave system that is superior to the law

In order to enable employees to achieve a balance between work and life, focus on their work and stay and develop for a long time, Sunplus Technology not only complies with all legal leave rights, but also provides a leave system that exceeds laws and regulations to help employees better manage their work and life. In addition, Sunplus Technology attaches great importance to the physical and mental health of its employees, so it provides paid sick leave so that employees can receive sufficient support and a sense of security when facing sudden physical conditions. Committed to providing comprehensive support and benefits to employees, helping colleagues achieve work-life balance and promote their personal and professional development.

- Enjoy additional flexible days off
- It is better than the number of days of special leave by law
- 10 days of paid sick leave for the whole year

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High-quality and diverse welfare activities

Award event for long-term employees
In 2024, a total of 70 colleagues were awarded long-term gifts and certificates to commend and thank long-term employees for their long-term contributions and efforts to the company.

Annual factory celebration activities
Taking the opportunity of the factory anniversary, we provide a variety of meals to thank colleagues for their hard work throughout the year, and it also symbolizes the deep connection between employees and the company to work together and grow together, creating a happy workplace culture.

The company plans a massage relief room and hires professional blind masseurs to serve colleagues to relieve work and life fatigue, while also taking into account public welfare, with a total of 1,039 massage services used by employees in 2024.

The company's leisure center has a gym that provides convenient fitness facilities to enable employees to maintain exercise habits, and a reading room is set up to provide a variety of books and periodicals, allowing colleagues to easily gain new knowledge, relax, stay away from work pressure, and gain spiritual comfort.

Diverse communication channels

Communication channels	frequency
Employee communication meeting	Once every six months
Newcomer on-the-job interview	Newcomers arrive
Welfare Committee meeting	regular and ad hoc meetings
Labor-management meetings	Once a season
EAP scheme	Subsidize employees 6 times/year
Executive mailbox	Unable to get a satisfactory response from an existing organization, You can express your opinions through this mailbox

2024 Implementation Results	**209**people participated in the communication meeting	**7** Welfare Committee meetings	**9**people use the EAP program

Health first, professional physician consultation and health promotion activities

Although the company did not implement employee health checkups in 2024, in accordance with the Occupational Safety and Health Act, it comprehensively promoted four major labor health protection plans and conducted questionnaire analysis to gain an in-depth understanding of employees' health status as the basis for health management strategies. In order to protect the physical and mental health of every colleague, there is also a medical room with professional doctors on duty every month to provide employee health consultation services. In order to implement the concept of preventive medicine, the company organizes influenza vaccination services before the influenza season every year to reduce the impact of the influenza epidemic on employee health and work efficiency, and improve the overall workplace health protection.

For middle-aged and elderly people aged 45 to 65, we provide suggestions for adaptive labor selection and job adjustment (including changing workplaces, job content or positions, and reducing working hours or workload).

We encourage our colleagues to develop good habits of regular exercise and implement them in their daily lives. Organize health lectures and provide employees with correct exercise posture to avoid sports injuries; What's more worth mentioning is that we provide a good breastfeeding room for working women, equipped with refrigerators and electric milk collection equipment, and passed the Hsinchu County Workplace Goodwill Breastfeeding Room certification in 2015, so that every mother in need can work with peace of mind. In 2020, it passed the Workplace Health Activation Label of the Occupational Safety Administration of the Ministry of Labor, and in 2023, it passed the Workplace Health Promotion Label of the Occupational Safety Administration of the Ministry of Labor to protect the physical and mental health of every colleague.

Provide a friendly, equal, diverse, and fair workplace environment

With the official implementation of the Gender Equality Work Act and the Sexual Harassment Prevention Act, Sunplus Technology has established a "trustworthy" workplace infringement and sexual harassment prevention system internally, and issued the company's statement prohibiting illegal infringement in the workplace to all employees, and also conducted education and training for supervisors and employees, so that every employee can establish a sense of gender equality, and provide a complaint mailbox at the same time *wecare@sunplus.com*, provide confidential and secure complaint channels to establish a safe and friendly workplace-aware working environment.

Free parking, convenient commuting benefits

In order to prevent colleagues from spending extra effort to find a parking spot and start a good and smooth day, the company has an indoor and outdoor automobile and motorcycle parking lot, providing employees with free parking spaces for cars and motorcycles, and setting up special parking spaces for pregnant women and colleagues with disabilities to facilitate the commuting life of all colleagues.

◄ Sunplus Technology Innovation Park parking lot

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Catering services, high quality and low prices, diverse choices

The company has a staff cafeteria that provides a variety of catering services, and the restaurant has a variety of dining options, providing buffets, pasta, vegetarian meals, healthy meals, etc.; Only NT$35 per meal is charged, and you can enjoy a full meal.

In order to ensure that employees eat nutritiously, safely, and hygienically, the company conducts regular kitchen hygiene audits of the group meal factory, conducts semi-annual surveys on employees' meal satisfaction, and implements improvements to related problems, so that employees can eat with peace of mind and health.

▼ **Statistics on employee participation in welfare activities during the reporting period**

Item	content	Total number of internal and external participants (persons)
1	Three festivals of gift certificates were distributed	325 people inside
2	Movie tickets were distributed	322 people inside
3	Mid-Autumn Festival gift box distribution	320 people inside
4	Travel subsidy	Reporting rate 90%

Special stores, preferential benefits extend throughout Taiwan

Sunplus Technology extends the benefits for employees from within to outside the company, and many special stores are open for employees to enjoy exclusive benefits with their identification cards. Provide special store APP, which is regularly updated, so that employees can check the latest discounts of local stores anytime and anywhere.

▼ **Multiple welfare items**

item	content	explain
Take care of your physical and mental health	Healthy living	Sunshine Leisure Center, Stress Relief Massage, Physician Residency, Health Check-up, Nursing Room
	Intellectual life	Reading room, book and newspaper area
Friendly working environment	club activities	There are more than 10 clubs such as yoga clubs, badminton clubs, KTV singing clubs, board game clubs, baking clubs, and handmade yarn clubs
	Considerate service	Gift certificate ordering, special stores, psychological counseling, free parking spaces, KGI Life resident service, Far Eastern International Bank resident service, manufacturer's on-site exhibition and sales, breakfast shop, OK convenience store
Multiple bonus subsidies	Reward vouchers	Three festival gift certificates, birthday gift certificates, and year-end lottery
	Expense subsidy	Personal travel subsidies, meal subsidies, convenience store gift certificate subsidies, and hospitalization subsidies for employee weddings and funerals

06

Social category - external public welfare participation

- ✓ Working together to nurture the future: Support the education of rural students and practice sustainability commitments

- ✓ fulfill corporate social responsibility and support the reconstruction of Hualien earthquake-stricken areas

- ✓ Cross-border public welfare actively participates in external activities

Key achievements in 2024

Social welfare

- Continuing to practice ESG concepts, employees raised funds and donated nearly NT$94 to the Family Support Foundation to support 44 students in Wufeng Township and Jianshi Township to attend school, reducing the risk of dropping out due to financial difficulties.

- Fulfilling corporate social responsibility and supporting the reconstruction of the 0403 strong earthquake in Hualien, Sunplus Technology donated 250 yuan, and the group donated a total of 1,000 yuan to the Hualien County Government to fully support the rescue and reconstruction work in the disaster area.

- Every year, Sunplus Technology assists the Family Support Foundation in caring for charity sales at garden fairs, donating small gifts to children in their hometowns, and conducting fundraising activities for the adoption of Taoshan Elementary School to continue to extend public welfare care.

- We have partnered with the Hsinchu Blood Center to regularly send blood donation vehicles to our factory to facilitate our colleagues' blood donations and provide immediate blood transfusions during times of blood shortage in the country.

Working together to nurture the future: Support the education of rural students and practice sustainability commitments

In 2024, we continued to practice ESG concepts, and employees raised funds and donated nearly NT$940,000 yuan to the Taiwan Fund for Children and Families to support 44 students in Wufeng Township and Jianshi Township to attend school, reducing the risk of dropping out due to financial difficulties. In addition, the company also donated stationery and daily necessities to improve their learning and living environment, actively practicing social responsibility for educational equality and supporting the disadvantaged, echoing the sustainable development goals and demonstrating the company's long-term commitment to society.

▼Statistics on public welfare donation units and amounts during the reporting period

Item	Recipient unit	Donation content	sum
1	Hsinchu Family Support Center（Note 1）	Taoshan Elementary School Encouragement Project	938,100
2	Hualien County Government	Donation for the Hualien earthquake	2,500,000
3	Huaju Industrial Common Standards Promotion Foundation	Foundation affairs promotion	200,000.
4	Taiwan Semiconductor Industry Association of the Republic of China	TSIA Semiconductor Award and Industry-Academic Fund	150,000.
5	Corporate Management and Sustainable Development Association of the Republic of China	Promotion of association affairs	20,000.
6	Policemen of the Second Security Police Corps of the Friends of the Police Association of the Republic of China	Conference affairs promotion	21,040.
subtotal			3,829,140.

Note: Colleagues raise funds for adoption

fulfill corporate social responsibility and support the reconstruction of Hualien earthquake-stricken areas

In April 2024, a strong earthquake of magnitude 6.1 occurred in Hualien, causing damage to local people's homes, and the damage was quite serious. In order to help the affected people rebuild their homes as soon as possible, Sunplus Technology donated NT$2.5 million, and the group donated a total of NT$10 millioin to the Hualien County Government to fully support the rescue and reconstruction work in the disaster area.
Sunplus Technology Group looks forward to doing its part to help the victims return to normal life as soon as possible; It also calls on all sectors of society to join the ranks of assistance, reflecting the core value of mutual benefit between enterprises and society, and reflecting the sustainable spirit of working together with the community in times of crisis.

Cross-border public welfare actively participates in external activities

Every year, Sunplus Technology assists the Family Support Foundation in caring for charity sales at garden fairs, donating small gifts to children in their hometowns, and conducting fundraising activities for the adoption of Taoshan Elementary School to continue to extend public welfare 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 Association, and Huashan Foundation are provided with invoice donation boxes.

We have partnered with the Hsinchu Blood Center to regularly send blood donation vehicles to our factory, making it easier for our colleagues to donate blood. This provides immediate access to blood during the blood shortage in Taiwan. Additionally, our colleagues have voluntarily partnered with OK convenience stores to donate essential goods or other charitable materials during festivals and other occasional events, allowing vulnerable families to feel the warmth and care of society..

▼Statistics on participation in external social activities during the reporting period
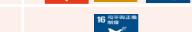
number	Items and content	Internal colleagues participate in the data	
		Number of participants	Participation rate
1	Sponsorship of the Family Support Garden Party: Fundraising and sponsorship funds of NT$52,400	42	13%
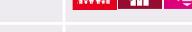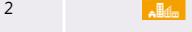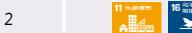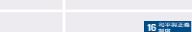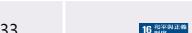
07

appendix

- ✓ GRI Criteria Content Index
- ✓ Sustainability Accounting Standards Board (SASB) Cross-Tab Content Index
- ✓ Sustainability Disclosure Indicators - Semiconductor Industry
- ✓ Climate-related information implementation

GRI Criteria Content Index
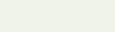
subject matter	Disclosure of the project	Project Description	Chapters or descriptions	Reasons for omitting/necessary explanations	page	SDGs
			GRI 2: General Disclosure 2021			
Organizing and reporting practices	2-1	Organization details	About us		3	
	2-2	Entities included in the organization's sustainability coverage	About the report		4	
	2-3	Reporting period, frequency, and contacts	About the report		4,6	
	2-4	Information recompilation	About the report		4	
	2-5	External assurance/assurance	About the report	The greenhouse gas emissions inventory should be completed in 2025 and the assurance should be completed in 2027. The consolidated statement subsidiary should complete the inventory in 2026 and complete the assurance in 2028; There is no need to be convinced at this time.	6,46	
Activities and workers	2-6	activities, value chains, and other business relationships	About us Economy category Wafer product supply chain		3 14-29 39	
	2-7	Employees	HR structure		56-61	
	2-8	Non-employee workers	HR structure		56	
government	2-9	Governance structure and composition	Corporate governance		32-35	
	2-10	Nomination and selection of the highest governance unit	Corporate governance		32	
	2-11	The chairman of the highest governance unit	Corporate governance		32	
	2-12	The role of the highest governance unit in overseeing impact management	Corporate governance		32	
	2-13	The person in charge of shock management	Corporate governance		32	
	2-14	The role of the highest governance authority in sustainability reporting	ESG organizational structure		32	
	2-15	Conflict of interest		disclosed in the company's annual report		
	2-16	Communicate key major events	Stakeholder communication		10-13	
	2-17	The collective intelligence of the highest governance unit	The functions of the board of directors have been improved		32	

subject	Disclosure of the project	Project Description	Chapters or descriptions	Reasons for omitting/necessary explanations	page	SDGs
			GRI 2: General Disclosure 2021			
governance	2-18	Performance evaluation of the highest governance unit	Set up an audit committee to strictly control compliance matters		33	
	2-19	Remuneration policy	Set up a Compensation Committee to assist in evaluating the level of remuneration		33	
	2-20	Compensation Determination Process	Set up a Compensation Committee to assist in evaluating the level of remuneration		33	
	2-21	Annual gross compensation ratio		The maximum annual gross compensation is confidential organizational information		
Strategy, Policy and Practice	2-22	Statement of Sustainability Strategy	Chairman's Words		2	
	2-23	Policy commitments	Chairman's Words		2	
Strategy, Policy and Practice	2-24	Incorporate policy commitments	About the report		11	
	2-25	Procedures to remedy negative shocks	Set up a reporting hotline		40	
	2-26	Mechanisms for seeking advice and raising concerns	Contact information Customer satisfaction surveys		6 30	
Strategy, Policy and Practice	2-27	Regulatory compliance	Set up an audit committee to strictly control compliance matters All operational activities are strictly in accordance with domestic and foreign laws and regulations		33 35	
	2-28	Membership in the association	Participating companies/associations and positions in 2024		18	
Stakeholder agreement	2-29	Stakeholder Agreement Policy	Stakeholder communication		10-14	
	2-30	collective agreement	In accordance with the laws and regulations of various countries, it is in accordance with collective bargaining agreements. Signed the TSIA Common Goal of Voluntary Reduction of Net-Zero Emissions Regular labor-management meetings and multiple communication channels have been held		47 60 74	
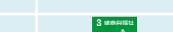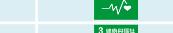
subject matter	Disclosure of the project	Project Description	Chapters or descriptions	Reasons for omitting/necessary explanations	page	SDGs
		GRI 3: Material Topics 2021				
Major topics	3-1	The process of deciding on material topics	Identify key considerations and boundaries		7	
	3-2	List of major topics	Material issues are ranked		7-8	
		Economic aspect				
GRI 3: Material Topics 2021	3-3	Major topic management	Material issues are ranked		8,15	
Economic performance						
GRI 201:經濟績效 2016	201-1	The direct economic value generated and distributed by the organization	Operational results		16-17	
	201-2	financial impacts of climate change and other risks and opportunities	Smart chips, the infinite possibilities of low-carbon economy Climate risks and opportunities Climate Change-related Financial Disclosures (TCFD)		28 49 52-53	
	201-3	Define benefit plan obligations and other retirement plans	Social category - internal employee care		60-61.71-74	
	201-4	Obtained from government financial subsidies	The company participates in the AI on CHIP project of the Technology Department of the Ministry of Economic Affairs			
market position						
GRI 202: Market Position 2016	202-1	The ratio of the standard salary to the local minimum wage for grassroots workers of different genders	HR structure		56,61	
	202-2	The proportion of local residents who are employed as senior management	The senior management is all local residents			
Indirect economic impacts						
GRI 203: Indirect Economic Shocks 2016	203-1	The 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 employees		75-76	
	203-2	significant indirect economic shocks	significant indirect economic shocks identified		9	
Procurement practices						
GRI 204: Procurement Practices 2016	204-1	Proportion of procurement spend from local suppliers	Supplier categories and local sourcing		40-41	

subject matter	Disclosure of the project	Project Description	Chapters or descriptions	Reasons for omitting/necessary explanations	page	SDGs
Anti-corruption						
GRI 205:反貪腐 2016	205-1	Operational bases where corruption risk assessments have been conducted	Set up a supplier integrity reporting hotline		40	
	205-2	Communication and training on anti-corruption policies and procedures	Set up a supplier integrity reporting hotline		40	
	205-3	Corruption incidents confirmed and actions taken	All operational activities strictly comply with domestic and foreign laws and regulations to establish a supplier integrity reporting hotline		35 40	
Anti-competitive behavior						
GRI 206: Anti-Competitive Conduct 2016	206-1	Legal actions involving anti-competitive conduct, antitrust and monopolistic conduct	All operational activities are strictly in accordance with domestic and foreign laws and regulations		35	
Taxation						
GRI 207:稅務 2019	207-1	Tax policy	It shall be handled in accordance with the requirements of the local government of each operating base		3	

subject matter	Disclosure of the project	Project Description	Chapters or descriptions	Reasons for omitting/necessary explanations	page	SDGs
Environmental aspects						
GRI 3: Material Topics 2021	3-3	Major topic management	Identify key considerations and boundaries		7,43	
material						
GRI 301: Materials 2016	301-1	The weight or volume of the material used		At this stage, the technology is not feasible and cannot be tracked		
	301-2	Renewable materials used		301-1 cannot be calculated, so the proportion cannot be calculated		
	301-3	Recycled products and their packaging materials	If there are defective products, they will be sent back to the company for unified cleaning		45	
Energy						
GRI 302: Energy 2016	302-1	Energy consumption within an organization	Quantitative statistics on environmental resource input		44	
	302-2	Energy consumption outside the organization	Quantitative statistics on environmental resource input		44	
	302-3	Energy intensity	Quantitative statistics on environmental resource output		46	
	302-4	Reduce energy consumption	Committed to greenhouse gas reduction		47-48	
	302-5	Reduce the energy requirements of products and services	Committed to greenhouse gas reduction		47-48	
Water and effluent water						
GRI 303: Water and effluent 2018 management guidelines	303-1	The mutual impact of shared water resources	Sunplus Technology is a general office nature, and the water intake and drainage are in line with local government regulations			
	303-2	Management of drainage-related shocks	Sunplus Technology is a general office nature, and the water intake and drainage are in line with local government regulations			
GRI 303: Water and effluent 2018	303-3	Water withdrawal	Quantitative statistics on environmental resource input		44	
	303-4	Displacement	Sunplus Technology is a general office nature, and all domestic wastewater is discharged into the government-designated sewer system, and the water consumption is not counted by a flow meter, which is roughly estimated at 70% of the water withdrawal			

subject matter	Disclosure of the project	Project Description	Chapters or descriptions	Reasons for omitting/necessary explanations	page	SDGs
Biodiversity						
GRI 304: Biodiversity 2016	304-1	The organization's owned, leased, or managed operations or adjacent areas are located in environmental reserves or other areas of high biodiversity value	All of Sunplus Technology's operating bases are located in industrial zones designated by the local government, not in environmental protection zones or other areas with high biodiversity value.			
	304-2	activities, products and services have a significant impact on biodiversity	related activities, products and services have not had a significant impact on biodiversity.			
	304-3	Protected or rehabilitated habitat	All of Sunplus Technology's operating bases are located in industrial zones designated by the local government, not in protected or restored habitats.			
	304-4	Among the habitats affected by the operation, species have been listed on the IUCN Red List and the National List of Protection	All of Sunplus Technology's operating bases are located in industrial zones designated by the local government, not in protected or restored habitats.			
emissions						
GRI 305 : 排放 2016	305-1	Direct (Scope 1) greenhouse gas emissions	Quantitative statistics on environmental resource output		46-47	
	305-2	Indirect (Scope 2) greenhouse gas emissions from energy	Quantitative statistics on environmental resource output		46-47	
	305-3	Other indirect (Scope 3) greenhouse gas emissions	Quantitative statistics on environmental resource output		46-47	
	305-4	Greenhouse gas emission intensity	Quantitative statistics on environmental resource output		46	
	305-5	Reduction of greenhouse gas emissions	Committed to greenhouse gas reduction		47	
	305-6	Disrupt the emission of ozone layer substances	The emission of fluoride is 65.7490 tons-CO_2e, and the fugitive source is mainly the refrigerant of air conditioning equipment			
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant gas emissions		There are no related facilities and equipment		

subject matter	Disclosure of the project	Project Description	Chapters or descriptions	Reasons for omitting/necessary explanations	page	SDGs
waste						
GRI 306: Waste Management Guidelines 2020	306-1	Waste generation has a significant impact related to waste	Quantitative statistics on environmental resource output		45	
	306-2	Management of significant waste-related impacts	Quantitative statistics on environmental resource output		45	
GRI 306:廢棄物 2020	306-3	waste generation	Quantitative statistics on environmental resource output		45	
	306-4	Disposal and transfer of waste	Quantitative statistics on environmental resource output		45	
	306-5	Direct disposal of waste	Quantitative statistics on environmental resource output		45	
Supplier environmental assessment						
GRI 308: Supplier Environmental Assessment 2016	308-1	Adopt environmental criteria to screen new suppliers	Supplier ESG survey		40-41	
	308-2	The negative impact of the supply chain on the environment and the actions taken	Supplier ESG survey		40-41	

subject matter	Disclosure of the project	Project Description	Chapters or descriptions	Reasons for omitting/necessary explanations	page	SDGs
Social aspect						
GRI 3: Material Topics 2021	3-3	Major topic management	Identify key considerations and boundaries		7,55	
Labor and employment relations						
GRI 401: Employment Relations 2016	401-1	New and former employees	HR structure		58	
	401-2	Benefits provided to full-time employees (excluding temporary or part-time employees).	Social category - internal employee care		59,71-76	
	401-3	Parental leave	遵循性別平等法，落實育嬰留停制		60-61	
Labor/management relations						
GRI 402: Labor/Management Communication 2016	402-1	Minimum notice period for operational changes	Abide by the Labor Standards Act, and employees communicate seamlessly		74	
Occupational safety and health						
GRI 403: Occupational Health and Safety 2018 Management Guidelines	403-1	Occupational safety and health management system	Occupational Safety and Health Management		69	
	403-2	hazard identification, risk assessment, and incident investigation	Occupational Safety and Health Management		70	
	403-3	Occupational health services	Occupational Safety and Health Management		75	
	403-4	Worker participation, consultation, and communication related to occupational safety and health	Occupational Safety and Health Management		69	
	403-5	Worker training related to occupational safety and health	Sunplus Technology education and training development system Occupational Safety and Health Management		62-65	
	403-6	Workers' health promotion	Professional physician on-site consultation and health promotion activities		70,75	
	403-7	Prevent and mitigate impacts on occupational safety and health directly related to business relationships	Occupational Safety and Health Management		69	
GRI 403: Occupational Health and Safety 2018	403-8	workers covered by the occupational safety and health management system	Occupational Safety and Health Management		69	
	403-9	Occupational injuries	Occupational Safety and Health Management		70	
	403-10	Occupational diseases	Occupational Safety and Health Management		70	

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subject matter	Disclosure of the project	Project Description	Chapters or descriptions	Reasons for omitting/necessary explanations	page	SDGs
Training and education						
GRI 404: Training and Education 2016	404-1	The average number of hours each employee receives training per year	A complete education and training development system		64	
	404-2	Enhance staff functions and transition assistance programs	A complete education and training development system		62	
	404-3	Percentage of employees who receive regular performance and career development reviews	Performance development system		67	
Employee diversity and equal opportunities						
GRI 405: Employee Diversity and Equal Opportunity 2016	405-1	Diversity of governance units and employees	HR structure		56-58	
	405-2	The ratio of women to men's base salary plus compensation	Compensation and benefits		60-61	
No discrimination						
GRI 406: Non-Discrimination 2016	406-1	incidents of discrimination and actions taken to improve the organization	Human rights-first policy actions		68	
Freedom of association and group negotiation						
GRI 407: Freedom of Association and Group Bargaining 2016	407-1	Operating sites or suppliers that may be at risk of freedom of association and collective bargaining	Human rights-first policy actions		68	
child labor						
GRI 408:童工 2016	408-1	significant risks to the use of child labor by operating sites and suppliers	Supplier ESG survey Human rights-first policy actions		41 68	
Forced or compulsory labor						
GRI 409 : Forced or Compulsory Labor 2016	409-1	Operating sites and suppliers with significant risk of forced and forced labor incidents	Supplier ESG survey Human rights-first policy actions		41 68	
Preservation practices						
GRI 410: Security Practices 2016	410-1	Security personnel are trained in human rights policies or procedures	Human rights-first policy actions		68	
Indigenous rights						
GRI 411 : Indigenous Rights 2016	411-1	Incidents involving violations of the rights of indigenous peoples	Human rights-first policy actions		68	

subject matter	Disclosure of the project	Project Description	Chapters or descriptions	Reasons for omitting/necessary explanations	page	SDGs
local community						
GRI 413 : Local Communities 2016	413-1	Operational activities through local community communication, impact assessment, and development plans	All of Sunplus Technology's operating bases are located in industrial zones designated by the local government, which is pollution-free for office operations, and communication with the local community is through government agencies, without major impact.			
	413-2	Operational activities that have a significant actual or potential negative impact on local communities	All of Sunplus Technology's operating bases are located in industrial zone designated by the local government, which is an operation activity that does not pollute office operations and has no significant actual or potential negative impact on the local community.			
Supplier social assessment						
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers are screened using social criteria	Supplier ESG survey		40-41,68	
	414-2	Negative social impacts in the supply chain and actions taken	Supplier ESG survey		40-41,68	
Public policy						
GRI 415 : Public Policy 2016	415-1	Political donations	No political donations			
Customer health and safety						
GRI 416 : Customer Health and Safety 2016	416-1	Assess the health and safety impacts of product and service categories	Through research and development technology, user experience and safety are improved		19-20	
	416-2	Violations of health and safety regulations regarding products and services	There is no violation of laws and regulations		35	
Marketing and labeling						
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	Implemented in accordance with international regulations, standards, voluntary guidelines, and environmental labels		35	
	417-2	Incidents of non-compliance with product and service information and labeling regulations	In accordance with international regulations, standards, voluntary guidelines, and environmental labels		35	
	417-3	Incidents that do not comply with marketing communications-related regulations	There is no violation of laws and regulations		35	
Customer privacy						
GRI 418 : Customer Privacy 2016	418-1	Confirmed complaints of invasion of customer privacy or loss of customer data	There are no complaints about invasion of customer privacy or loss of customer data		35	

Sustainability Accounting Standards Board (SASB) Cross-Tab **Content Index**

Disclosure topic/indicator code	Disclosure metrics	temperament	Content Summary	Refer to the section	page
Greenhouse gas emissions TC-SC-110a.1	1.Scope 1 greenhouse gas emissions 2.Total emissions from fluoride	quantification	1. The annual greenhouse gas emissions in 2024 were 75.7731 tons-CO_2e for [a. direct greenhouse gas emissions and removals] (i.e., [Scope 1]). 2. emissions from fluoride were 65.7490 tons-CO_2e	Quantitative statistics on environmental resource output	45-46
Greenhouse gas emissions TC-SC-110a.2	For Scope 1 greenhouse gas management, explain long-term and short-term strategic planning, reduction targets, and reduction promotion processes	qualitative	For example, the fuel consumption of official vehicles and the fuel consumption of generators is only about 3.95% of the total emissions, and the fugitive carbon emission ratio of air conditioning is nearly 96%, with limited reduction.	Quantitative statistics on environmental resource output	45-46
Energy management TC-SC-130a.1	1. Total energy consumption 2. The energy is purchased as a percentage of total electricity consumption 3. The proportion of renewable energy used	quantification	1. The total energy consumption in 2024 was 2,834.5191 thousand kWh 2. The energy is purchased from electricity, accounting for 100% of the total electricity consumption. 3. 0.35% of renewable energy	Quantitative statistics on environmental resource input	44
Water management TC-SC-140a.1	1. Total water withdrawal 2. Total water consumption, percentage of water withdrawn from areas with high water pressure, very high stress	quantification	1. The total water consumption in 2023 was 30.19 thousand tons 2. The total water consumption is about 70% of the total water consumption, which is about 21.13 thousand tons. The water is taken from Taiwan Water Supply Company, and the proportion of water drawn from areas with high water pressure and extremely high pressure is 0%	Quantitative statistics on environmental resource input	44
Waste management TC-SC-150a.1	The total amount of hazardous waste generated by the process and the recycling ratio	quantification	all are outsourced production, and hazardous waste is only defective products that can no longer be used; The output in 2024 was 0.32 tons, and the proportion of recycled copper after treatment was approximately 23.1%	Quantitative statistics on environmental resource output	46
Employee health and safety TC-SC-320a.1	Explain what measures the company takes to assess, monitor, and reduce the hazards of human health exposure to employees	qualitative	Implement a ISO45001 occupational safety and health management system that has been verified, evaluate workplaces through regular risk assessments, health inspections, and work environment measurements, and regularly report to the Occupational Safety and Health Committee in cooperation with health promotion activities, education and training, etc., and continuously improve.	Occupational Safety and Health Management	69-70
Employee health and safety TC-SC-320a.2	The total amount of financial losses associated with employee health and safety regulatory violations	quantification	In 2024, there were no occupational diseases or violations of safety regulations, and no fines occurred	Occupational Safety and Health Management	35 69-70

Sustainability Accounting Standards Board (SASB) Cross-Tab Content Index

Disclosure topic/indicator code	Disclosure metrics	temperament	Content Summary	Refer to the section	page
Recruit and manage globally TC-SC-330a.1	Percentage of employees in the following categories (1) Foreigners (2) Overseas workers	quantification	(1). 0% (no foreign employees) (2). 0% (no overseas workers)	HR structure	56
Product lifecycle management TC-SC-410a.1	Proportion of products containing substances on the IEC 62474 Material Declaration List	quantification	0% of products using IEC 62474 material declaration list substances.		
Product lifecycle management TC-SC-410a.2	Energy efficiency at the overall system level of the processor. By (1) server, (2) desktop, (3) laptop	quantification	The products sold by Sunplus Technology are key components and are not end products, so they are not applicable		
Raw material procurement TC-SC-440a.1	Disclose the management policy for the use of key raw materials and related risks	qualitative	Sunplus Technology adopts irregular responsible mineral investigations to disclose the current situation and conduct relevant risk management.	Supplier ESG survey	40-41
Intellectual Property Protection and Competition Practices TC-SC-520a.1	The total amount of financial losses associated with the violation of anti-competitive conduct regulations	quantification	There were no violations of anti-competitive conduct regulations in 2024	All operational activities are strictly in accordance with domestic and foreign laws and regulations	35
Activity metrics TC-SC-000. A	Total output	quantification	Production involves costs and is not disclosed.		
Activity metrics TC-SC-001. B	The output comes from the percentage of its own plants	quantification	0%, Sunplus Technology all outsource production	Wafer product supply chain	39

Sustainability Disclosure Indicator - Semiconductor Industry

number	Indicators	Indicator type	Annual disclosures	unit	Note
One	Total energy consumption, percentage of purchased electricity, and renewable energy utilization	quantification	1. The total energy consumption in 2024 was 10,204.2687 GJ (2,834.5191 thousand kWh) 2. The energy was purchased from electricity, accounting for 100% of the total electricity consumption. 3. 0.35% of renewable energy	Billion Joules (GJ), Percentage (%)	
Two	Total water withdrawal and total water consumption	quantification	The total water consumption in 2024 was 30.19 thousand cubic meters (m3), and the total water consumption was about 21.13 thousand cubic meters (m^3); The water used was all obtained from the Taiwan Water Corporation.	Thousand cubic meters (m^3).	
Three	The weight of the hazardous waste generated and the percentage of recycling	quantification	All are outsourced production, and hazardous waste is only defective products that can no longer be used; The output in 2024 was 0.32 tons, and the proportion of recycled copper after treatment was approximately 23.1%	Metric tons (t), percentages (%)	
Four	Describe the type, number and rate of occupational accidents	quantification	There were no occupational accidents in 2024, and the number and proportion were 0	Proportion (%), quantity	
Five	Product Life Cycle Management Disclosure: Including the weight of scrapped products and e-waste and the percentage of recycling (Note 1)	quantification	The products sold by Sunplus Technology are key components, not end products; Scrapped products and electronic waste was defective products that cannot be reused, with an output of 0.32 tons in 2024, and the proportion of recyclable copper after treatment was about 23.1%.	Metric tons (t), percentages (%)	
Six	A description of the risk management associated with the use of critical materials	qualitative description	Sunplus Technology adopts irregular responsible mineral investigations to disclose the current situation and conduct relevant risk management.	Not applicable	
Seven	The total amount of monetary loss resulting from legal proceedings related to the Anti-Competitive Conduct Ordinance	quantification	There were no violations of anti-competitive conduct regulations in 2024	Report on currency	
Eight	Main product output by product category	quantification	Production involves costs and is not disclosed.	It varies depending on the type of product	

Climate-related information implementation

item	Execution status
1. Describe the oversight and governance of the board of directors and management on climate-related risks and opportunities.	• The "Environmental Function Committee" under the Company's Cross-departmental Sustainability Group is responsible for coordinating/assessing the risks and opportunities of climate change (including targets and promotion plans) across the company, and discloses them in the annual sustainability report. Since 113, the company has regularly reported the identification and management of climate change-related risks and opportunities to the board of directors every year, and the board of directors supervises the management process.
2. Describe how the identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, medium-term, and long-term).	• Define short-term (1-3 years), medium-term (3-5 years), and long-term (5-10 years) climate-related risks and opportunities according to the existing internal target management schedule, and evaluate the potential impact of climate risk factors on the company's strategy, operation, and financial planning. • The company has introduced the IS014064-1:2018 greenhouse gas inventory standard for independent inventory, and will continue to promote carbon reduction plans in the future, hoping to achieve the goal of net-zero emissions by 2050.
3. Describe the financial impact of extreme weather events and transition actions.	• Taiwan expects to pilot carbon fee collection in 2024, although it is mainly aimed at large emitters with an annual carbon emission of 2.5 tons, but it is not ruled out that it will continue to increase at an annual rate of 10% in the future, and Sunplus Technology will continue to pay attention to the development of the policy. • According to the data of the "Taiwan Climate Change Prediction Information and Adaptation Knowledge Platform (TCCIP)" (AR6 statistical downscaling version), extreme high temperatures may lead to temporary power shortages, but the company has a complete uninterruptible power supply system, emergency generator system, and data backup measures to prevent operational risks. • The company's main business is IC design, and it does not involve IC production activities, and the risk of production line shutdown due to prolonged drought and rain is not included in the major risk consideration.
4. Describe how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.	• The Environmental Function Committee, an interdepartmental group for sustainable development, conducts internal communication or meeting discussions in accordance with the TCFD framework, and identifies important issues based on the company's existing ISO 14001 risk assessment operations, incorporates climate change issues as part of risk management, and formulates control strategies and action plans accordingly.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and key financial impacts used should be described.	• In order to achieve the 2050 NDCs greenhouse gas reduction target, electricity conservation management is carried out for Scope 2, which accounts for a relatively large proportion of greenhouse gas output. • If the power saving goal is effectively achieved, the cost of equipment operation can be reduced.

Climate-related information implementation

item	Execution status
6. If there is a transition plan to manage climate-related risks, explain the content of the plan, and the indicators and goals used to identify and manage physical risks and transition risks.	• The climate-related risk indicators used by Sunplus Technology include electricity consumption and greenhouse gas emissions. • Since 2012, the goal was to reduce total electricity consumption by 1% every year. • Set a target of reducing indirect greenhouse gas emissions by 2% per year.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.	The Company has no plans for internal carbon pricing
8. If climate-related goals are set, information such as the activities covered, greenhouse gas emissions scope, planning schedule, and annual progress should be explained. If carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, the source and quantity of carbon reduction credits or the number of renewable energy certificates (RECs) should be explained.	• The climate-related risk indicators used by Sunplus Technology include electricity consumption and greenhouse gas emissions. • Starting from 2012, the target was to reduce total electricity consumption by 1% every year, and the target was reached from 2011 to 2024. • set a target of reducing indirect greenhouse gas emissions by 2% per year; In 2024, due to the addition of Scope 3, greenhouse gas emissions only decreased by 1.27% compared to 2023; If only Scope 2 was considered, emissions in 2024 was reduced by 8.24% compared to 2023. • Through energy-saving control measures, carbon offsets were not currently used, and in 2024, 10 renewable energy certificated (RECs) were obtained in Taipower.
9. Greenhouse gas inventory and assurance status and reduction targets, strategies and specific action plans (fill in 1-1 and 1-2 separately)	• The company is a company with a capital of more than 5 billion yuan but less than 10 billion yuan, and will complete the greenhouse gas inventory of the parent company by the end of 2027 in accordance with the regulations of the competent authority. It has been receiving counseling from a consulting company since November 2024. • The company's greenhouse gas inventory and assurance status in the last two years are as shown in 1-1. • Reduction goals, strategies, and specific action plans are as shown in 1-2.

Climate-related information implementation

1-1 The Company's greenhouse gas inventory and assurance status for the most recent two years

	Total emissions (metric tons of CO_2e)		Intensity (metric ton CO_2e/million yuan)		Conviction Agency	Statement of the certainty
year	2023	2024	2023	2024		
Category 1	75.5367	75.7731	0.0667	0.0464	N/A	Not sure yet
Category 2	3088.9864	2,834.5191	2.7276	1.7351		
Category 3	Not checked	213.9847	-	-		
all told	3,164.523	3,124.277	2.7943	1.7800		
difference	-40.246		-1.0143			

1-2 Reduction targets, strategies, and specific action plans

The company is in the IC design industry, and more than 97% of greenhouse gas emissions are indirect emissions, mainly from purchased electricity for air conditioning and office lighting needs.

Therefore, starting from saving electricity in the office, we set a target of reducing indirect greenhouse gas emissions by 2% per year; Through the factory monitoring system, we have made the operation of air conditioning equipment more efficient, and at the same time promoted the concept and actions of energy conservation to colleagues, reducing unnecessary waste and effectively reducing our impact on the environment.

In 2024, due to the addition of Scope 3, greenhouse gas emissions only decreased by 1.27% compared to 2023; If only Scopes 1 and 2 were considered, emissions in 2024 was reduced by 8.24% compared to 2023, achieving the reduction target. and from 2011 to 2024, it has reached the standard.

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