

2024

Nuvoton Human Rights Due Diligence Report

2024.08

Joy of innovation
NUVOTON



Introduction

Nuvoton is dedicated to upholding international labor and human rights standards. We align our business operations with globally recognized human rights conventions, using them as fundamental guiding principles. Our Human Rights Policy aims to foster a safe, ethical, and fair working environment that safeguards employees' labor rights.

To ensure the effective implementation of the Human Rights Policy, we conduct Human Rights Due Diligence to identify potential human rights issues, assess risks, and establish appropriate risk management measures. Through regular reviews of human rights risks, we continuously enhance our management mechanisms, reaffirming our commitment to human rights protection and corporate responsibility.

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Human Rights Governance

To implement corporate sustainability and management, Nuvoton promotes sustainable development in the areas of economy, governance, environment, and society. Nuvoton has internally set up the Sustainable Development Committee. The committee serves as the highest governing body for the company's sustainable development operations. It is either chaired by the president or a senior executive appointed by the president, who is responsible for driving sustainability initiatives. The committee oversees the organization's sustainable impacts and sustainable development management policies in the areas of economy, environment, and people (including human rights). Working groups have been established to address seven major functions, each tasked with setting short-, medium-, and long-term goals. These working groups are responsible for developing annual action plans, which are monitored quarterly by the Sustainable Development Committee. The committee chair regularly reports progress to the Board of Directors.

Human rights management is overseen by the "Labor and Human Rights Working Group" under the Sustainable Development Committee. The main responsibilities include safeguarding human rights, recruiting, developing, and retaining diverse talents, creating a friendly and equal workplace, and ensuring occupational safety and health.

Organizational Structure of the Sustainable Development Committee



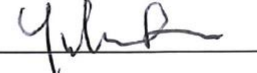
Human Rights Policy

Nuvoton Technology Corp. is committed to adhering to international labor and human rights standards following the International Bill of Human Rights, the Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), the UN Global Compact, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Due Diligence Guidance for Responsible Business Conduct as the highest guiding principles for business operations. We implement relevant standards of the Responsible Business Alliance Code of Conduct to ensure a safe and ethical work environment, reflecting our commitment to human rights issues.

“Nuvoton Human Rights Policy” applies to the company and its subsidiaries, protecting the human rights of regular and contract employees, as well as interns, business partners, suppliers, contractors, and other stakeholders. Nuvoton commits to adhering to the following human rights issues :

Particular Attention

1. Comply with the laws and regulations of the locations where we operate, providing a safe and healthy work environment, ensuring working hours protection, and adhering to legal and regulatory standards.
2. Commit to diverse talent recruitment and development, continuously promoting a culture of diversity and inclusion.
3. Safeguard the labor rights of vulnerable groups, including persons with disabilities, Indigenous peoples, migrant workers, and pregnant women, ensuring equal employment opportunities, eliminating any form of discrimination, and eradicating all types of differential treatment.
4. Prohibit human trafficking and recruitment and employment of child labor.
5. Forbid all forms of forced labor or inhumane treatment, including all types of unlawful exploitation and harassment.
6. Maintain diverse and effective communication channels between employees and the company, allowing employees to fully express their opinions while protecting the confidentiality and anonymity of complainants.
7. Respect and protect the privacy of employees and customers' data, ensuring that the collection and use of data comply with regulatory requirements.
8. Commitment to responsible mineral sourcing.
9. Regularly assess and review human rights risks in operational activities, develop mitigation and remediation measures, and reduce both actual and potential negative impacts on human rights.

Chairman 

Human Rights-Related Policies(1/3)

Policies	Content	Download
<p>Nuvoton Human Rights Policy</p>	<p>Nuvoton is committed to following international labor and human rights standards, using key conventions like the International Human Rights Code, the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the UN Global Compact, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Due Diligence Guidance as the foundation for our operations. We implement the Responsible Business Alliance (RBA) Code of Conduct to ensure a safe and ethical work environment, reflecting our commitment to human rights.</p>	<p>Link</p>
<p>Ethical Corporate Management Best Practice Principles</p>	<p>Establish a whistleblowing system with independent hotlines, mailboxes, and investigation procedures, ensuring confidentiality and protection against retaliation.</p>	<p>Link</p>
<p>Reporting Violations of Integrity Conduct Regulations</p>	<p>Clearly define the procedures for handling violations of integrity in business operations by employees or others within the company, provide legitimate channels and procedures for whistleblowing and complaints, and ensure confidentiality of the complainant's identity and the content of the complaint to protect against retaliation.</p>	<p>Link</p>
<p>Sustainable Development Best Practice Principles</p>	<p>Nuvoton follows relevant regulations and international human rights conventions, implementing policies and procedures. We provide effective grievance mechanisms for issues affecting workers' rights, ensuring equality, transparency, and proper responses to employee complaints.</p>	<p>Link</p>
<p>Sustainability Code of Conduct</p>	<p>Based on the "Responsible Business Alliance (RBA) Code of Conduct," we ensure the company provides a safe working environment where employees are treated with respect and dignity. While conducting business, we take on social responsibilities, maintain a balance with environmental sustainability, and adhere to ethical standards to achieve the company's sustainability goals.</p>	<p>Link</p>

Human Rights-Related Policies(2/3)

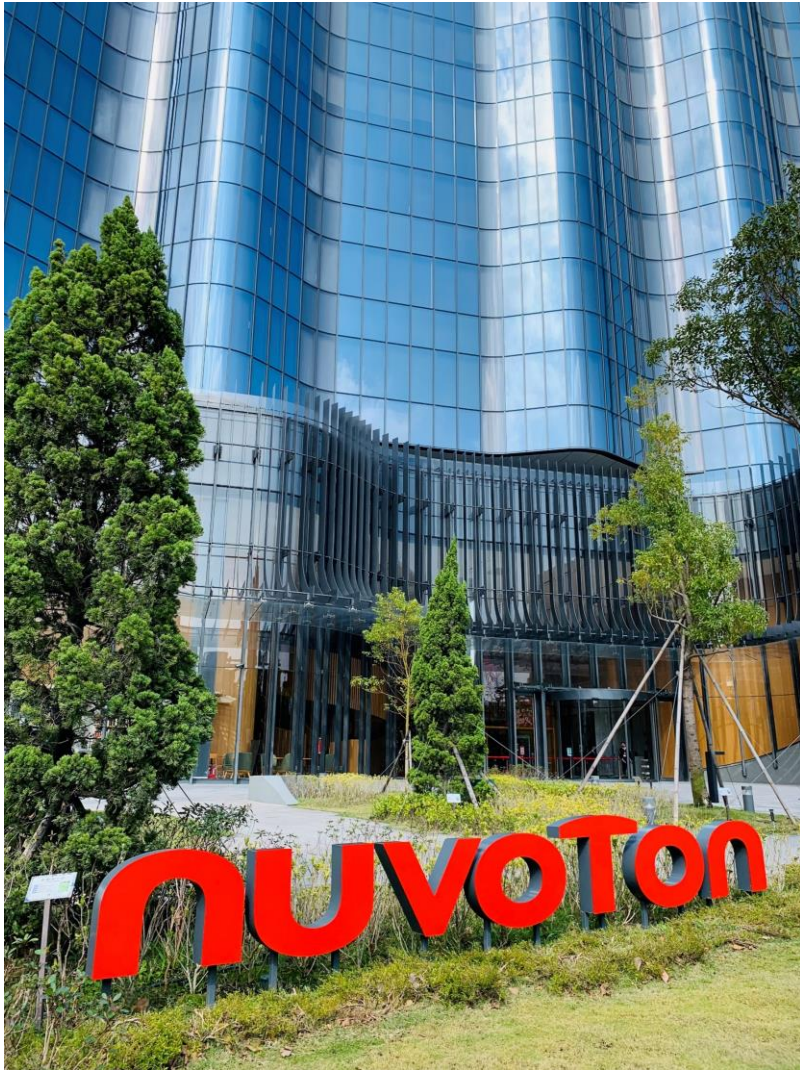
Policies	Content	Download
<p>Written Statement on Unlawful infringement in the workplace</p>	<p>To protect employee health and well-being, the company adopts a "zero tolerance" policy toward all forms of workplace harassment. We prohibit any managerial staff from engaging in bullying and do not tolerate workplace violence or unlawful acts of harassment from employees, customers, clients, or visitors, ensuring the physical and mental well-being of all staff.</p>	<p>-</p>
<p>Anti-Discrimination and Anti-Harassment Declaration</p>	<p>Nuvoton is committed to preventing harassment and unlawful discrimination based on factors such as race, color, age, gender, sexual orientation, gender identity, ethnicity, disability, pregnancy, religion, political views, group affiliation, military status, genetic information, or marital status, ensuring equal opportunities in recruitment, wages, promotions, rewards, and training.</p>	<p>Link ^{Note 1}</p>
<p>Privacy Policy</p>	<p>Nuvoton enhances information security by broadening the scope of international certifications for cybersecurity and personal data protection, improving operational safety and privacy measures. This guarantees the protection of customer privacy, safeguards against the theft or leakage of trade secrets and intellectual property and creates a secure information environment that upholds the reputation of both the company and its customers.</p>	<p>Link</p>

Note 1 : "Anti-Discrimination and Anti-Harassment Declaration" please refer to the "Sustainability Code of Conduct."

Human Rights-Related Policies(3/3)

Policies	Content	Download
Information Security	Nuvoton has established the "Nuvoton Security Policy" and "Information Security Management Measures," and based on these, has implemented control measures to continuously maintain a secure information environment, protecting Nuvoton's and customers' information from theft, cybercrime, industrial espionage, and other risks.	Link
Supply Chain Code of Conduct	Nuvoton is committed to labor rights in its supply chain and has developed supplier sustainability management policies and related sustainability initiatives. Suppliers are required to adhere to local laws, international standards, and the Responsible Business Alliance (RBA) Code of Conduct, including any updates.	Link
Conflict Minerals Statement	Nuvoton is committed to conflict mineral management and responsible sourcing strategies based on the principles of protecting international human rights, aiming to avoid the use of metals sourced from illegal mining that violates human rights in product materials and production processes.	Link

Scope and Time



The investigation scope of Nuvoton’s human rights due diligence follows international human rights standards, sustainability assessments, and frameworks to develop human rights risk issues and conduct investigations.

Scope

All employees of headquarters, including the Taipei office, Zhubei office, Hsinchu fab, and Tainan office.

Time

2024/07

Investigation Process

1 Establish/optimize human rights-related policies

- Following GRI standards and international human rights conventions/guidelines, we established a "Human Rights Policy" and improved the grievance mechanism.

2 Risk Identification & Survey Design

- Compile Nuvoton's industry background and management overview, clarifying and defining the scope of relevant issues.
- Identify relevant human rights issues for Nuvoton and design a risk survey, referencing international standards like GRI and RBA, as well as common industry issues.

3 Risk Analysis & Assessment

- Analyze the human rights risk survey results, assessing the probability and consequence of each issue, and identify significant issues based on Nuvoton's execution record.



6 Report and Disclosure

- Regularly produce human rights due diligence reports and publicly disclose the investigation process and relevant risk analysis results.

5 Tracking and improvement

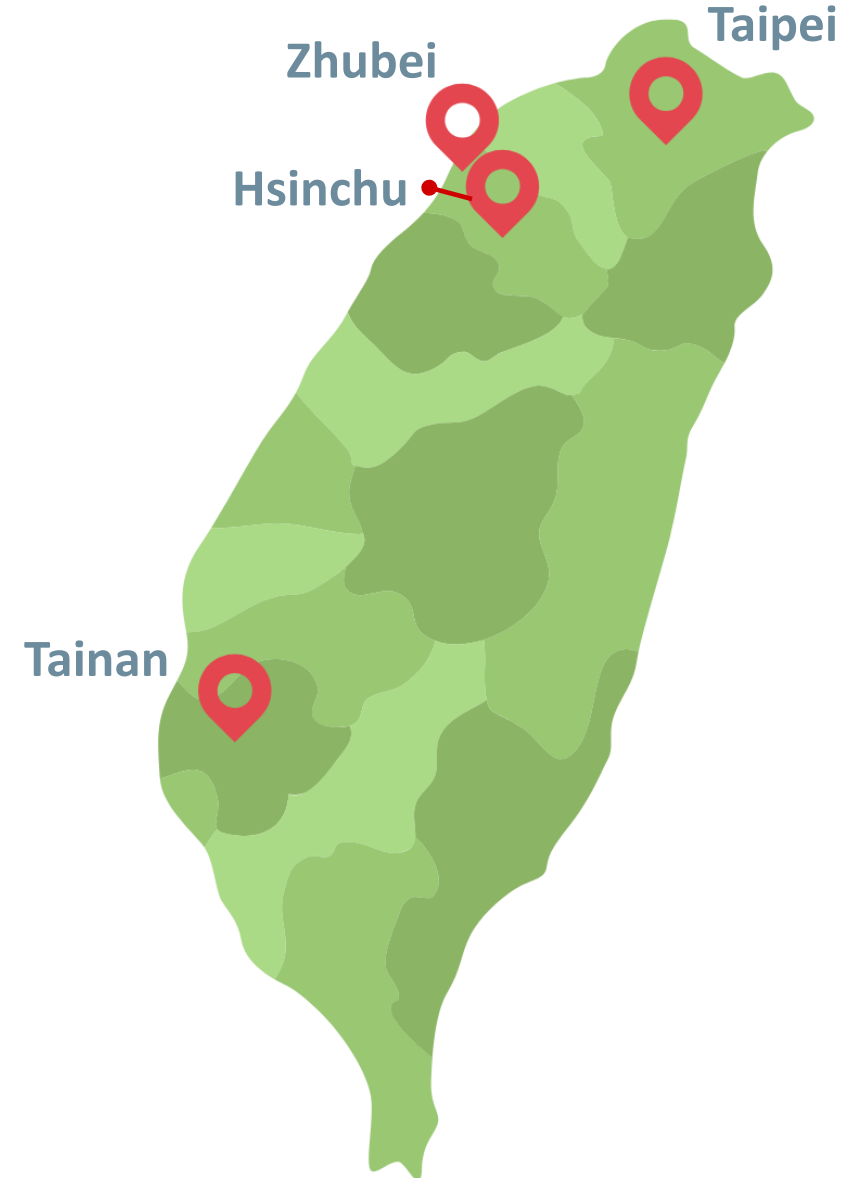
- Track the implementation and improvement of human rights risk mitigation measures and potential risks.

4 Mitigation & Remediation Measures

- Establish and optimize mitigation and remediation measures for significant human rights issues.

Coverage

The human rights risk assessment questionnaire was sent to all employees of headquarters, including the Taipei office, Zhubei office, Hsinchu fab, and Tainan office, and the human rights risk assessment scope covers 100% of the operating locations.



Human Rights Risk Identification and Assessment

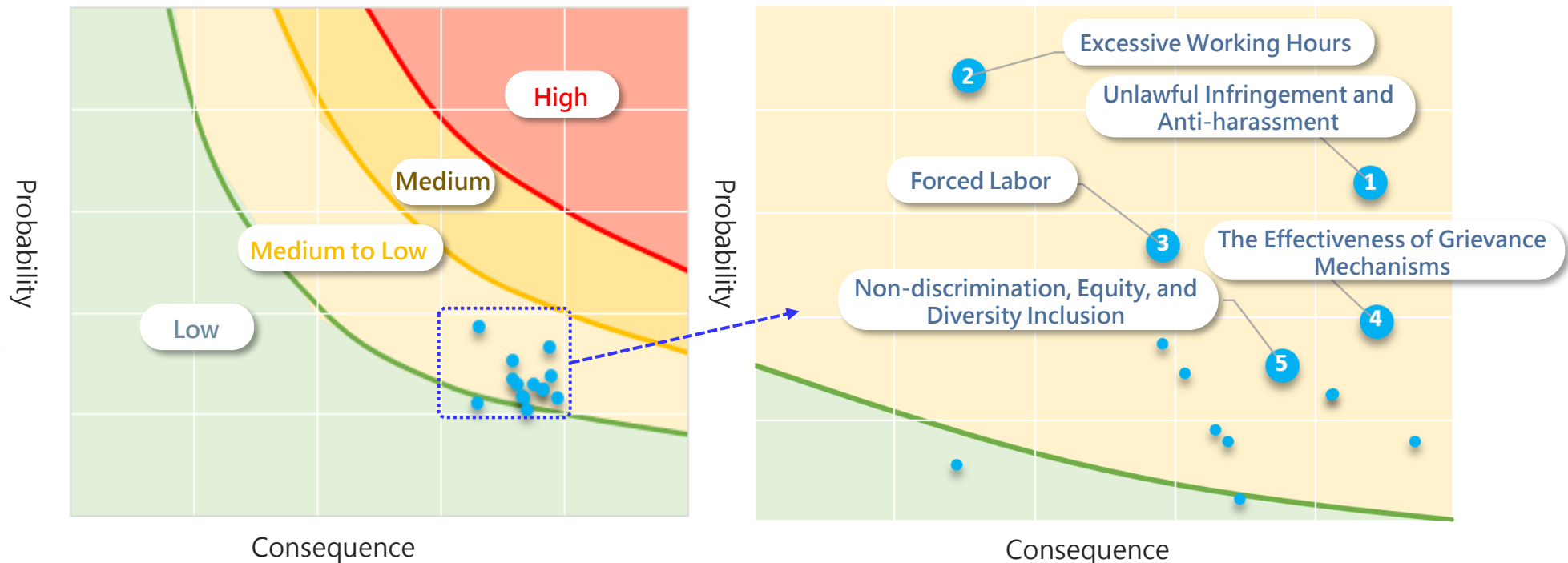
The human rights risk assessment survey is divided into three main categories: "Labor Rights," "Health and Safety," and "Governance and Ethics," with a total of 14 human rights risk issues. The survey covers the impact on various stakeholders, including Nuvoton employees, suppliers and contractor employees, customers, and the community.

Category	Human Rights Risk Issues	Affected Stakeholders							
		NTC Employees	Migrant Workers	Female Employees	Supplier's Employees	Contractor's Employees	Customers	Communities	
 Labor Rights	• Forced Labor	✓	✓	✓	✓	✓			
	• Freedom of Choice of Employment	✓	✓	✓	✓	✓			
	• Child Labor and Young Workers	✓	✓	✓	✓	✓			
	• Excessive Working Hours	✓	✓	✓	✓	✓			
	• Labor Conditions Protection	✓	✓	✓	✓	✓			
	• Non-discrimination, Equity, and Diversity Inclusion	✓	✓	✓	✓	✓			
	• Unlawful Infringement and Anti-harassment	✓	✓	✓	✓	✓			
	• Freedom of Association	✓	✓	✓	✓	✓			
	• Freedom of Opinion and Expression	✓	✓	✓	✓	✓			
 Health and Safety	• Occupational Health and Safety	✓	✓	✓	✓	✓			
	• Unreasonable Living Environment and Conditions	✓	✓	✓	✓	✓			
	• Maternity Protection	✓	✓	✓	✓	✓			
 Governance and Ethics	• Right to Personal Privacy	✓	✓	✓	✓	✓	✓		
	• The Effectiveness of Grievance Mechanisms	✓	✓	✓	✓	✓	✓	✓	

Human Rights Risk Matrix

- Based on the survey results, a human rights risk matrix was created. The matrix defines each issue as low, medium to low, medium, or high risk based on the risk product of probability and consequence of occurrence.
- According to the survey results, none of the 14 issues are classified as high-risk requiring immediate action. The top five issues ranked by significance require monitoring for changes, namely: "Unlawful Infringement and Anti-harassment," "Excessive Working Hours," "Forced Labor," "The Effectiveness of Grievance Mechanisms," and "Non-discrimination, Equity, and Diversity Inclusion."

- Low Risk : Risk product ≤ 4
- Medium to Low Risk : $4 < \text{Risk product} \leq 8$
- Medium Risk : $8 < \text{Risk product} \leq 12$
- High Risk : Risk product > 12



Mitigation and Remediation

The survey results show no high-risk issues. For the top five medium to low-risk human rights issues, mitigation and remediation measures will be implemented. These measures apply to all Nuvoton employees in Taiwan, including Hsinchu fab, Zhubei Office, Taipei Office, and Tainan Office. Nuvoton will continue optimizing efforts to reduce these risks and their negative impacts.

Risk	Risk Mitigation Measures	Risk Remediation Measures	Management Indicators
<p>Unlawful Infringement and Anti-harassment</p>	<ul style="list-style-type: none"> Enforce the "Workplace Sexual Harassment Prevention Measures" and "Unlawful Workplace Infringement Prevention Plan." Promote workplace harassment prevention through training and bulletin boards to ensure employee awareness. Review and update harassment prevention measures and related complaint and disciplinary procedures. 	<ul style="list-style-type: none"> Nuvoton has set up grievance channels for sexual harassment, labor rights, and workplace issues. Employees can file complaints through these channels. Complaints are handled confidentially by dedicated personnel, ensuring information security. Appropriate actions or improvements, including disciplinary measures, are taken as needed. For suspected incidents, internal investigations and disciplinary actions are implemented to prevent recurrence of similar events. 	<p>Unlawful Infringement and Anti-Harassment Complaints: 0 cases</p>

Mitigation and Remediation

Risk	Risk Mitigation Measures	Risk Remediation Measures	Management Indicators
<p>Excessive Working Hours</p>	<ul style="list-style-type: none"> • Manage and analyze employee entry and exit time reports to alert supervisors about work hours and remind them to appropriately adjust workloads. • Promote awareness of labor regulations regarding working hours and labor conditions through training. 	<ul style="list-style-type: none"> • Review the company's production capacity and manpower needs to hire additional employees, preventing situations where understaffing leads to overtime work. • In case of any related issues, internal investigations and disciplinary actions will be enforced, and employees' rightful entitlements will be restored. 	<p>No labor law violations.</p>
<p>Forced Labor</p>	<ul style="list-style-type: none"> • We organize annual courses on corporate sustainability and social responsibility (including human rights), with materials available on the internal website for all employees. • Managerial staff receive training on harassment prevention and labor law to enhance management awareness. • Regular RBA VAP and SAQ assessments are conducted to identify potential risks. 	<ul style="list-style-type: none"> • Strengthen the promotion and training of relevant regulations. • In case of related incidents, internal investigations and disciplinary actions will be implemented, and employees' rightful benefits will be restored. • Based on RBA audit findings, any identified non-compliance will require corrective actions within a deadline. 	<ul style="list-style-type: none"> • Forced labor complaints: 0 cases • Human rights training completion rate: 100%

Mitigation and Remediation

Risk	Risk Mitigation Measures	Risk Remediation Measures	Management Indicators
<p>The Effectiveness of Grievance Mechanisms</p>	<ul style="list-style-type: none"> • We conduct annual training on sustainable development and promote grievance channels to ensure employee awareness. • Grievance management processes are regularly reviewed and improved. • A survey assesses employees' experiences with human rights risks. 	<ul style="list-style-type: none"> • Suspected incidents will undergo internal investigation with appropriate disciplinary actions. 	<p>Human rights violations: 0 cases</p>
<p>Non-discrimination, Equity, and Diversity Inclusion</p>	<ul style="list-style-type: none"> • The company conducts regular training on sustainable development to raise employee awareness of human rights. • Management policies ensure equal treatment without discrimination based on race, gender, or age...etc.. • Friendly workplace activities promote DEI awareness, anti-discrimination, equality, and inclusiveness. 	<ul style="list-style-type: none"> • If incidents occur, investigations and disciplinary actions will be taken, with rightful benefits restored to employees. • Provide Employee Assistance Program (EAP) channel, or refer to counseling, medical, psychological, social welfare resources, and other necessary services. • Awareness and employee training will be strengthened. 	<ul style="list-style-type: none"> • Human rights violations: 0 cases • Human rights training completion rate: 100%

Fostering Diversity & Inclusion • Practicing Equity & Respect

Nuvoton is committed to human rights management and will continue to implement various measures to establish an equal and inclusive work environment, shaping a culture of inclusion and practicing friendly equality. In 2023, female employees accounted for 42% of the workforce, and overseas employees made up 57% of the total headcount. As of 2023, the total amount of childcare subsidies distributed amounted to approximately NTD\$19,530,000 ; We value talent development. In 2024, we completed the competency inventory ,which established over 900 professional competencies, launched workplace harassment prevention training, and regularly hold cross-level meetings for employees to freely share their ideas.

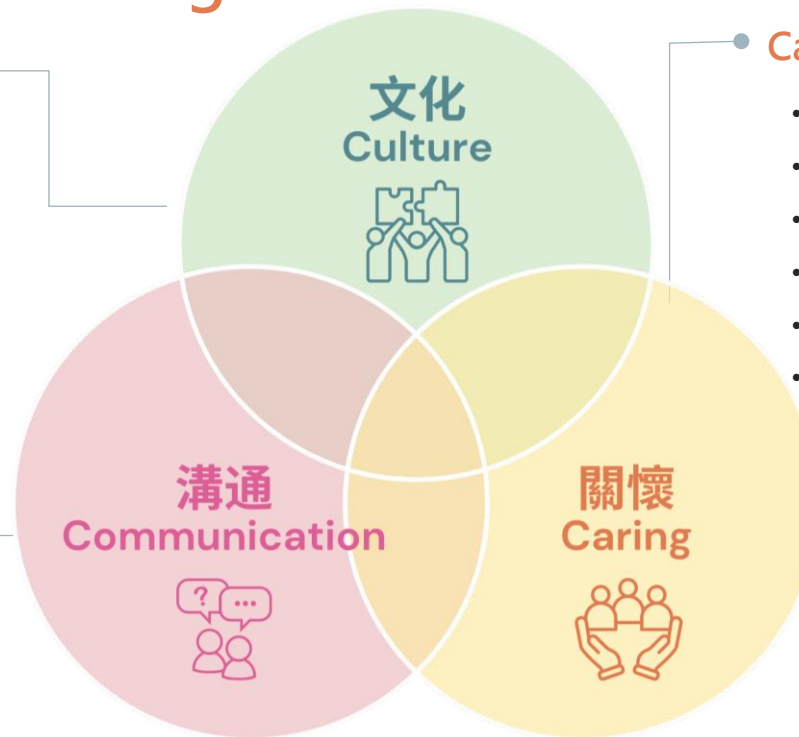
3C- Culture Communication Caring

Culture | Promoting Global Cultural Integration

- Global Recruitment Strategy
- NTC & NTCJ Integration 2.0
- NTIL-We are ONE TEAM Activities
- Foreign Language Learning Platform
- DEI (Diversity, Equity, and Inclusion) Themed Activities

Communication | Listening to Diverse Generations

- Cross-level Communication Meetings
- Intergenerational Communication Training
- Empowering Self-Growth(2024 Competency Inventory Completed)



Caring | Caring for Employee Needs

- New Employee Care Program
- Maternity Protection Measures
- Childcare Subsidies
- Parenting and Health Seminars
- Rehire Program for Retired Employees
- Employment of Visually Impaired Masseurs

| Long-term Commitment



Nuvoton Technology values human rights and is committed to long-term human rights management. In 2024, we established and published our human rights policy, introduced a due diligence process, and conducted the first employee human rights risk assessment at Taiwan headquarters. We will continue fostering positive human rights practices among suppliers, extending influence across the supply chain, and collaborating with stakeholders to promote human rights protection.

Looking ahead, we will expand risk assessments to include overseas subsidiaries, suppliers, local communities, and other stakeholders. Regular reviews will ensure effective management, while ongoing efforts will raise stakeholder awareness and deepen our commitment to human rights.

Appendix

Related Certifications



Related Certifications

RBA VAP Historical score

Year	Score
2013	188
2014	200
2018	190.1
2022	200



Related Certifications

ISO45001 OHSMS



CERTIFICATE 

This is to certify that

Nuvoton Technology Corporation
No. 4, Creation Road III
Hsinchu Science Park, 300
Taiwan

has implemented and maintains an **Occupational Health and Safety Management System**.

Scope:
The occupational health and safety activities and supporting processes associated with the design, fabrication and test of integrated circuits in wafer form and the test of assembled integrated circuits.

Through an audit, documented in a report, it was verified that the management system fulfills the requirements of the following standard:

ISO 45001 : 2018

Certificate registration no. 20002203 OHS18
Date of revision 2022-09-24
Date of certification 2022-11-01
Valid until 2025-10-31

DQS Inc.

Brad McGuire
Managing Director

Accredited Body: DQS Inc., 1500 McConner Parkway, Suite 400, Schaumburg, IL 60173 USA
Administrative Office: DQS Taiwan Inc., #1, Yuan-Hsun West Road, Feng-Yuan Dist., Taichung City, Taiwan 420
The validity of this certificate can only be verified by the QR-code.

ISO14001 EMS



CERTIFICATE 

This is to certify that

Nuvoton Technology Corporation
No. 4, Creation Road III
Hsinchu Science Park, 300
Taiwan

has implemented and maintains an **Environmental Management System**.

Scope:
The environmental activities and supporting processes associated with the design, fabrication and test of integrated circuits in wafer form and the test of assembled integrated circuits.

Through an audit, documented in a report, it was verified that the management system fulfills the requirements of the following standard:

ISO 14001 : 2015

Certificate registration no. 20002203 UM15
Date of revision 2022-09-24
Date of certification 2022-11-01
Valid until 2025-10-31

DQS Inc.

Brad McGuire
Managing Director

Accredited Body: DQS Inc., 1500 McConner Parkway, Suite 400, Schaumburg, IL 60173 USA
Administrative Office: DQS Taiwan Inc., #1, Yuan-Hsun West Road, Feng-Yuan Dist., Taichung City, Taiwan 420
The validity of this certificate can only be verified by the QR-code.

ISO/IEC 27001 ISMS



bsi. 

Certificate of Registration

INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2022

This is to certify that: Nuvoton Technology Corporation
No. 539, Sec. 2, Wenxing Rd.
Zhubei City
Hsinchu County
302052
Taiwan

Holds Certificate No: **IS 806408**
and operates an Information Security Management System which complies with the requirements of ISO/IEC 27001:2022 for the following scope:

The provision of development, operation, and maintenance of information systems, management of network infrastructure and server rooms, cybersecurity management, and related information supporting activities for Zhubei Building and Hsinchu Fab within the Information Technology Center.
This is in accordance with the Statement of Applicability, 0000-5013-07, version A dated 5 June 2024.

For and on behalf of BSI: 
Michael Lam - Managing Director Assurance, APAC

Original Registration Date: 2024-07-02
Latest Revision Date: 2024-07-02

Effective Date: 2024-07-02
Expiry Date: 2027-07-01

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A Member of the BSI Group of Companies.

Joy of innovation
nuvoTon

Thank You

Danke

Merci

ありがとう

Gracias

Kiitos

감사합니다

धन्यवाद

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