2025 ESG – Supplier Audit Focus

- **Supplier Audit**

  ChipMOS formulates an audit plan every year according to the <Supplier Management Measures>, and reviews suppliers by every item. Clearly define the date for each supplier's assessment through the audit plan, and explain the audit coverage points.

The supplier audit questionnaire has 13 aspects

RBA

- Labor
- Occupational Health and Safety
- Environmental
- Management System
- Ethics

Management /Quality System

- Have you got ISO 9001 international standard certification ?
- Have you got ISO 14001 international standard certification?
- Have you got IATF 16949 international standard certification ?
- Have you got QC 080000 international standard certification ?
- Have you got ISO45001 international standard certification?

Document Control

- Are there written procedures describing the document control system?
- Is there master list providing visibility on the current revision status of all controlled documents?
- Ensure all documents are confirmed and approved before changes
- Is it ensured that everyone knows where relevant documents are stored

Supplier Management

- Whether there is a file system, to select the appropriate supplier/ outsourcer and list.
- Whether there are demand items are defined, notified, updated, so that suppliers/outsourcers can fully understand.
- If the purchased raw materials are defective, is there any quality system to inform the supplier? What is the actual effect?

Process Control

- Is there a documented process flow chart, including producing inspection points and QC monitor points?
- Have documented job instructions (eg. Lot traveler, process control instructions, operation and equipment manuals) been developed?
- Are there any inspection records for non-conforming products?

Material Control

Are purchased raw materials adequately identified during manufacturing?

- Are acceptance techniques adequately defined in terms of methodology, sampling, and acceptance criteria?
- Is there a provision to deal with the raw materials in advance for urgent products?

Design/Eng. Control

- Is there a PPAP program for the production of vehicle-standard materials?
- For the production of vehicle-standard materials, the IPM monitoring cycle is a safe start
- For the production of automotive-standard materials, the yield rate of the production process needs to be tightened.

Education Training

- Is there an education and training program to meet current and future organizational needs?
- Are educational and training outcomes fully evaluated and necessary changes made?
- Does the education and training program address quality awareness, including the responsibilities of all personnel?

Customer Service

- Have the related demand and production capacity been reviewed before proposing a contract or order?
- Does the supplier have adequate measuring and inspection equipment to ensure compliance with customer specifications?
- Does the finished product conform to the minimum requirements of the customer specification?

Green Product

- Has a relevant environmental management system and hazardous substance management been established? (Example: ISO 14001, QC 080000)
- Is the No Hazardous Substances Policy endorsed by senior management?
- Are there any action plans for eradication or reduction of hazardous substances?

Health and Safety

- Has it passed the ISO45001 management system verification and maintained the validity of the certificate?
- Are health and safety regulations regularly identified and assessed for applicability and compliance?
- Is the employee safety and health training procedure stipulated and implemented (including new recruits, in-service and job transfers)?

Corrective/ Preventive

- Is there someone dedicated to performing certification testing or failure analysis?
- When non-conforming products occur during the manufacturing process, is there a complete system of improvement measures?
- If there are suspected non-conforming products and defective products, is there any procedure to define the scope of its influence?

Equipment Control

- Is there any procedure for release of production equipment?
- Is there a calibration procedure to ensure that all measuring and testing equipment is regularly calibrated?
- For all equipment that needs to be calibrated, is there an automatic reporting system to ensure that within the calibrated period,Will you accept relevant equipment calibration?

2025 ESG – Supplier Audit Results

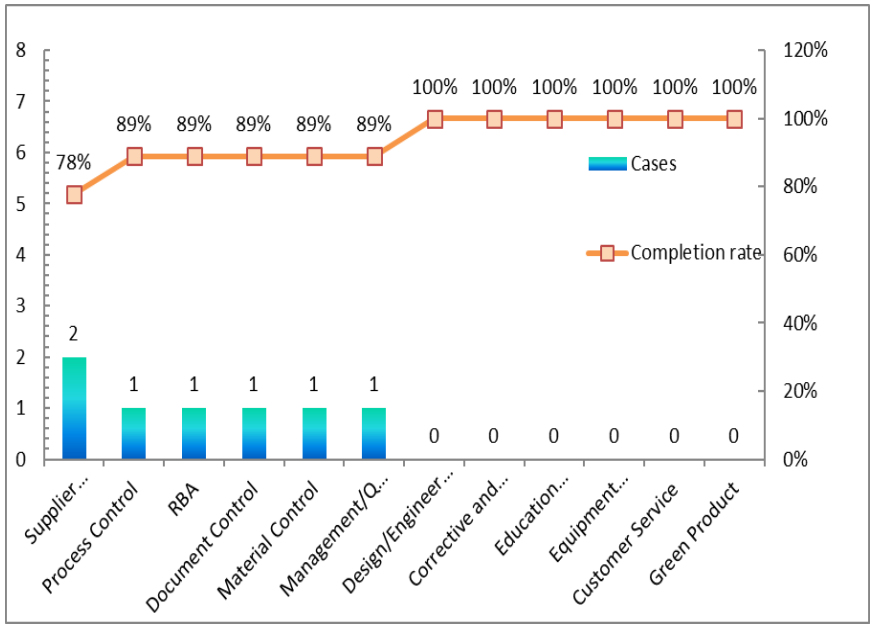
- **Supplier Audit Result**

  In 2025, total 65 supplier document reviews will be conducted, and on-site evaluation will be conducted for 29 key direct material suppliers. In 2025, the audit compliance rate of the entire factory supplier will reach 99%, in addition, the audit compliance rate in the past five years has been greater than 98%.

The average degree of conformity of supplier audit results in the past 5 years

Year	2021	2022	2023	2024	2025
North Supplier	99%	99%	99%	99%	99%
South Supplier	98%	98%	100%	98%	99%
ChipMOS Supplier	99%	98%	99%	99%	99%

2025 supplier major deficiencies cases



2025 supplier improvement tracking of deficiencies

Item	Major finding Question Items	Improve tracking and performance
Supplier management	1)The supplier evaluation form should indicate the "year" and define the "minimum standard" for each item to avoid situations where a single item is set too low without corresponding measures. 2)Supplier evaluation is primarily conducted by the purchasing department. Although there are inter-departmental communication channels, it is recommended that the evaluation results still be reviewed and signed by the responsible unit supervisors as evidence.	1)Add items to the annual section immediately and set minimum targets for each item to avoid any single item being set too low. 2)Modify the form and add relevant review units for approval.
Process Control	Currently, all measurement values are manually entered. Although there is a verification mechanism, it is recommended to import and automatically adjust the values to avoid human error.	Evaluate the automated upward throwing measurement values to avoid human input errors and provide a go-live date.
RBA	The gas filter canister of the emergency response equipment has exceeded its expiration date.	Replace immediately and establish an inspection checklist for weekly inspection and confirmation.
Document Control	If rework or remanufacturing is encountered during production, records must be kept and supporting evidence (such as communication records between QC and the production line) must be provided during the annual audit.	The relevant specifications for rework and remanufacturing, including record retention, are defined in the "Nonconformity, Corrective and Preventive Action Operating Procedures".
Material control	The top shelf of the material rack should be clearly marked as a place for empty buckets only.	A sign has been added to the top shelf of the material rack that reads "Containers containing liquids must not be placed on the top shelf of the material rack" to avoid any concerns about people placing them in the wrong place.
Management/Quality System	All external testing was conducted on schedule and qualified stickers were affixed. However, the submission of external tests upon expiration of the deadline relies on manual management. It is recommended to use the system for reminders.	The system will evaluate the implementation immediately; a reminder email will be sent if the implementation takes less than 30 days.