



2020

**Wiwynn Corporation
Sustainability Report**



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About this Report

Wiyynn Corporation (hereinafter "Wiyynn" or "the Corporation") has issued non-financial information reports since 2020. In June 2021, Wiyynn's 2020 Sustainability Report (hereinafter "this Report") has been issued to present the Corporation's Environmental (E), Social (S) and Governance (G) performances in the year 2020 (January 1 to December 31), allowing all stakeholders caring for Wiyynn to, through this Report, understand the efforts we made on various issues, in addition, we continue to showcase commitment and determination on fulfillment of sustainable development to all stakeholders.

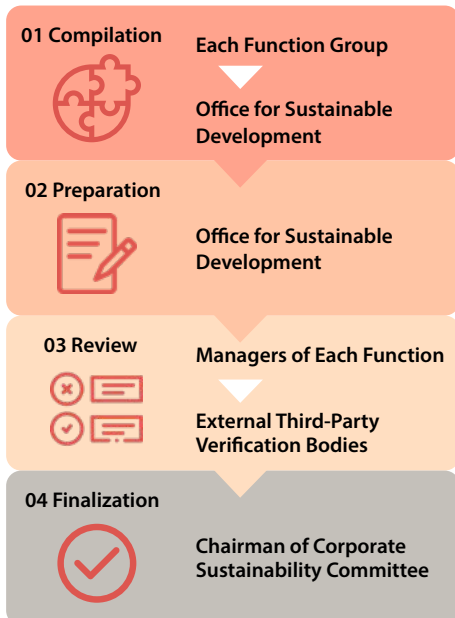
Wiyynn's Sustainability Reports for the previous years in Chinese and English can be downloaded at Wiyynn official website 「ESG」 section. The last edition was issued in June 2020.

Report Scope and Border

The scope of this Report mainly covers Wiyynn's Global Operations Headquarters in Xizhi Dist., New Taipei City ("Wiyynn HQ" in short) and Tainan Branch (including Tainan Plant) in Southern Taiwan Science Park in Taiwan, excluding the subordinate companies (Note). Reasons and Results for modifications to materiality, border or any information as set in this Report will be specified in each chapter.

Report Preparation Principles

This Report follows GRI Standards published by Global Reporting Initiative for the preparation of core options as well as refers to the industrial criteria announced by Sustainability Accounting Standards Board (SASB) and Sustainable Development Goals (SDGs) as the principles for reporting.



Grade, and the Climate related Financial Disclosure Conformity Statement appended in Appendices of this Report.

- Financial data as disclosed at economic aspects is information excerpted from Consolidated Financial Reports publicly announced after auditing and attesting by CPAs at KPMG Taiwan.
- ISO 9001: 2015(Quality Management System), QC 080000: 2017 (Hazardous Substance Process Management System), ISO 14001: 2015(Environmental Management System), ISO 45001: 2018(Occupational Safety and Health Management System), ISO 14064-1: 2018 (Green House Gases Part 1: Specification with guidance), ISO 50001: 2018 (Energy Management System) as introduced by the Corporation have all passed verifications by third-party verification bodies.

Feedback

We welcome any suggestion concerning this Report sustainable development of Wiyynn.

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Note: Entities as included in Consolidated Financial Reports of the Corporation: Wiyynn Technology Service Japan, Inc., Wiyynn International Corporation, Wiyynn Technology Service Hong Kong Limited, Wiyynn Korea Ltd., Wiyynn Technology Service Malaysia SDN. BHD., Wiyynn Mexico, S.A. de C.V., Wiyynn Technology Service Kun Shan Ltd.

Report Verification and Validation

- This Report has undergone verification of BSI Taiwan Branch in accordance with AA1000 AS V3 standard, and is verified as meeting the requirements of Core Disclosure, with Statement of Opinions on Verification by Independent Third-Parties appended in Appendices of this Report.
- This Report has passed TCFD third-party conformity verification and obtained Level-5 Excellence

A Message from the Chairman of Corporate Sustainability Committee

2020 was truly a challenging year! With the global outbreak of COVID-19, forest fires in Australia and Amazon, Arctic warming, snowstorm in Texas, and other worldwide disasters, we are forced to take up the "New Normal" to live very differently now. Not only are these changes affecting our every-day life, they have severe impact to shipping, agriculture, raw material and ICT industries.

With challenges coming in one after another, our flexibility and resilience were put to the test. In the beginning of the COVID-19 outbreak, Wiyynn quickly established a command center to put the employees' safety as our top priority. Various technological solutions were implemented to help maintain communications between our manufacturing plants, offices, customers and supply chain partners to minimize physical travelling. Thankfully, with everyone's cooperation, we successfully secured uninterrupted, smooth product development, production, and shipment. Not only did we secure the company's operations, we were also able to ensure stable operations of cloud data centers to satisfy the huge demand of working from home, distance learning, telemedicine, and online shopping.

Our Commitments

Our commitments towards a sustainable environment have never wavered. Other than continuing developing products with high efficiency and energy saving, we took a step further by looking into the company's operations. Our first step of success was to participate in the CDP's climate change program, where we got a good performance score of A-. Wiyynn also went ahead with the green power purchase plan in May 2020, one of the first in the Taiwanese information service industry. Moreover, we promised to replace 10% of our total power usage with green power in our Taipei headquarter from 2021, and planning to gradually increase this ratio.

In terms of operation management, we continued expanding our production and service sites, investing in the safety-related certifications and ensuring the flexibility and stability of production and supply chain. We also adopted cloud-based ERP system to reduce operating costs and spread risks. In another aspect, the company continues to promote end-user computing, where our employees are encouraged to use such information technology to create a more efficient and innovative working environment. Moreover, our Board of Directors also established the "Corporate Sustainability Committee" in November 2020 to focus on the sustainable management of the company and carry out our corporate social responsibility. Finally, we are going to implement Taiwan Intellectual

Property Management System (TIPS) to further enhance the risk control on intellectual property rights.

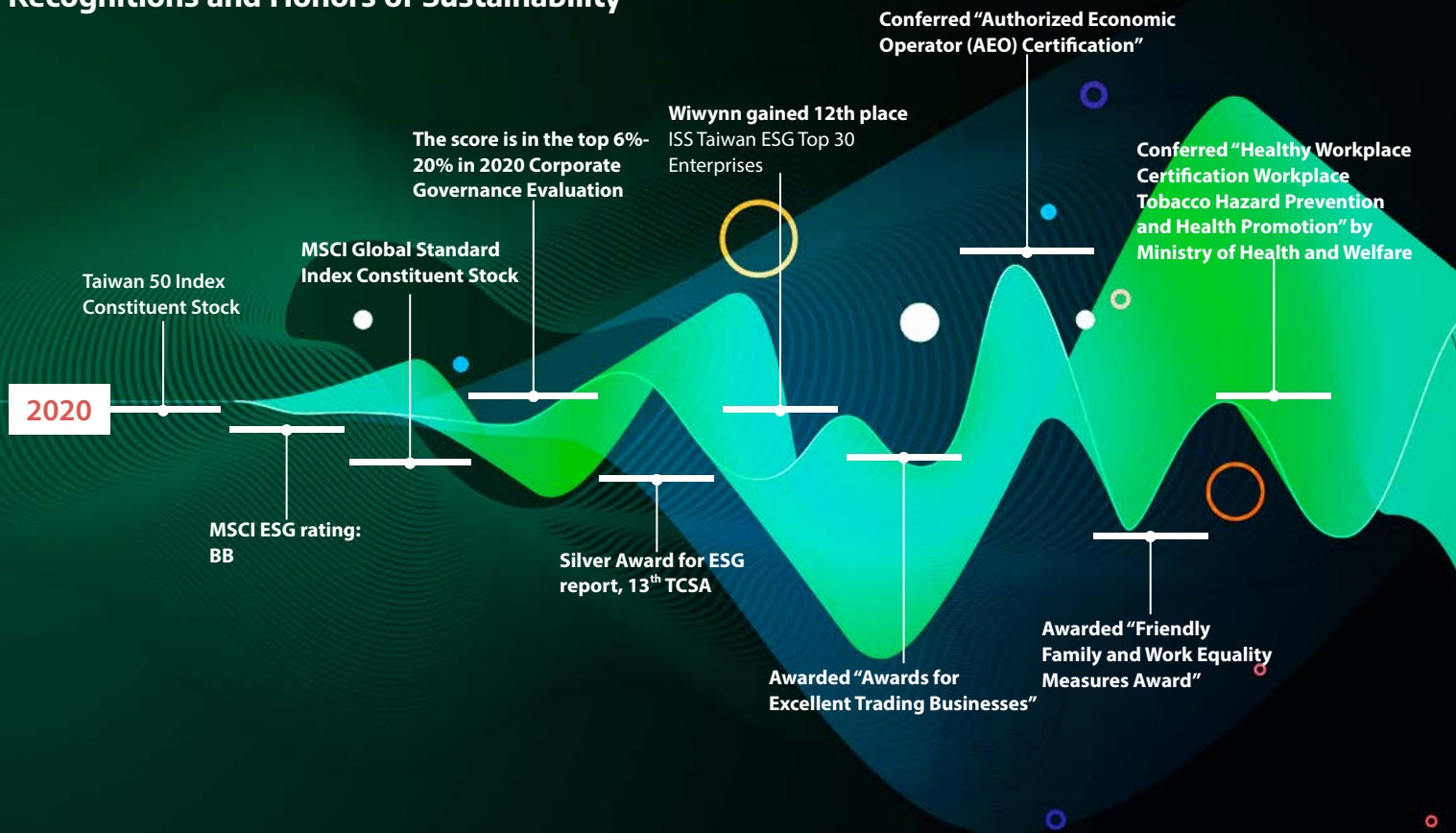
To conclude, with the unforeseen challenges and difficulties, we are now in an era that is difficult to apply common sense and experience from the past. Therefore, delaying our mission of sustainable development is not an option. We will continue investing and improving our commitments mentioned above and are ever so grateful to be a force in building a sustainable future for our generations to come.



Sustainability Performance



Recognitions and Honors of Sustainability



About Wiwynn



Vision

Become a value partner for customers in cloud service business



Mission

Provide best TCO and workload optimized IT solutions for data center



Beliefs

Forward-Looking and Risk Taking

We pride ourselves in foreseeing changes in the environment and industry. We embrace change and remain courage in proposing solutions for change.

Pursue Excellency

We constantly challenge ourselves to attain new heights and we aim to be the benchmark in the industry.

Execution with Speed

We quickly complete our work tasks and pursue results.

Teamwork

We respect other professionals and we accept constructive challenges to our professionalism.

Wiwynn Company Profile

Full Name of Company	Wiwynn Corporation
Operations HQ Address	8F, No. 90, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City, Taiwan, R.O.C.
Paid-In Capital of 2020	NT\$1.748 billion
Chairman	Simon Lin
Vice Chairman and CEO	Emily Hong
President	Sunlai Chang
Date Established	2012/03/03
IPO Date	2019/03/27 (Stock Code: 6669)
Number of Employees	1,715 (as of December 31, 2020)

Wiwynn Core Businesses and Services

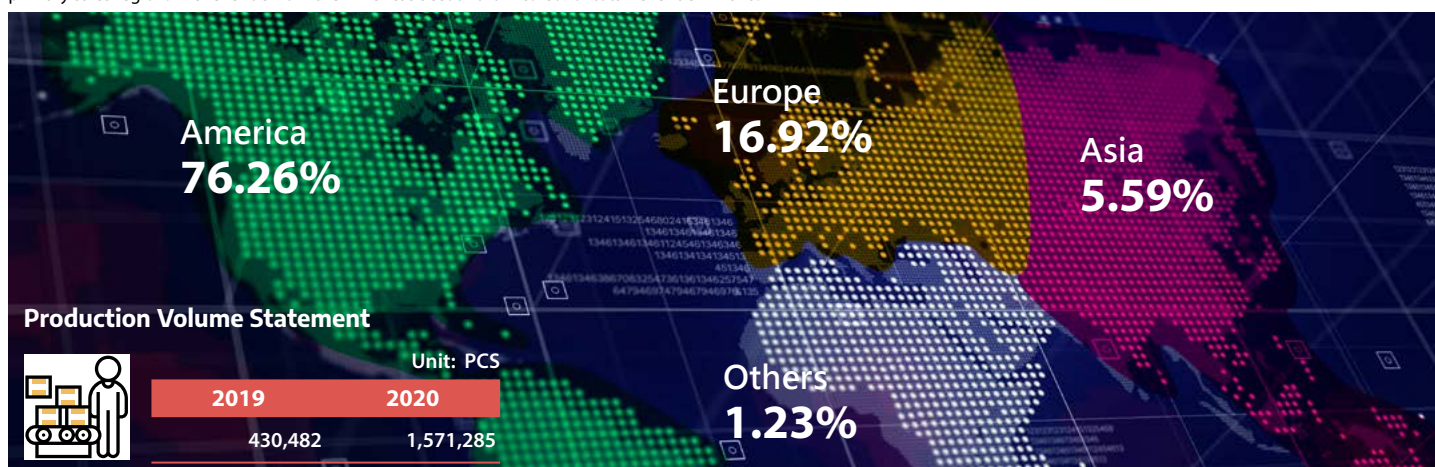
Wiwynn is an innovative cloud IT infrastructure provider of high-quality computing and storage products, plus rack solutions for leading data centers. We aggressively invest in next generation technologies for workload optimization and best TCO (Total Cost of Ownership).

The Corporation's products are mainly cloud infrastructure servers and integrated rack solutions at higher level of technology with high-performance, high-quality computing and storage products, allowing telecom companies and data centers to quickly build various cloud computing services. In order to meet the market demand that keeps pace with the times, the Corporation actively invests in new technologies to meet the needs of next-generation data centers. In terms of product strategy, we have formed alliances with world-class cloud software companies and utilized our own R&D capabilities to satisfy customers' demands for corporate private cloud, public cloud and hybrid cloud with integrated architecture, allowing customers to highlight core values while enhancing operating capabilities.

In terms of edge computing product development, the Corporation develops edge computing platforms and servers that can be flexibly configured for various edge computing. On the one hand, we assist telecom companies to build the new generation Open RAN and telecommunication facilities (Central Office) with a flexible and efficient architecture; on the other hand, we assist cloud service providers to expand their services from the cloud to edge cloud computing. Together we meet the different edge computing needs e.g. low latency and huge data processing of the 5G era.

Layout of Operation Locations

Wiwynn products are delivered to hyperscale data centers around the world. To provide end-to-end integrated solutions from product design, integration, optimization to after-sales services. We use sales and services between different operations to achieve teamwork and support and maximize synergy. Our integrated one-stop service effectively increases overall efficiency and productivity to provide customers with precise and rapid solutions that meet their needs. Our sales regions are spread across the globe and the Americas remain our primary sales region. The revenue from the Americas account for 76.26% of total revenue in 2020.



Relationship with Wiwynn	Company Name	Date of Establishment	Location	Main Business or Product
Subsidiary	Wiwynn Technology Service Japan, Inc.(WYJP)	March 1, 2013	Japan	Sales of data storage equipment
Subsidiary	Wiwynn International Corporation(WYUS)	February 11, 2013	U.S.A	Sales of data storage equipment
Subsidiary	Wiwynn Technology Service Hong Kong Limited(WYHK)	September 11, 2013	Hong Kong	Investment activities and sale of data storage equipment
Subsidiary	Wiwynn Korea Ltd.(WYKR)	May 3, 2016	Korea	Sales of data storage equipment
Subsidiary	Wiwynn Technology Service Malaysia SDN. BHD. (WYMY)	July 13, 2017	Malaysia	Sales of data storage equipment
Subsidiary	Wiwynn Mexico, S.A. de C.V.(WYMX)	February 14, 2019	Mexico	Human resource service provision
Sub-Subsidiary	Wiwynn Technology Service Kun Shan Ltd. (WYKS)	February 12, 2014	China	Sales of data storage equipment
Branch	Wiwynn Corporation Tainan Branch	January 15, 2019	Southern Taiwan Science Park	Manufacturing of electronics products

Participation in External Initiatives

Wiwynn follows the Responsible Business Alliance (RBA) code of conducts, promising to provide employees with a safe and secure working environment, grant employees protection and respects, improve environmental protection and comply with ethics, and is committed to protecting the rights and interests of all employees and supply chain personnel. Wiwynn Responsible Business Alliance Code of Conduct Commitment, approved by Vice Chairman and CEO, will be released to all employees.



Participation in External organizations

Wiwynn actively participates in international organizations to exert its influence in the industry and continue to grasp the pulse of industry and technology. In addition, the Corporation also participates in related industry associations and other organizations to maintain good interaction and communication with industry members.

Organization Name	Participation Status
Open Networking Foundation	Member
Open Compute Project	Member
Open Radio Access Network	Member
O-RAN	Member
Computing & IoT Association in Taiwan	Member
Taipei Computer Association	Member
The Allied Association for Science Park Industries	Member

Corporate Sustainability Committee



Vision

Seek the common good with society and environment

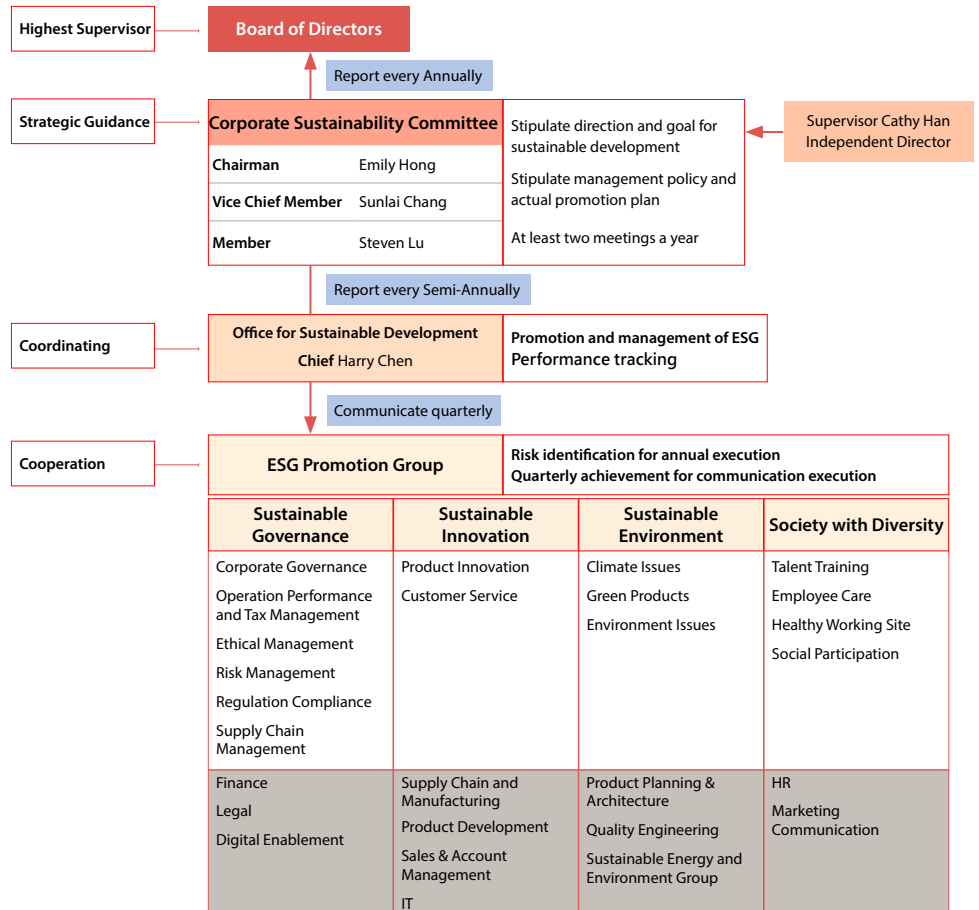


Mission

Exercise corporate governance, foster a sustainable environment, preserve public welfare, and enhance disclosure of ESG information

Major Events of Wiwynn's Sustainability Conducts

2021/03	Following the Board of Directors' adoption of Corporate Sustainability Committee Charter and, via public information, the Corporation announced its establishment of Corporate Sustainability Committee who will convene at least two meetings and report to the Board of Directors once annually.
2021/01	Corporate Sustainability Committee reported relevant proposal to the Board of Directors
2021/01	Corporate Sustainability Committee convened its first meeting
2020/11	Following the Board of Directors' adoption of the amended "Corporate Social Responsibility Best Practice Principles", "Corporate Sustainability Committee" was established, with CEO of the Corporation taking the role of chief member and one Independent Director responsible for supervision.
2020/06	Wiwynn issued their first Sustainability Report
2019	"Wiwynn Corporation Corporate Social Responsibility Report Team" was established



Management



Sunlai Chang

Corporate Sustainability Committee Vice Chief Member & President

In the future, AI and edge computing will become increasingly popular with the rise of 5G. Wiwynn is ready and has made full preparation for facing future trends. We are committed to providing safer and more energy-efficient and carbon-reducing products for applications in the new era.



Steven Lu

Corporate Sustainability Committee Member Senior Vice President

Wiwynn is committed to continuous innovation to provide customers with high-quality products and services. We have reached international quality standards in the R&D and manufacturing processes to deliver defect-free and competitive green products and services to our customers on time.



Robin Wang

Vice President, Operations

Wiwynn is committed to becoming the benchmark of corporate social responsibility for data center equipment manufacturers.



Joe Chiao

Vice President, Sales & Account Management

We shall continue to uphold the principles of integrity and mutual benefits and establish solid long-term relationships with customers.



Harry Chen

Chief of Office for Sustainable Development Chief of Finance

To fulfill Wiwynn's steadfast commitment to sustainability, we have implemented and strengthened corporate governance, improved the financial structure, and remained communication with stakeholder and transparency in the disclosure of financial information. We aim to achieve information parity and uplifting the Company value.



William Liao

Chief of HR

Employees are Wiwynn's partners. We are committed to treating employees with respect and care and building a high-quality corporate culture and join hands with employees to grow and thrive altogether.



James Wen

Chief of Information Officer

During the COVID-19 pandemic, Wiwynn made use of the remote work and online collaboration capabilities provided by the cloud platform to ensure uninterrupted global business, furthermore demonstrating the importance and value of cloud technology. Benefiting from cloud technology, Wiwynn will also utilize the premium resources to contribute to the global public cloud ecosystem.



Lois Lin

Chief Legal Counsel

We shall continue to uphold our ideals for integrity and ethics as Wiwynn continues its growth and respond to the society's expectations for the sustainable development of a first-rate enterprise.

Major proposals submitted by the Corporate Sustainability Committee to the Board of Directors

E	Implementation of the Current Year (2020)
	<ul style="list-style-type: none"> Finalized the renewable power purchase agreement for effective resources allocation for enhanced operation resilience. Diversified communication and feedback channels and stakeholders' engagement, and drafted material topics to enable transparency in ESG disclosure. The 2020 Sustainability Report was submitted to a third-party independent organization for verification.
S	<ul style="list-style-type: none"> Integrate integrity and ethical values into the Corporation's business strategy, top-down commitment, and implement the concept of integrity in the supply chain from the inside out. Applying cloud technology to enhance the flexibility and security of business operations, laying the foundation for the Corporation's sustainable operations.
G	<ul style="list-style-type: none"> Develop training courses for intellectual property rights, and deepen the culture of compliance with laws and regulations.

D	Development Plan of the Next Year (2021)
	<ul style="list-style-type: none"> Formulate carbon reduction targets and renewable energy use commitments, and formulate six action guidelines. In order to enable stakeholders to focus on issues and implement them more effectively, it is planned to link with KPIs and incorporate them into performance appraisal. Strengthen the security of the supply chain, and work with the supply chain to fulfill corporate social responsibilities on environmental, human rights and integrity issues, and build a sustainable supply chain. Establish a cross-unit information security operation organization to maintain the confidentiality, integrity and availability of information, and protect the rights and interests of stakeholders. Introduce TIPS, promote the integration of core patented technologies, and maintain the leading position of enterprise innovation.

Materiality Analysis and Communications with Stakeholders

Based on the GRI reporting principles of “stakeholders’ inclusiveness”, “sustainability context”, “materiality” and “completeness”, Wiwynn identifies major topics through procedures such as identification, materiality analysis and confirmation, and adjusts them according to actual conditions. The strategies and goals in sustainable management effectively promote the continuous improvement of various functional groups, and strive to create corporate value and share with society, the environment and stakeholders.



STEP 1 : Identification

Stakeholders

Evaluate the objects that have an impact on Wiwynn or are affected by Wiwynn, and summarize Wiwynn’s stakeholders.

According to the five principles of AA1000 SES Stakeholder Engagement Standards: “Dependency”, “Responsibility”, “Influence”, “Diverse perspectives” and “Tension”, seven categories of stakeholders are identified, namely employees and customers, suppliers, government authorities, investors, banks and the society (public welfare/academic).

Sustainability issues

Collect internal and external issues from sources including materiality in 2019, organizational goals and vision, international sustainability standards and norms (GRI standards, SASB industry standards, RBA, SDGs), sustainable investment institutions (DJSI, CDP, TCFD, MSCI ESG Index), stakeholders communication and concerns, and domestic benchmarking companies, etc., to identify 19 sustainability issues of Wiwynn.

STEP 2 : Analysis

Investigation on the level of concern to stakeholders

The electronic questionnaire is sent to the contact person of the 7 categories of stakeholders to conduct a survey of the level of concern to the stakeholders.

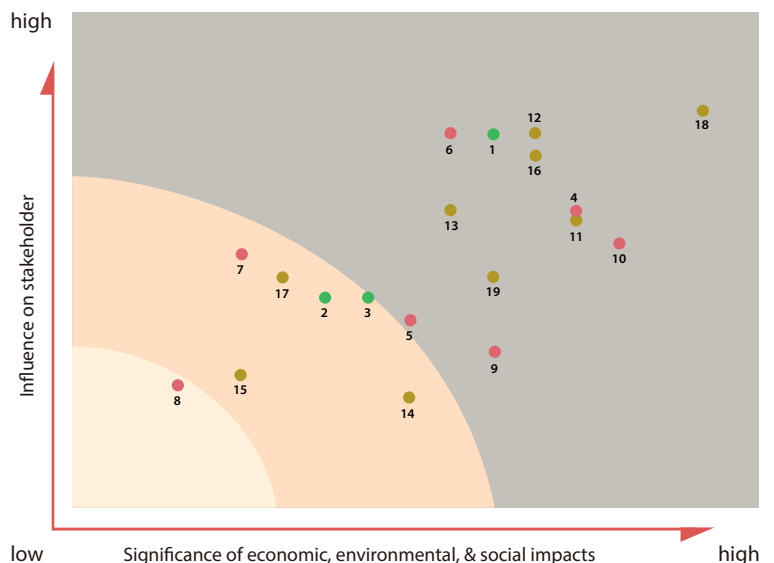
Operational impact analysis

The management of Wiwynn including CEO, President, Senior Vice President, Vice President, CFO, Chief of HR, CIO, Chief Legal Counsel and Audit Office Sr. Director participate in the materiality analysis of sustainability issues. The electronic questionnaire assesses the level of impact on Wiwynn, including economic, environmental and social impact.

Matrix analysis of materiality

Based on the level of concern of stakeholders to various issues and the impact of each issue on Wiwynn’s economic, environmental, and social aspects, conduct a two-way impact assessment, draw a matrix of materiality, and analyze the importance of 19 sustainability issues. Matrix result that the most attentive topic in 2020 was “Innovations in Products, Services and R&D,” “Social engagement” was with lower significance. “Risk management” was lower than that in 2019, An analysis of the cause showed the lower attention and impact was because Wiwynn has never had any critical loss or punishment by the competent authority due to the violation of the internal control system.

Matrix analysis of materiality



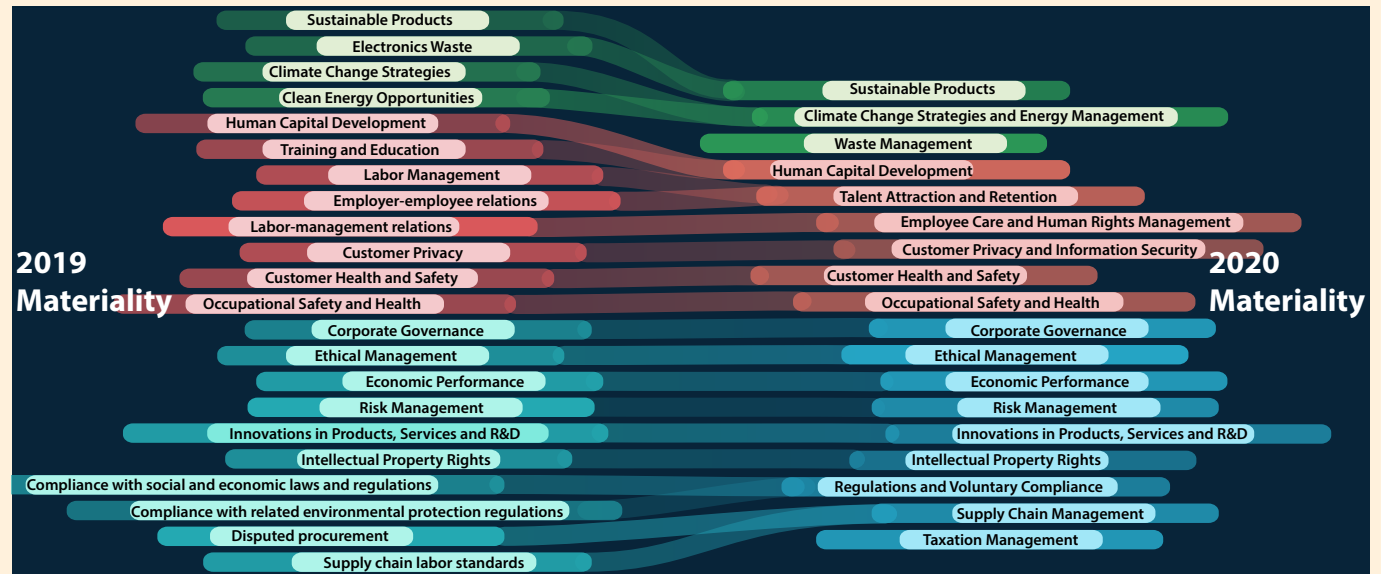
- | Environment | Society | Governance |
|---|--|--|
| 1 Climate Change Strategies and Energy Management | 4 Talent Attraction and Retention | 11 Corporate Governance |
| 2 Sustainable Products | 5 Human Capital Development | 12 Ethical Management |
| 3 Waste Management | 6 Occupational Safety and Health | 13 Economic Performance |
| | 7 Employee Care and Human Rights Management | 14 Taxation Management |
| | 8 Social engagement | 15 Risk Management |
| | 9 Customer Health and Safety | 16 Regulations and Voluntary Compliance |
| | 10 Customer Privacy and Information Security | 17 Supply Chain Management |
| | | 18 Innovations in Products, Services and R&D |
| | | 19 Intellectual Property Rights |

STEP 3 : Confirmation

Identifying materiality and topic boundary

In 2020, 18 material topics and 1 secondary topic are identified. Material topics corresponds to 24 topics in GRI Standards and 8 Sustainable Development Goals (SDGs). The impact of 18 material topics is examined in accordance with the requirements of GRI Standards. Wiwynn responds to its management policy, goal setting and performance results in the relevant chapters of the report.

8 material topics in 2020 are identical to those in 2019, with differences described as follows:



Management guidelines and goal setting of material topics in 2019 are reorganized and sorted for disclosure in material topics in 2020.

Material topics and value chain

● Direct, indirect impact ▲ Business conduct impact

Materiality (Note1)	Specific Topics of GRI STANDARDS (Including SASB Topics)	GRI Standards and Disclosure (Including SASB Code)	Upstream Suppliers	Wiwynn and Other Stakeholders (Note 2)	Downstream Customers
Sustainable Governance					
*Corporate Governance	Governance	GRI 102-18, GRI 102-22, GRI 102-23, GRI 102-24, GRI 102-25, GRI 102-27, GRI 102-28, GRI 102-35, GRI 102-36, GRI 102-37		●	
*Ethical Management	Ethics and Integrity Anti-corruption	GRI 102-16, GRI 102-17, GRI 205	▲	●	▲
*Economic Performance	Economic Performance	GRI 201-1, GRI 201-4	▲	●	
Taxation Management	Customized Topic			●	
*Risk Management	Organizational profile Governance	GRI 102-11, GRI 102-18, GRI 102-26, GRI 102-29, GRI 102-30, GRI 102-31, GRI 102-33, GRI 102-34	▲	●	▲
Regulations and Voluntary Compliance	Organizational profile Anti-competitive Behavior Environmental Compliance Socioeconomic Compliance	GRI 102-12, GRI 206, GRI 307, GRI 419	▲	●	
Supply Chain Management	Organizational profile Procurement Practices Supplier Environmental Assessment Supplier Social Assessment (SASB Topics: Labor Conditions, Materials Sourcing)	GRI 102-9, GRI 102-10, GRI 204, GRI 308, GRI 414 (SASB Code : TC-ES-320a.2, TC-ES-320a.3, TC-ES-440a.1)	▲	●	
Sustainable Innovation					
*Innovations in products, services and R&D	Customized Topic		▲	●	▲
*Intellectual Property Rights	Customized Topic			●	
*Customer Health and Safety	Customer Health and Safety Marketing and Labeling	GRI 416, GRI 417		●	▲

● Direct, indirect impact ▲ Business conduct impact

Materiality (Note1)	Specific Topics of GRI STANDARDS (Including SASB Topics)	GRI Standards and Disclosure (Including SASB Code)	Upstream Suppliers	Wiwynn and Other Stakeholders (Note 2)	Downstream Customers
Customer Privacy and Information Security	Customer Privacy	GRI 418		●	▲
Sustainable Environment					
Climate Change Strategies and Energy Management	Strategy Governance	GRI 102-15, GRI 102-20, GRI 102-30, GRI 102-31, GRI 201-2, GRI 302-1, GRI 302-4, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-5	▲	●	▲
	Energy Emissions (SASB Topic: Water Management)	(SASB Code : TC-ES-140a.1)			
Sustainable Products	Materials (SASB Topic: Product Lifecycle Management)	GRI 301-1, GRI 301-2 (SASB Code : TC-ES-410a.1)	▲	●	▲
Waste Management	Waste (SASB Topic: Waste Management, Product Lifecycle Management)	GRI 306 (SASB Code : TC-ES-150a.1, TC-ES-410a.1)	▲	●	
Diverse and Inclusive Society					
Talent Attraction and Retention	Organizational profile				
	Economic Performance				
Human Capital Development	Market Presence	GRI 102-8, GRI 201-3, GRI 202, GRI 401, GRI 404-2, GRI 405		●	
	Employment				
*Occupational Safety and Health	Training and Education				
	Diversity and Equal Opportunity				
Employee Care and Human Rights Management	Training and Education	GRI 404		●	
	Occupational Health and Safety (SASB Topic: Labor Conditions)	GRI 403 (SASB Code : TC-ES-320a.1)	▲	●	
Employee Care and Human Rights Management	Labor/Management Relations				
	Non-discrimination	GRI 402, GRI-406, GRI 410, GRI 412-1, GRI 412-2 (SASB Code : TC-ES-310a.1)	▲	●	
	Security Practices				
	Human Rights Assessment (SASB Topic: Labor Practices)				

Note 1: * denotes the identical material topic as in 2019.

Note 2: Wiwynn's Boundary include Wiwynn HQ and Tainan Branch (including Tainan Plant); other stakeholders include employees, government authorities, investors, banks and the society.

Management strategy, action plans, and assessment mechanism for material topics

Materiality	Importance to Wiwynn	Management Strategies	Action Plans and Evaluation Management (Corresponding Chapters)
Sustainable Governance			
Corporate Governance	A sound corporate governance system can enable enterprise management and operations to achieve an effective supervision mechanism	<ul style="list-style-type: none"> Board of Directors members have rich industry and practical experience and a diversified composition Functional committees strengthen the operations and independence of Board of Directors The Corporate Governance Officer assists directors to perform their supervisory functions Performance evaluation deepens the effectiveness of Board of Directors 	<div style="text-align: center;"> <p>Sustainable Governance</p> </div>
Ethical Management	The integration of integrity and ethical values into the Corporation's business strategy is the cornerstone of maintaining a good corporate reputation	<ul style="list-style-type: none"> Commit from top to bottom and follow the ethical corporate management policies Implement education, training and outreach from inside to outside Provide adequate reporting channels Work with the supply chain to implement the concept of integrity Continue to deepen the corporate culture of ethical management 	
Economic Performance	It can create value-added value for the Corporation and share it with the society, the environment and stakeholders, forming a positive cycle	<ul style="list-style-type: none"> Establish a good partnership with the upstream and downstream of the supply chain Meet customer needs with strong R&D strength Extend server products to a wider range of applications Continue to develop the depth and breadth of products and customers 	
Taxation Management	Steady taxation planning contributes to the sustainable development of enterprises	<ul style="list-style-type: none"> Handling declaration and disclosure in accordance with local tax laws Prudential assessment of taxation risks Establish mutual trust and good communication with stakeholders 	
Risk Management	Effective risk management mechanism to formulate better business strategies to maintain corporate resilience	<ul style="list-style-type: none"> Pay attention to various risk issues at any time Evaluate the internal and external potential risks such as strategy, operations, finance and hazards that may be faced by all aspects of business operations, and establish risk management strategies, implementation mechanisms and organizations 	
Regulations and Voluntary Compliance	Prevent the Corporation from being fined and maintain its good reputation	<ul style="list-style-type: none"> Establish a legal identification mechanism to formulate relevant regulations Implementation of laws and regulations compliance audit to verify the effectiveness of the implementation Conduct relevant advocacy and employee training 	
Supply Chain Management	Work with suppliers to be responsible for the economy, environment and society, and create sustainable development of the supply chain	<ul style="list-style-type: none"> Continuously implement risk management through the evaluation of new suppliers, as well as supplier audits and performance evaluations 	

Materiality	Importance to Wiwynn	Management Strategies	Action Plans and Evaluation Management (Corresponding Chapters)
Sustainable Innovation			
Innovations in products, services and R&D	Provide customers with the most optimized cloud technology services and the most complete cloud application solutions	<ul style="list-style-type: none"> Invest in R&D resources and actively participate in the development and cooperation of the new generation platform Through international exhibitions and technical publications, R&D and innovative concepts and practical customer applications of the Corporation can be closely integrated 	Sustainable Innovation
Intellectual Property Rights	Maintain the leading position and competitiveness of corporate innovation through the management of intellectual property rights	<ul style="list-style-type: none"> Formulate intellectual property rights strategy and report to the Board of Directors every year to confirm the consistency of management direction with the operational goals Regular patent review meetings in coordination with the layout of R&D resources to achieve the optimization of intellectual property rights management 	
Customer Health and Safety	Avoid material used in products that are risky or hazardous to the human body and the environment, ensure the health and safety of customers, and enhance customers' confidence and affirmation of the Corporation's products	<ul style="list-style-type: none"> Pay attention to customer feedback on product use for continuous improvement Follow international regulations on product design to comply with safety and health-free regulations 	
Customer Privacy and Information Security	In order to protect the rights and interests of stakeholders, the information obtained in the operations process shall be kept confidential, and appropriate information security measures shall be taken to protect the integrity of the information	<ul style="list-style-type: none"> Formulate information security policies and fulfill confidentiality obligations Promote information security education and advocacy to enhance the awareness of employees Implement daily operations and review of information security Ensure the applicability and effectiveness of information security technologies and tools 	
Sustainable Environment			
Climate Change Strategies and Energy Management	Actively respond to the risks brought by climate change, grasp the opportunities obtained in the process of transition to a low-carbon economy, and effectively allocate resources to enhance corporate competitiveness and operational resilience	<ul style="list-style-type: none"> Assess the risks and opportunities of climate change Draw up a greenhouse gas reduction and energy management plan 	Sustainable Environment
Sustainable Products	Enhance corporate value through sustainable actions through green product design	<ul style="list-style-type: none"> Through product design, verification and life cycle management, we optimize the efficiency of energy saving and power saving, select harmless and renewable raw materials, and plan product features that are easy to disassemble and recyclable, and reduce the impact of product life cycle on the environment 	
Waste Management	In order to create a common good between corporate operations and the environment, continue to strengthen sustainable action and implement a circular economy	<ul style="list-style-type: none"> Traceability reduction and management Waste is properly sorted to improve utilization Ensure that waste treatment procedures comply with environmental, safety and health regulations. 	
Diverse and Inclusive Society			
Talent Attraction and Retention	Employees are the most important partners. Competitive salary and benefits and multiple equality policies attract outstanding talents and establish a healthy and happy workplace culture for employees	<ul style="list-style-type: none"> Draw up a competitive and excellent salary and welfare system to implement diversity and equality Continue to ensure the effective operation of the strategy through recruitment, retention, resignation and employee satisfaction surveys, etc. 	Diverse and Inclusive Society
Human Capital Development	Develop human capital based on the concept of "knowing people and making good use of them, adapting talents to suitable places, nurturing talents and retaining talents", so that employees and organizations can grow together to achieve the maximum benefit of the Corporation	<ul style="list-style-type: none"> Enhance professional skills, strengthen core management functions, and reserve talent capital through seven training systems 	
Occupational Safety and Health	Reduce the incidence of occupational injuries and protect the safety and health of Wiwynn partners	<ul style="list-style-type: none"> Maintain resource adequacy and program effectiveness Implement occupational injury and illness management and prevention Promote health promotion management through annual health check results and labor health protection plan 	
Employee Care and Human Rights Management	Implement respect, equality and tolerance, create a friendly workplace environment, and create a harmonious labor-management relationship	<ul style="list-style-type: none"> Formulate a number of human rights policies, and safeguard labor rights through the implementation of the human rights system, education, training, and communication channels 	


Communications with Stakeholders

Wiwynn communicates effectively with stakeholders through various appropriate channels, understands the concerned issues and needs of various stakeholders, and properly handles their opinions.

Stakeholders Importance to Wiwynn

Employees	Employees are important partners of Wiwynn as well as the cornerstone of Wiwynn in maintaining stability and continued creation of values.
Customers	Customer recognition and support are the key to Wiwynn's continuous growth.
Suppliers	Suppliers are important partners. Maintaining long-term strategic alliances to ensure a stable source of supply and quality, so as to quickly introduce the latest technology and respond to the rapidly growing market demand.
Government Authorities	The government authorities are in charge of the penalties and incentives of the enterprise. The more serious ones affect the corporate sustainability and corporate image of the enterprise. Maintaining good two-way communication and mutual trust with the government authorities is an important foundation for the sustainable development of the enterprise.
Investors	Effective two-way communication with investors enables investors to have the right to fully inquire and understand the Corporation's finance, business and other information, effectively assess the true value of the Corporation, which is conducive to the stable operations of the Corporation and maintains the fair value of the stock price.
Banks	The financial services provided by the bank allow companies to flexibly schedule their business strategies. In response to the Green Finance Action Plans 2.0, the transparent disclosure of ESG performance helps to enhance the interaction with the bank and enhance the foundation of mutual trust.
Society	Wiwynn's vision is the common good with the society and the environment, and is committed to creating value-added value, giving back to society and sharing with the society.

Issues Concerned by Stakeholders and Communications Guidelines

 Employees Corresponding Chapters <hr/> Diverse and Inclusive Society	Issues Concerned <ul style="list-style-type: none"> • Salary and welfare • Human rights • Occupational safety • Health and care • Learning and Promotion Opportunities
Engagement Channels / Frequency Employee Relationship Promotion Committee / Quarterly OSH meetings / Quarterly Employee Welfare Committee / Quarterly New employee communications meetings / Quarterly Performance interview and evaluation / Semi-annually Cross-hierarchical communications and work meetings / Variable Employee questionnaire survey / Variable Internal website and physical/electronic Bulletin / Permanent Employee complaint hotline and mailbox / Permanent Corporation website / Permanent	Key Results of Engagement in 2020 <ul style="list-style-type: none"> • Since 2020, RBA related courses have been listed as one of the required courses for new employees, allowing them to understand the policies and their own rights and interests in the Corporation. • The participation rate of Occupational Safety committee members is more than 1/3. In 2020, Wiwynn HQ and Tainan Branch had a total of 8 meetings, effectively implementing labor participation and communication. • For employee health and care, a total of 45 health advocacy activities were conducted in 2020, including pandemic prevention information notifications, health promotion, preventive health care and other related health education information, as well as more than 20 health promotion activities. • Employees were 100% involved in the performance appraisal system, and, through links evaluation performance to incentive systems such as performance bonus, employee dividend and promotion system, we improve personal work performance and assist employee career development. • In 2020, the seven training systems and e-learning platform provided 20 hours of the average training hours for each employee, and the average cost on training each employee exceeds NT\$7500.



Customers

Corresponding Chapters

Sustainable Governance
Sustainable Innovation
Sustainable Environment
Diverse and Inclusive Society

Issues Concerned

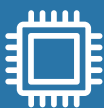
- Innovation management
- Product quality and service
- Customer use safety
- Customer privacy
- Corporate integrity
- Risk management
- Management on hazardous substance free and disputed procurement
- Carbon reduction strategies
- RBA compliance

Engagement Channels / Frequency

Industrial technology seminars and exhibitions / Annually
QBR(Quarterly Business Review) / Semi-annually
Business meetings / Variable
Customer audit / Variable
Customer service hotline and contact person / Permanent
Corporation website / Permanent

Key Results of Engagement in 2020

- In 2020, **we published several technical white papers** and participated in 3 online seminars on the official website, with a number of technologies and achievements published.
- We **passed external information security audits** in 2020, including ISO 9001, AEO, customer certification, etc. In 2020, **no grievances of infringement of customer privacy and loss of customer data were received.**
- In 2020, Wiwynn Taiwan Region conducted society, environmental and moral hazard assessments based on the Responsible Business Alliance's Self-Assessment Questionnaire (SAQ). After the assessment, there were no major risks. We will continue to implement risk mitigation and effectively control potential risks.
- Wiwynn's material management is **100% in compliance** with international regulations and customer requirements. There were **no violations of hazardous substance bans or customer complaints due to violations of customer requirements** in 2020.
- The tin, tungsten, tantalum, and gold (3TG) minerals used by suppliers surveyed by Wiwynn all come from **qualified** smelters or refineries.



Suppliers

Corresponding Chapters

Sustainable Governance
Sustainable Environment

Issues Concerned

- Corporate integrity
- Operations status
- Production strategies
- Raw materials requirements
- Supply chain sustainable management

Engagement Channels / Frequency

Supplier Business Review / Annually
Suppliers convention / Annually
On-site guidance and audit / Variable
Suppliers questionnaire survey / Variable
Corporation website / Permanent

Key Results of Engagement in 2020

- We encourage suppliers of key components to "decentralize" the global and regional capacity layout and support manufacturing site production strategy.
- Wiwynn continues to require suppliers to achieve **100% investigation** and **100% of use of minerals from qualified smelters.**
- We continue to **encourage suppliers to obtain international standard verification.**
- A total of 30 suppliers at risk have been audited for corporate sustainability and social responsibility in 2020. **Suppliers are encouraged to fulfill their corporate social responsibility and build a sustainable supply chain in addition to quality, technology and delivery capabilities.**



Government Authorities

Corresponding Chapters

- Sustainable Governance
- Sustainable Environment
- Diverse and Inclusive Society

Issues Concerned

- Ethical management
- Corporate governance
- Legal compliance status
- Taxation strategies
- Intellectual property rights management
- Labor-management relationship
- Workplace safety
- Waste treatment

Engagement Channels / Frequency

- Correspondence of official documents / Variable
- Participation in symposiums/seminars / Variable
- Competent authorities Audit / Variable
- MOPS / Variable
- Corporation website / Permanent

Key Results of Engagement in 2020

- There are **no major violations** in 2020.
- In accordance with government and regulatory requirements, we completed relevant declarations on a regular basis.
- We support various taxation strategies such as government enterprise innovation, research development, economic growth, etc.**
- Participation in various advocacy and education courses organized by competent authorities, such as "Intellectual Property Management Obligation Promotion Activities for Board of Directors of Listed Companies", "Climate-Related Financial Disclosure Recommendations", "Corporate Governance Advocacy" and "Industry 4.0 and Occupational Safety and Health Summit Forum", etc.
- Diversified communication platforms and communication channels for conglomerating consensus among employees, and harmonious labor-management relationship.
- In 2020, with **occupational hazard per thousand employee 2.144, FSI 0.04, rate of occupational illness at 0**, etc., are under effective control under target values and are superior to national industry averages.
- We have entrusted qualified cleaning and disposal organizations to carry out the Waste Treatment to ensure that the waste generated **under the Corporation's operation meets the environmental, safety and sanitary treatment procedures.**



Investors

Corresponding Chapters

- Sustainable Governance
- Sustainable Innovation
- Sustainable Environment

Issues Concerned

- Economic performance
- Risk management
- Product R&D
- Corporate governance
- Corporate integrity
- Climate issues

Engagement Channels / Frequency

- Shareholders' meeting / Annually
- Investor conferences / Semi-annually
- Annual report/Financial reports/ Sustainability Report / Regular
- MOPS / Variable
- IR Mailbox / Permanent
- Corporation website / Permanent

Key Results of Engagement in 2020

- For reinforced information immediacy and transparency, the Corporation has announced Q4 2020 and full-year unaudited financial results in January 2021.
- In fiscal year 2020, the Corporation announced consolidated revenue of NT\$186,927,647 thousand, and profit after tax NT\$8,609,657 thousand, showing **a drastic increase by 39.56% year-over-year**. The basic earnings per share (EPS) was NTD 49.25, and return on equity (ROE) was 38.49%.
- In 2020, dividend payout ratio was **63.15%**.
- In 2020, **the proportion of electronic voting in the regular shareholders' meeting accounted for 89.21% of the shares attended**. The proportion of electronic voting has increased year by year.
- To enable investors to have the right to fully inquire and understand financial business and other information, and to effectively evaluate the true value of the Corporation, the Corporation has been invited to participate 12 domestic and international investor conferences in 2020.



Banks

Corresponding Chapters

Sustainable Governance
Sustainable Environment

Engagement Channels / Frequency

Annual Report/Financial Report/
Sustainability Report / Regular
Cooperative Visiting Meetings /
Variable
MOPS / Variable
Corporation Website / Permanent

Issues Concerned

- Ethical Management
- Corporate Governance
- Economic Performance
- Risk Management
- Legal Compliance Status
- ESG Performance

Key Results of Engagement in 2020

- In 2020, the Corporate Sustainability Committee was set up for the sound management of corporate social responsibilities, **formulation of Carbon Reduction targets and report of renewable energy use plans to the Board of Directors, showing Wiwynn's determination on Carbon Reduction issues**, and promoting corporate investment development and environmental sustainability to form a virtuous circle.



Society

Corresponding Chapters

Diverse and Inclusive Society

Engagement Channels / Frequency

Sustainability Report / Regular
Project cooperation and visits / Variable
Employee relationship and Employee
Welfare Committee contact person /
Permanent
Corporation website / Permanent

Issues Concerned

- Charity promotion
- Local participation
- Industry-academia cooperation

Key Results of Engagement in 2020

- Participated in charity scheme in 2020 and donated more than **1000** magazine and monthly journal; it benefited **100** elementary schools in the remote area and more than **1000** students.
- Cooperated with 2 charity organizations to **purchase 2000 public goods**.
- Participated in 2020 "Charitable Picnic Party" charity fair held at Southern Taiwan Science Park, with all the proceeds donated to charity, **giving back to and co-prospering with the local communities**.
- We support the government in promotion of "Digital Youth Transformation Seed Empowerment Program". Through internship projects, we provide students with a stage for learning and growth, and assist outstanding interns to bridge their skills to work.

Creation of Wiyynn's Sustainable Values

2019 2020

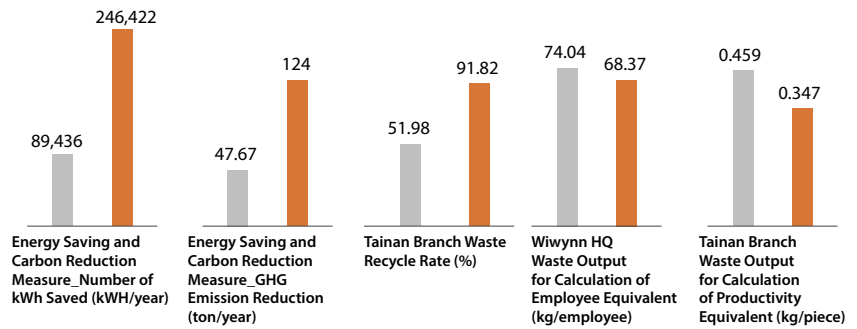
Environment

Passed ISO14001 third-party continuing review, with 0 major defect.



Since 2021, electricity consumption in Wiyynn HQ has contained 10% green electricity.

Carbon reduction goals were set, taking 2020 as benchmark year.



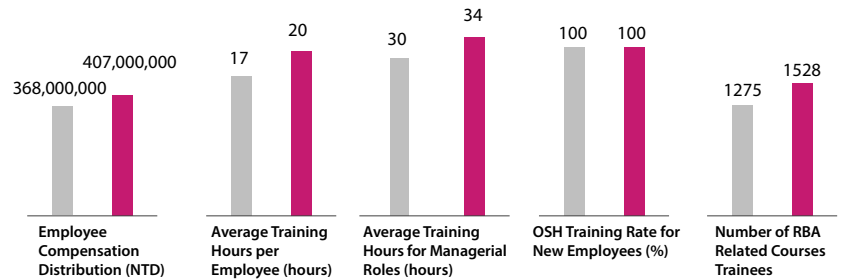
Society

An extra 4-day Vitality Holiday has been offered annually since 2017.



45 health advocacy events and more than 20 health promotion events.

Total amount spent on educational training reached NT\$13,015,228.



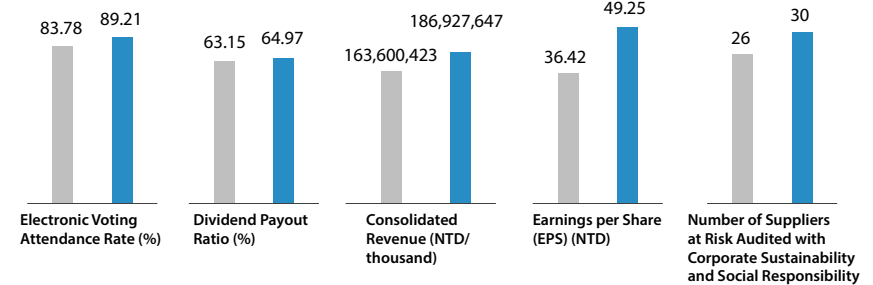
Governance, Finance

9 directors, including 4 independent directors.



In January 2021, we instantly announced our 2020 unaudited financial results.

The Board of Directors also include a female Vice Chairman, with female director accounting for 22% of all directors.



Implementation of UN Sustainable Development Goals (SDGs)



- Equal learning and development opportunities, a friendly workplace with diversity and inclusiveness
- Taking care of health of Wiyynn employees' and guarding workplace safety



- Deeply rooting the corporate integrity DNA of equality, honesty, trustworthiness and transparency as corporate mission
- Establishing a corporate culture of ethics and integrity, and co-prosperity with society



- Sustainable development to fulfill circular economy
- Promoting the realization of climate change solutions, responding to risks, seizing opportunities, and building operational resilience



- Realizing cross-generational product application with innovative technology
- Practicing sustainable product design with integrated R&D technology

4 QUALITY EDUCATION



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Job Rotation Polymath Development

- On-the-job trainings were fulfilled to enable employees to wield their strengths. Job rotations were arranged according to personal wishes to enhance job skills and induce internal talent flow. In 2020, there were 31 internal transfer applications, including 8 cross-field transfers.

Global View and Competitiveness Cultivation

- In 2020, a total of 10 language courses were held, 4 English short videos were launched, gaining 667 views. Two English examinations were held annually, with 319 participants in 2020. A total of 670 employees among all employees passed the Wiwynn English standard, and 167 out of the 670 employees were certified as having the English proficiency equivalent to a TOEIC score at 800 or above.

Seven Training Systems and Electronic Learning Platform

- In 2020, the average training hours for each employee was 20 hours, and the average cost on training each employee exceeds NT\$7500.

Sustainable Education Opening the Window to Knowledge

- We started to participate in the charity scheme from April in 2020. We donated "Future Children Monthly" to 100 elementary schools in the remote area all over Taiwan to cultivate children's interests in reading and learning and open up the window for knowledge in order to offer children a better future.

Diverse and Inclusive Society

- Human Capital Development
- Special: Seeking Common Goods with the Society

7 AFFORDABLE AND CLEAN ENERGY



Ensure access to affordable, reliable, sustainable and modern energy for all.

Enhancing Energy Efficiency of Products

- Wiwynn products have introduced innovation technology featuring the use of phase change process of liquid to gas for heat absorption. Compared with the general air-cooling that has a pPUE value at 1.4, a high-efficiency heat dissipation and high energy saving effect (low pPUE value 1.03) can be achieved.
- Products have been introduced with high-efficiency power conversion of 48V to 12V as energy-saving design.

Use of Renewable Energy

- Wiwynn is the first company in the information service industry to adapt green electricity. Since 2021, green electricity has accounted for 10% of overall energy use at Wiwynn HQ.

Sustainable Innovation

- Sustainable Products

Sustainable Environment

- Climate Change Strategies and Energy Management

5 GENDER EQUALITY



Achieve gender equality and empower all women and girls.

Equal and Diverse Human Resources Policies

- In 2020, the ratio of male to female employees was 6:4, among which 24% of female employees take managerial roles. Every female employee has a fair promotion opportunity and a good career development.
- Wiwynn guarantees gender equality in right-to-work, and there is no violation against Act of Gender Equality in Employment in 2020.

A Salary and Compensation System with Equality

- The identical salary system is applicable to male and female employees, without disparity due to gender.

Diverse and Inclusive Society

- Talent Attraction and Retention

8 DECENT WORK AND ECONOMIC GROWTH



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Caring for the Underprivileged Groups and Providing Job Opportunities

- In 2020, 11 people with disabilities were employed, up 51.14% compared to 2019. Wiwynn will continue in provision of employment resources assisting people with disabilities in entering workplaces smoothly.

Industry-Academia Cooperation Connecting to Workplace

- Wiwynn holds internship projects in collaboration with universities and colleges across Taiwan to provide a stage for students to learn and grow, and to assist outstanding interns to integrate into the workplace. In 2020, the retention rate of interns reached 22%.

Ban on Child Labor Human Rights Management with Non-Forced Labor

- To effectively control the non-recruitment and non-support of child labor, to prohibit illegal or inhumane disciplinary measures and forced labor on employees, "Ban on Child Labor and Misuse Remediation Management Procedures" and "Anti-disciplinary, Forced Labor, and Prison Labor Management Procedures" have been promulgated for compliance.
- In 2020, there was no misuse of child labor, and no violation of the Labor Standard Act.

Maternal Health Management

- In 2020, a total of 36 employees were listed as objects of maternity health protection, 10 of them have been, as advised by the doctor, to request the manager to coordinate in re-adjustment of their working hours or locations. Through employee interviews for understanding their needs, we set up maternity motorcycles parking spaces, and with both consultation and improvement rates reaching 100%.

Promoting Working Environment Safety

- Through hazard information and safety code education training, the contractors' awareness of safety protection has been enhanced. In 2020, 360 people were trained, and the training hours reached 360 hours.
- To maintain the validity of employee professional licenses through education training, along with strict requirements that related operations such as ionizing radiation operations are prohibited before the training is completed to maintain employee workplace safety.
- In 2020, rate of occupational hazard per thousand employees was 2.144, FSI was 0.04, rate of occupational illness was at 0, etc., all are under effective control under target values and are superior to national industry averages.

Diverse and Inclusive Society

- Talent Attraction and Retention
- Employee Care and Human Rights Management
- Occupational Safety and Health
- Special: Seeking Common Goods with the Society

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.

Encouraging Innovation

- For continuous R&D of new products and new technologies featuring various optimized applications, the R&D expenditure in 2020 is NT\$2,179,233 thousand, up 51.12% from 2019.
- Invention patents account for 92% of the total patent types.

Sustainable Innovation

- Innovations in Products, Services and R&D
- Intellectual Property Rights

13 CLIMATE ACTION

Take urgent action to combat climate change and its impacts.

Climate Risks Adaptation Strategies

- To effectively respond to the influences and impact of climate change, short, medium and long-term action plans were stipulated in 2020, including establishing emission data as a management basis, working with the supply chain to identify opportunities for improvement in carbon reduction, increasing energy-saving solutions, enhancing renewable energy use, and evaluating energy diversity of sources, as well as continuous operation plan for specific assessment of climate disasters, etc.

Sustainable Environment

- Climate Change Strategies and Energy Management

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns.

Traceability Reduction and Management Fulfilling Circular Economy

- In compliance with Green Design Guide and Waste Electrical and Electronic Equipment Directive (WEEE), low-pollution, easily disassembled and recyclable environmentally-friendly design has been adopted for proper waste sorting in order to enhance recycling and reuse rate.
- The overall waste resource recycling rate achieved more than 86.61%, and it enhanced 32.81% compared to that in 2019. Wiyynn HQ and Tainan Branch Office calculated employee number equivalent and production capacity equivalent respectively by the output volume of the waste, and they both reduced in 7.7% and 24.4% compared to that in 2019.

Sustainable Environment

- Sustainable Products
- Waste Management

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Establishing a Just, Inclusive and Sustainable Corporate Culture

- Wiyynn, with education training, anti-corruption advocacy and internal and external whistleblowing system, join hands with suppliers to state integrity principles and establish Wiyynn's high morality culture. In 2020, there was no event concerning violation to integrity and ethics or involvement in corruption.
- Effectively fulfill workers' communication and participation, and the Occupational Safety and Health Committee's labor representative attendance ratio is over 33%.
- The members of each Employee Relationship Promotion Committee are selected by representatives recommended by all employees. In 2020, there are 6 employee representatives in total, promoting healthy communication and harmony within the organization.
- For the recruitment and employment process (e.g. training, salary, promotion, dismissal or retirement, etc.), no discriminatory behavior due to differences in employee conditions is allowed, and the "Anti-Discrimination Management Procedure" is established to follow. In 2020, no employee complaint due to discrimination has been received.

Sustainable Governance

- Ethical Management

Diverse and Inclusive Society

- Occupational Safety and Health
- Employee Care and Human Rights Management

Sustainable Governance

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Materiality Performances

Corporate Governance

22% female directors
Ms. Emily Hong elected as Vice Chairman

Designation of Corporate
Governance Officer to deepen
corporate governance

General shareholders' meeting, E-voting attendance
reached 89%, up 5.43% compared to 2019

Ethical Management

Suppliers' signing of "Supplier Ethical
Management Letter" achieved 98%,
up 25% compared to 2019

Code of Conduct Training, a total of 1,981
employees were trained, with a total
of 738.75 training hours

No event of violation to integrity and
ethics or involvement in corruption

Economic Performance

Consolidated revenue reached
NT\$186.928 billion, increased
by 14.26% YoY

Profit after tax was NT\$8.61 billion,
increased by 0.8% YoY

EPS was NT\$49.25, higher than
NT\$36.42 in 2019

Risk Management

Establishment of Corporate Sustainability Committee
to manage sustainable risks

No event causing material loss or penalties
by competent authorities due to violation of
internal control systems.

Regulations and Voluntary Compliance

Conferred "Authorized
Economic Operator (AEO)
Certification"

No event of penalties for violations
of environmental protection laws

No legal action against anti-
competitive behavior, antitrust and
monopoly behavior

No event that violates
socioeconomic laws and
regulations

Supply Chain Management

CSR audits have been performed to 30
suppliers, with implementation and
improvement rates reaching 100%

The tin, tungsten, tantalum, and gold (3TG) minerals
used by suppliers surveyed by Wiwynn all come from
qualified smelters or refineries.

Short, Medium and Long-Term Material Topic

Goal Achieved : ● Goal Yet to be Achieved : ▲

	2020	2021	Medium and Long-Term
Corporate Governance	<ul style="list-style-type: none"> ● Results as evaluated by the Board of Directors and Functional Committees are "Exceeding Standards" (Over 90 Points) <p>2020 results as evaluated by the Board of Directors and Functional Committees are "Exceeding Standards" (Over 90 Points)</p>	<p>Results as evaluated by the Board of Directors and Functional Committees are "Exceeding Standards" (Over 90 Points)</p>	<p>Through continued cooperation with Corporate Governance Blueprint as stipulated by competent authorities, deepening of corporate governance is continued.</p>
Ethical Management	<ul style="list-style-type: none"> ● Continued request to suppliers on signing "Supplier Ethical Management Letter" <p>Suppliers signing "Supplier Ethical Management Letter", with a completion rate at 98%</p>	<ul style="list-style-type: none"> • Continued request to suppliers on signing "Supplier Ethical Management Letter" • Conducting education training and advocacy • Directors and senior management level submitting Ethical Management Policy Statement 	<p>Enhancing employees and suppliers' awareness of Wiwynn integrity policy and effecting transparent whistleblowing channels, application of incentive and punishment instruments as well as whistleblower protection mechanism to reduce employees' receipt of unjust enrichment or conduct with violation against integrity when performing duties.</p>
Economic Performance	<ul style="list-style-type: none"> ● Dividend payout ratio reaching more than 60% <p>2020 dividend payout ratio reached 63.15%</p>	<p>Dividend payout ratio reaching more than 60%</p>	<p>Adopting a stable dividend policy, continuously creating long-term investment values for incentive to shareholders.</p>
Taxation Management	<p>(Material topic added in 2021)</p>	<p>Supporting government's enterprise innovation, R&D, economic growth and other various taxation strategies</p>	<p>Complementing tax planning following the Corporation's operations goals.</p>
Risk Management	<ul style="list-style-type: none"> ● Risks identification and management are conducted depending on different management systems, along with grasp to amendments to laws and regulations and examination on various internal rules for lowering violation risks <p>No event causing material loss or penalties by competent authorities due to violation of internal control systems in 2020</p>	<p>Risks identification and management for lowering violation risks</p>	<p>Continuing evaluation on effects of risks monitoring and risk management strategies.</p>
Regulations and Voluntary Compliance	<ul style="list-style-type: none"> ● No event of material violation to laws and regulations (with fine exceeding NT\$1 million) ● Continuing update examination and compliance with environmental protection laws and regulations <p>No event of material violation against laws and regulations in 2020</p> <p>A laws and regulations audit register form is created through laws and regulations identification, with 18 applicable laws and regulations registered. We will continue in confirming internal operation procedure of its compliance with legal specifications to protect the environment and strike a balance with socioeconomic environment and condition changes.</p>	<p>No event of material violation to laws and regulations (with fine exceeding NT\$1 million)</p>	<p>No event of material violation against laws and regulations.</p>
Supply Chain Management	<ul style="list-style-type: none"> ● The goal of performing audits on corporate sustainability and social responsibility on 30 suppliers at risk was set. <p>In 2020, on-site audit was performed to 30 suppliers, with an implementation rate of 100%.</p>	<p>Audits on corporate sustainability and social responsibility on 33 suppliers at risk.</p>	<p>Constructing a complete suppliers management system, while supporting and encouraging suppliers to comply with RBA Code of Conduct.</p>

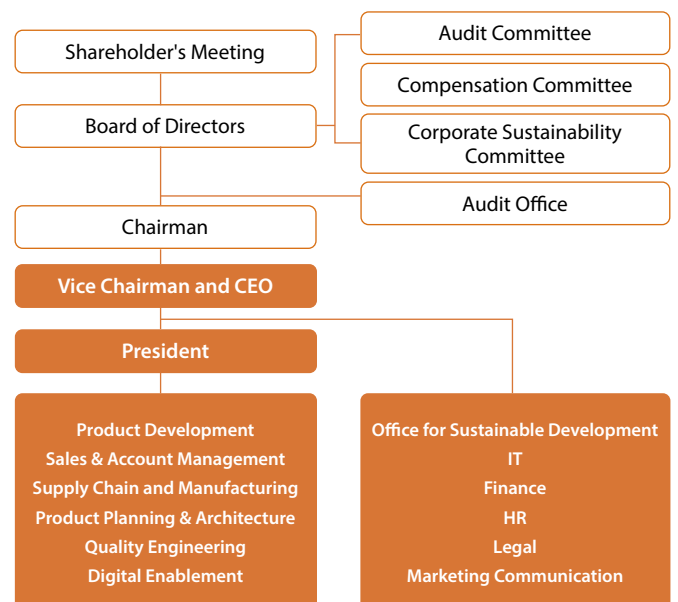
Corporate Governance

Wiwynn attains effective supervision mechanism in business management and operations through its sound corporate governance.

Policy	Protecting shareholders' rights, strengthening legal capacity of the Board of Directors, effecting the function of the Audit Committee, respecting stakeholders' rights, and enhancing information transparency
Commitment	
Resources	Corporate Governance Officer, Compensation Committee, and Audit Committee are established
Grievance mechanism	On Wiwynn official website, the "Stakeholders" section contains communication channels for stakeholders, employee, suppliers, customers and shareholders.
Evaluation mechanism	Taiwan Stock Exchange Corporate Governance Evaluation, internal audit, Competent Authorities supervision and irregular audits

Wiwynn's Board of Directors is the highest governance unit in the Corporation, with main duties of exercising supervision, executive decision-making and strengthening management. The Board of Directors has an Audit Committee and a Compensation Committee to assist the Board of Directors in making decisions. The Board of Directors meetings are held at least once every quarter, with 5 meetings held in 2020.

Wiwynn's Corporate Governance Structure



Board of Directors Members

Wiwynn adopts a candidate nomination system in accordance with its Articles of Incorporation. In addition, shareholders holding more than 1% of the total issued shares of the Corporation can also take part in the nomination process of candidates, followed by election by shareholders from the list of candidates announced by the Corporation. The term of a director is three years and is eligible for re-election.

To diversify the members of the Board of Directors, the Corporation conducted an overall re-election at the regular shareholders' meeting in 2020, including directors with legal expertise, rich industry experience, and years of management experience to strengthen the Board of Directors function, while the independence of the independent director meets requirements of applicable laws and regulations. The current Board of Directors has 9 directors (including 4 independent directors), of which female directors account for 22% of all directors. On June 15, 2020, Board of Directors elected Ms. Emily Hong as the Vice Chairman.

Board of Directors Members					
Name	Gender	Age			Roles
		Under 40	41-60	Over 61	
Simon Lin	Male			v	Chairman / Wistron Corporation Representative
Emily Hong	Female			v	Vice Chairman / CEO
Frank Lin	Male			v	Director / Wistron Corporation Representative
Sunlai Chang	Male			v	Director / President
Steven Lu	Male		v		Director / Senior Vice President
Charles Kao	Male			v	Independent Director / Audit Committee Member / Compensation Committee Convener
Simon Dzeng	Male			v	Independent Director / Audit Committee Convener
Cathy Han	Female		v		Independent Director / Audit Committee Member / Compensation Committee Member / Corporate Sustainability Committee Member
Victor Cheng	Male			v	Independent Director / Audit Committee Member / Compensation Committee Member

Note: Concerning detailed academic background, job experiences, concurrent roles at other companies of the Board of Directors members have been disclosed at Wiwynn official website (<https://www.wiwynn.com/investors/corporate-governance#BoardofDirectors>) or Annual Report.

Training and Education of Directors

For the enhancement of director's professional knowledge, legal literacy, and excellent decision-making ability to effectively fulfill the corporate governance, we have arranged the director's training for continued enrichment of the new knowledge in accordance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies". In 2020, each director had more than 6 hours of training hours.

Course Name	Total Hours of Education (hours)
Analyses on Top 10 Global Risks	24
Latest Domestic Insider Trading Practice Development and Countermeasures by Enterprises	24
Legal Liabilities of Directors and Supervisors upon Enterprise M&As	3
Corresponding Strategies for Company Changes	3
Global Anti-Tax Avoidance Waves and Enterprise Correspondences	3
Way of Precise Decisions upon Landing of Crises	3
Total	60

Note: Total Training Hours = Number of Trainees*Training Hours

Functional Committees

Through the establishment of the functional committee, the Board of Directors' responsibilities are divided into a great division, and the Board of Directors is assisted in decision-making with an independent and transcendent standpoint.

	Audit Committee	Compensation Committee
Foundation	In the special shareholders' meeting held on January 17, 2018, it was adopted that the Audit Committee was established, along with change of supervisor to Audit Committee system.	Compensation Committee was established on October 30, 2017.
Members	Convener: Independent Director Simon Dzeng Member: Independent Director Charles Kao Member: Independent Director Cathy Han Member: Independent Director Victor Cheng	Convener: Independent Director Charles Kao Member: Independent Director Cathy Han Member: Independent Director Victor Cheng
Practices	At least one meeting will be held quarterly, and a total of 5 meetings were held in 2020. Please refer to Annual Report and MOPS for the attendance status of Audit Committee members. The internal audit manager, the accounting manager, and the certified accountant all attended the Audit Committee shall be present at the Audit Committee to report on internal audit, financial status and related legal update information.	At least 2 meetings will be held annually, and a total of 3 meetings were held in 2020. Please refer to the Annual Report and MOPS for the attendance status of the Compensation Committee members. The Chairman is invited to attend each meeting, but when a proposal concerns the personal interest of the Chairman, the Chairman shall be exempted from discussion. In lieu of his/her attendance, the director, relevant department managers of the Corporation, internal audit personnel, accountants, legal advisers or other personnel may be invited to attend the meeting and provide relevant information, as necessary.

Establishment Purposes

To supervise and establish risks control, including: the appropriate disclosure of the Corporation's financial statements, the election (dismissal) of the certified accountant and the independence and performance, the effective implementation of the Corporation's internal control, the Corporation's compliance with relevant laws and regulations, the Corporation's existence or potential risks control etc.

Setting and regularly reviewing the compensation policy of the Corporation's director and manager, and appropriately combine it with the Corporation's business performance and operations goals, so as to attract and retain high-quality talents and enhance the competitiveness of the Corporation.
 The procedure for the Corporation's director and manager to determine the remuneration is based on the "Regulations Governing the Compensation System, Structure, and Business Performance Evaluation of Directors and Managerial Officers" as the evaluation basis. The director's compensation considers the authority of the individual director, the number of attendance and other factors. The compensation of President and Vice President are approved by performance evaluation, based on the operations performance of the management team and the target achievement rate, as well as the level of inter-industry payment, considering the position, responsibilities and future risks related to reasonableness.
 Relevant performance evaluation and compensation reasonableness are implemented after the approval of the Corporation's Compensation Committee and Board of Directors, and the remuneration system is reviewed at any time according to the actual operating conditions and relevant laws and regulations, in order to achieve a balance between the Corporation's sustainable operations and risks control.

Effective Performance of Capabilities, and Disclosure of Information Under Transparency.

To avoid conflicts of interest and effectively perform the functions of the Board of Directors, the Corporation has established the director or committee's interest in meeting matters in the "Rules and Procedures of Board of Directors", "Audit Committee Charter" and " Compensation Committee Charter." When a proposal concerns the personal interest of the directors or committee members, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the Company, the concerned person shall not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors' concurrent roles at another company, interest conflicts situation, and main shareholders and their relationships are disclosed in transparency in the Annual Report each year, and information of related parties in the financial report will be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports.

Corporate Governance Officer

In order to cooperate with competent authorities in promoting the Corporate Governance Blueprint for deepening corporate governance, on August 7, 2020, the Board of Directors adopted the establishment of the top director of the financial unit, Mr. Harry Chen, as the Corporate Governance Manager, who is responsible for relevant corporate governance affairs and assist the directors to perform business and supervision, while acting as a bridge between Board of Directors and various business units and competent authorities.

In 2020, Corporate Governance Officer completed 18 hours of courses for newly assigned managers, with details as follows:

Course Name	Total Training Hours
Analyses on Top 10 Global Risks	3
Latest Domestic Insider Trading Practice Development and Countermeasures by Enterprises	3
Relevant Specifications on Amendment Points and Common Defects throughout the Preparation of IFRS Financial Reports	3
Enhancing Financial Report Self-Preparation Ability: Internal Control, Internal Audit and Information Technology	3
Enterprise Common Corporate Governance Negligence and Relevant Laws and Regulations Analyses	3
Analyses on False Financial Report Cases and How to Perceive Financial Report Key Information	3
Total	18

Board of Directors and Functional Committee Performance Evaluation

As per Wiwynn "Regulations Governing Board of Directors Performance Evaluation", the Board of Directors (including functional committees) shall perform one performance evaluation annually. The performance evaluation of the Corporation's Board of Directors and functional committees are handled by the execution units respectively, and questionnaires are developed based on the evaluation indices, which are divided into director members, functional committee self-evaluation, and the Board of Directors, functional committee internal self-evaluation of the execution units. Finally, according to the score of each index, record the evaluate results, and make suggestions and improvements based on the evaluate results to establish the functional objectives of Board of Directors and deepen the effectiveness of the Board of Directors.

2020 Board of Directors and Functional Committee Performance Evaluation Results

In case the Board of Directors and functional committee performance evaluation has a score of 90 or over, the performance evaluation result will be "Exceeding Standards"; where the score is 80 or over but below 90, the performance evaluation result will be "Meeting Standards"; where the score is below 80, the performance evaluation result will be "Needs Improvement".

- Board of Directors Performance Evaluation Result: **Exceeding Standards**
Goal for Strengthening in 2021: enhancing directors' participation in operations
- Audit Committee Performance Evaluation Result: **Exceeding Standards**
- Compensation Committee Performance Evaluation Result: **Exceeding Standards**

Ethical Management

Wiwynn engages in operations with the highest ethical standards, and takes integrity as well as ethical values into the Corporation's management strategies, so that integrity DNA takes root within the Corporation, having co-prosperity with the society showcasing the mission of us as a premium enterprise.

Policy	Realization of the orders from higher hierarchy, parallel effecting from the internal and the external, and actively prevent any non-integrity conducts.
Commitment	Establishing the corporate culture of ethical management by business dealings under the principles of fairness, honesty, integrity and transparency.
Resources	The Human Resources unit is the execution unit of ethical management, which is responsible for the formulation and promotion of the responsible ethical management policy and prevention plans.
Grievance mechanism	<ul style="list-style-type: none"> Developing internal and external whistleblowing channels and procedures, which is formulated in the relevant regulations of ethical management and disclosed on the Wiwynn official website. The Corporation has announced on the internal portal the private line telephone and mailbox for whistleblowing upon violations against integrity. Stakeholders can make grievances through the integrity and whistleblowing mailbox at ethic@wiwynn.com provided by the "Stakeholders" section of Wiwynn's official website
Evaluation mechanism	Regular (at least once a year) reporting to the Board of Directors, regular implementation of internal audit.

Integrity Principles	Fairness	Honesty	Integrity	Transparency
Integrity Code of Guidance and Guide of Conducts	Ethical Corporate Management Best Practice Principles	Procedures for Ethical Management and Guidelines for Conduct	Code of Ethical Conduct	

To fulfill the ethical management policy, the top manager of the Corporation's Human Resources unit formulates and supervises the implementation of the responsible ethical management policy and prevention plan. Through various specific actions, the core value of integrity is promoted in various specific actions and reported to the Board of Directors at least once annually. 2020 ethical management policy implementation status has been reported to the Board of Directors on January 19, 2021, which in 2020, there is no event of violation to integrity and ethics or involvement in corruption.

2020 Ethical Management Policy Implementation Status

Suppliers integrity policy	Suppliers are the important partners when Wiwynn implements code of ethics and legal regulation compliance. Through meetings and concrete actions, we deliver our belief in maintaining high code of ethics to our suppliers. Every year, we request our new suppliers to sign "Supplier Ethical Management Letter" to promise that they will never carry out direct or indirect behaviors related to offering, bribe, improper gifts, treat, and other improper transfer of benefits to the employees or their relatives in our company. In 2020, we have issued 357 copies of "Supplier Ethical Management Letter" and 351 valid copies were returned with an achievement rate of 98 %																
Education training	<p>In order to ensure that employees fully understand the relevant specifications, the Corporation implements Code of Ethical Conduct education training for new employees. In 2020, with a total of 932 new employees, of which 925 have completed the Code of Ethical Conduct education training. The achievement rate is 99%.</p> <p>Code of Ethical Conduct education training statistics for new employees of the Corporation in 2020</p> <table border="1"> <thead> <tr> <th>Unit: Person</th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Wiwynn HQ</td> <td>179</td> <td>115</td> <td>294</td> </tr> <tr> <td>Tainan Branch</td> <td>332</td> <td>299</td> <td>631</td> </tr> <tr> <td>Total</td> <td>511</td> <td>414</td> <td>925</td> </tr> </tbody> </table> <p>In addition, we also conducted ethical education training for all employees through online courses in 2020. The number of trainees was 1,981 and the training hours were 738.75 hours.</p>	Unit: Person	Male	Female	Total	Wiwynn HQ	179	115	294	Tainan Branch	332	299	631	Total	511	414	925
Unit: Person	Male	Female	Total														
Wiwynn HQ	179	115	294														
Tainan Branch	332	299	631														
Total	511	414	925														
Anti-corruption advocacy	In order to maintain the highest standards of ethical conduct, any form of bribery is forbidden. Prior the three holidays of January 6, June 17, and September 11, 2020, the Corporation reiterated the regulations concerning the acceptance of gifts to all the employees via internal mail and employee information portals.																
Anti-corruption, Anti-bribery whistleblowing system	<p>Internal whistleblowing channels:</p> <ul style="list-style-type: none"> The Corporation has published "anti-corruption and anti-bribery" whistleblowing telephone number and website information on the Corporation's TV walls since August 2, 2018. All employees are obliged to report to the Corporation through appropriate channels. The Corporation also provides whistleblower protection to employees who report or cooperate with investigation. This protects employees from unfair retribution or treatment. "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct" has been published at the employee information portal of the Corporation since August 28, 2018. <p>External Whistleblowing channels:</p> <ul style="list-style-type: none"> The Corporation has published the integrity and business conducts ethics whistleblowing mailbox at ethic@wiwynn.com at the "Stakeholders' Section" on the official website. <p>The Corporation did not receive any whistleblowing report in 2020.</p>																
Amendments to integrity articles	The Corporation has published "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conduct" after approved by the Board of Directors. On March 20, 2020, after the Board of Directors approved the amendment to "Procedures for Ethical Management and Guidelines for Conduct", the amended regulation is announced on the employee portal to deepen employees' awareness of related issues.																
RBA risks evaluation results	In 2020, Wiwynn HQ and Tainan Branch conducted society, environment and ethics, and corruption risks evaluation based on the RBA Responsible Business Alliance's self-evaluate questionnaire (SAQ). After the evaluation, there are no major risks. We will continue implementation on risks mitigations and effective controlling of potential risks.																

Whistleblowing System and Protection Measures

The Corporation drafted relevant regulations such as Code of Ethical Conduct and Ethical Corporate Management Best Practice Principles, clearly defined specific whistleblowing system and case acceptance procedures, established grievance mailboxes and dedicated telephone lines for violations of ethics and integrity, and received internal and external grievances through a smooth whistleblowing system. The acceptance procedures are properly recorded and tracked in accordance with the specifications. For well-intentioned whistleblowing or participation investigators, the Corporation has separately established a "whistleblowing person protection and anti-retaliation management procedure", and the commitment takes appropriate protection measures to avoid suffering as a result of the whistleblowing incident improper handling or avoiding retaliation.

Economic Performance

Wiwynn is committed to creating the value for value-adding of the Corporation and sharing it with society, the environment and our stakeholders, forming a positive cycle.

Policy	Stipulating operations plans for dedicated achievement of operations goals, while creating an enterprise value-added value sustainable management
Commitment	
Resources	Management team with enriched practical experiences and professional backgrounds
Grievance mechanism	"Stakeholders' Section" on Wiwynn's official website provides stakeholders including employees, suppliers, customers and shareholders a communications channel.
Evaluation mechanism	Various financial performances in annual financial reports

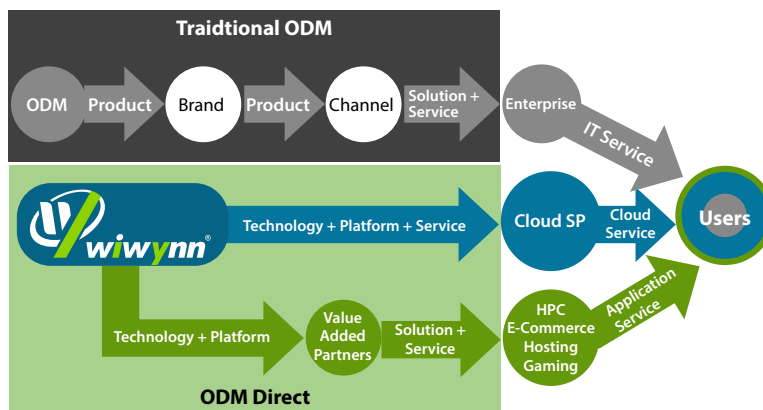
"As a cloud computing system integrator, Wiwynn maintains close communication and a good partnership with upstream and downstream partners in the supply chain. Management is vital from manufacturing, delivery to after-sales service."

Management Strategies

Wiwynn's innovative ODM-Direct business model quickly penetrates the market with features such as high flexibility. We provide superior scalability to optimize workload, and provide excellent performance, and deliver precise and rapid solution that meet the needs of the cloud data center industry.

The Corporation continues to develop high-efficiency and energy-saving power converters and cooling solutions, providing new products and technologies optimized for various workloads in hyperscale data centers, enabling data centers to have the best total cost of ownership. The Corporation is working closely with key technology partners and world-class software companies to quickly introduce the latest technology to meet the rapidly growing market demand. The Corporation is also strengthening the operational capability of delivery products around the world, providing comprehensive after-sales services, and maintaining a good relationship of trust with customers.

In addition, the Corporation is also actively involved in the development of network functions virtualization infrastructure (NFVI)-related cooperation, expecting to extend the server product to a wider range of application fields. The Corporation continues to cooperate with the network community, telecom companies, equipment manufacturers, and cooperate with third-party service developers to provide open or optimized solutions to partners or customers to accelerate their development, deployment or network upgrade time.



Financial Performance

In fiscal year 2020, the consolidated revenue of the Corporation was NT\$186,927,647 thousand, increased by 14.26% year-over-year due to strong customer demand. Profit after tax was NT\$8,609,657 thousand, showing a drastic increase by 39.56%. Profit after tax margin increased by 0.83ppt to 4.61%. The basic earnings per share (EPS) was NT\$49.25, and return on equity (ROE) was 38.49%.

Looking back on 2020, under the severe global pandemic, the Company demonstrated high integration capabilities, fulfilled customers' needs, and once again achieved record high operating results. Looking forward to 2021, the demand of data center industry is growing continuously. The Company is optimistic about the demand for 5G, edge computing, and information and communication products, which will help to accelerate future growth momentum. The Company also continuously strengthen corporate governance, enhance transparency and timeliness of information, and commit to sustainable corporate development.

Unit: NT\$ thousand

Items	Financial Performance in the Recent Two Years	
	2019	2020
Operating revenue	163,600,423	186,927,647
Operating costs	152,251,871	171,626,518
Gross profit	11,348,552	15,301,129
Operating expenses	3,188,474	4,059,275
Operating profit	8,160,078	11,241,854
Income before tax	7,758,270	10,887,419
Income tax expense	1,589,016	2,277,762
Net income	6,169,254	8,609,657
Retained earnings	9,602,400	14,186,029
Personnel expenses	1,805,409	2,256,767
Employee bonus	407,000	571,500

Items	Financial Performance in the Recent Two Years	
	2019	2020
Cash dividends	4,021,131	5,594,905
Stock dividends	-	-
Payments made to the government	96,149	138,712
Community investments	17,050(Note)	51,628

Note: Correction of figure in the 2019 Sustainability Report.

Items	Profitability in the Recent Two Years	
	2019	2020
Gross profit margin (%)	6.94	8.19
Net profit margin (%)	3.77	4.61
Pre-tax income to paid-in capital ratio (%)	444.25	622.70
Return on assets (%)	16.84	17.21
Return on equity (%)	39.81	38.49
Earnings per Share (NT\$)	36.42	49.25

Financial Subsidies

Since the establishment of Wiwynn Corporation, we wok actively in cultivating R&D talents, creating R&D capacity to enhance our industrial competitiveness, and supporting the policy of industrial innovation promoted by the government. The records of government subsidy awarded in Taiwan in the past years are as below:

Unit: NT\$ thousand

Year	Subsidy Item	Amount
2018	Deduction in investments	40,000

Note: Other annual figures are under review.

Taxation Management

Wiwynn fulfills the social responsibility of taxpayers, supports various government taxation strategies that help industry development, and achieves corporate sustainability with sound tax planning.

Policy	Legal compliance, information disclosure, risk management, integrity communications
Commitment	Honest taxation without aggressive tax planning
Resources	Furnishing dedicated tax personnel and external professional consultants
Grievance mechanism	Financial unit responsible for handling taxation advice or disputes
Evaluation mechanism	CPA audit, tax authorities audit


Wiwynn supports the government to promote various taxation strategies such as corporate innovation, research development and economic growth, fulfills the social responsibility of taxation obligations, and pursues sustainable development with tax planning in accordance with the Corporation's operational goals. To improve tax planning, "legal compliance, information disclosure, risk management, and integrity communications" tax strategies are formulated to fulfill tax governance and enhance corporate value.

"Legal compliance"- complying the local tax laws of various countries in tax filing and payments.

"Information disclosure"- tax disclosure is handled in accordance with relevant regulations and guidelines.

"Risk management"- cautiously evaluating tax risks and countermeasures.

"Integrity communications"- establishing mutual trust and integral communication with tax authorities.



» Tax law compliance and transparent disclosure of information

- When interpreting tax laws and regulations, consider the literal meaning and legislative intent at the same time to comply with local tax laws and Disclosure requirements, declare and pay taxes within the prescribed time limits, and fulfill the social responsibility of the taxpayer.
- Adopting a legal and transparent tax preferential policy without enjoying deductions or exemptions in a way that violates laws and regulations.
- The transaction of related parties complies with the transfer pricing regulations and conventional transaction principles of the relevant national tax laws.
- Disclosing tax information in financial statements in accordance with regulations to ensure information transparency.

» Tax Governance and Risk Management

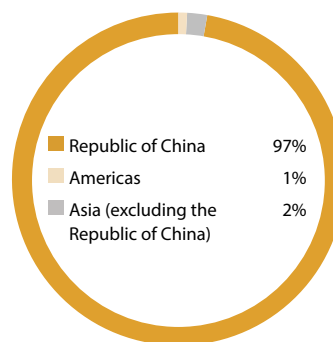
- Important decisions are to consider the impact of tax, and the approval level is raised to the top manager of the Corporation. The Corporation has established a dedicated tax officer. The top manager of the financial unit responsible supervises related tax operations and tax risk management, and reports the relevant tax implementation status to the CEO and ensure the effective operation of taxation management mechanism.
- Tax planning in consideration of business operations, including social responsibility and reputation of the Group, risks control and sustainable values in various countries.
- Timely consult external professional advisors and obtain tax advice when facing tax risks under significant uncertainty and high complexity.
- Do not conduct transactions for tax avoidance purposes only.
- Do not transfer profits to countries (low tax rate countries) on the list of non-cooperative tax jurisdiction and tax haven blacklist, defined by Organization for Economic Cooperation and Development (OECD) and the European Union (EU).
- Do not use related party transactions, nor set up subsidiaries in tax haven countries and other illegal methods, leaving the benefits in a low-tax area to reduce the tax liability.

» Tax integrity and benign communications

- Communicate all tax risks with the local competent authorities in an honest and professional manner, interpret tax laws and regulations, and maintain a good relationship with the local competent taxation authorities.
- In certain regions, we seek immediate communication and review with the local tax bureau according to the reporting period or execute a pre-pricing agreement.
- In case there are differences or disputes on taxation opinions with stakeholders, we will seek advice from third-party professional consultants or consult local tax authorities in a timely manner.

» **Wiwynn HQ is established in Taiwan. The estimated income tax expense is approximately NT\$2.2 billion, of which 97% of the income tax expense is attributable to the Republic of China government, contributing to the local tax revenue while providing employment opportunities, and promoting economic development.**

2020 Income Tax Contribution Proportion

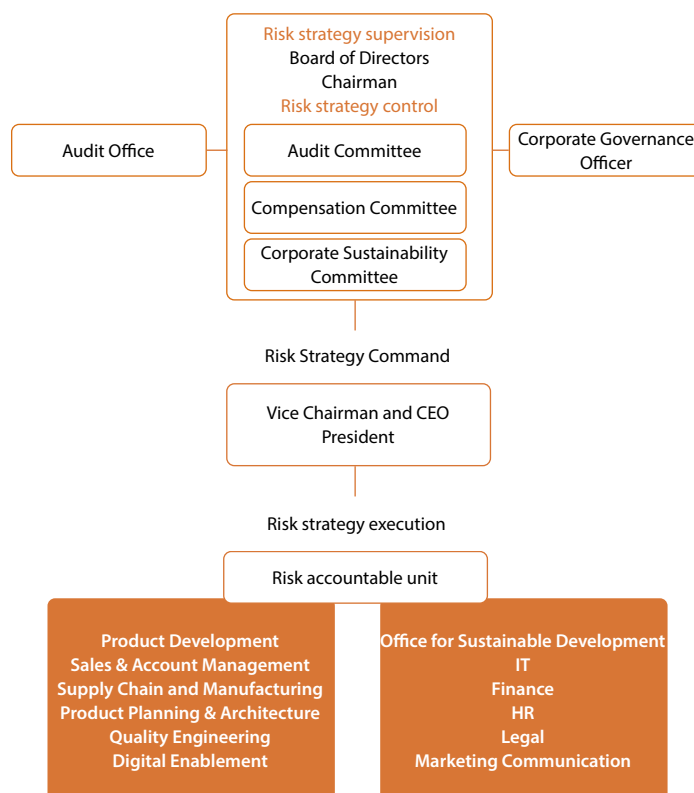


Risk Management

The relationship between corporate sustainability and risk management is inseparable. Wiwynn adopts an effective risk management mechanism to formulate better management strategies to maintain corporate resilience and achieve the goal of sustainable development.

Policy	Effectively integrate internal and external resources, adopt appropriate countermeasures to avoid or reduce any possible losses, and achieve the optimization of internal capital allocation.
Commitment	
Resources	All accountable units and functional committees implement risk management
Evaluation Mechanism	Internal and external audits

Risk Management Organization Structure



Board of Directors Chairman	Wiwynn's highest risk strategies supervision unit, in response to various operation risks, it formulates management methods and designates power and responsibility units. It is responsible for supervising the risk projects and implementation progress reported by the various functional committees and the management level, and improving the effectiveness of risk management.
Audit Committee	Establishes risks control management, including the proper expression of the Corporation's financial statements, the election (dismissal) and independence and performance of the CPA, the effectiveness of the Corporation's internal control policies and procedures, the Corporation's compliance with relevant laws and regulations, the control of the Corporation's existence or potential risks, etc.
Compensation Committee	Formulates and regularly reviews the compensation policy of the Corporation's director and managers, and appropriately combine it with the Corporation's business performance and operation goals, and review the remuneration system in a timely manner based on the actual operating conditions and related laws and regulations, in order to seek the Corporation's sustainable management and risks control balance.
Corporate Sustainability Committee	Responsible for sustainable risks identification and management. Through the use of the Materiality Matrix (Risk MAP) to evaluate the level of concern of stakeholders to various issues and the impact of each issue on economic, environmental, and social aspects, and adopt corresponding management strategies according to the level of significance to formulate management plans to mitigate the impact on the organization's operations. At least two meetings shall be held annually and reporting to the Board of Directors shall be at least once a year.
Corporate Governance Officer	Responsible for corporate governance related affairs and assist directors in executing their business to perform their supervisory and control functions.
Audit Office	Assists the Audit Committee to control the implementation of the internal control system and implement the supervision mechanism. Confirms the effectiveness and implementation of the internal control system, and assists in improving the organization's operations and enhancing the overall value through systematic methods.
Vice Chairman and CEO President	Formulate the Corporation's major business strategies and directions, set operational goals, control and review the implementation and performance of operation goals.
Management Level	Responsible for supervising and following risk management strategies, regularly controlling and evaluating the effectiveness of risk management implementation.

Wiwynn's Categories of Risks and Management Strategies

Category	Potential Risks Factors	Management Strategies
Operation interruption	<ul style="list-style-type: none"> Major infectious diseases Impact of Covid-19 and China–United States trade war on supply chain 	<ul style="list-style-type: none"> Preventing personnel from being infected with the risks of major statutory infectious diseases and ensure sufficient production manpower and normal operations of the factory. Regarding public health and accommodation for foreign employees, it has been incorporated into the environmental safety and health for continuous operation management plan for continuous supervision and management. Initiating three-stage countermeasures: supply chain investigation, introduction of alternative materials (plans), and supply chain relocation to "multiple regions" and "localization".
Financial	<p>Changes of interest rate and exchange rate</p> <p>Changes of exchange rate</p>	<ul style="list-style-type: none"> Monitoring changes on interest rate and take contingency measures at any time Maintaining good relations with banks to obtain preferential interest rates Timely evaluating all interest rate risks that may be encountered by interest-bearing liabilities, adjusting capital structure, etc. Appropriately retain the U.S. dollar portion of sales revenue to support U.S. dollar purchase expenditures to achieve natural hedging function Paying attention to the trend of exchange rate changes, conducting derivative financial product transactions, etc., and making appropriate hedging operations.
Inventory management	Inventory risk	<ul style="list-style-type: none"> Weekly production and sales management meetings are held to discuss and make immediate adjustments on customer needs, production, procurement and inventory. Asset management unit sets a monthly allowance for stagnant losses based on different warehouse types and storage ages in accordance with the Corporation's policy. The accounting department provides an appropriate allowance for falling price losses based on the inventory report in the system according to each inventory attribute and net realizable value on a quarterly basis.
Corporate governance	Corporate governance trends	<ul style="list-style-type: none"> Cooperating Corporate Governance Blueprint (Corporate Governance 3.0), and continue the improvement of corporate governance policy.
Legal compliance	Legal amendments	<ul style="list-style-type: none"> Keeping an eye on changes in domestic and international related laws, and updating relevant regulations and systems in accordance with applicable regulations. Implementing the identification mechanism of the laws and regulations and taking appropriate countermeasures.
Ethical management	Anti-corruption	<ul style="list-style-type: none"> Enhancing employees and suppliers' awareness of Wiwynn's integrity policy. Providing internal and external whistleblowing channels, incentives and punishment tool applications, and mechanism to protect whistleblowers.
Information security	Information security protection	<ul style="list-style-type: none"> Strengthening the operation of information security organization Continuing to strengthen information security awareness and advocacy and education Continuing various information security drills and audits, and obtaining external information security audits and certifications Strengthening information security protection and monitoring mechanism and software security
Intellectual property rights	Infringement or impairment of intellectual Property rights	<ul style="list-style-type: none"> Through the PDCA cycle management process, establishing the management mechanism of intellectual property rights and continue to improve. Designing appropriate education training for continued strengthening of employees' intellectual property protection concepts and risk awareness.
Climate change	Carbon reduction management	<ul style="list-style-type: none"> Setting carbon reduction goals and renewable energy use goals Drawing up six major action policies

Regulations and Voluntary Compliance

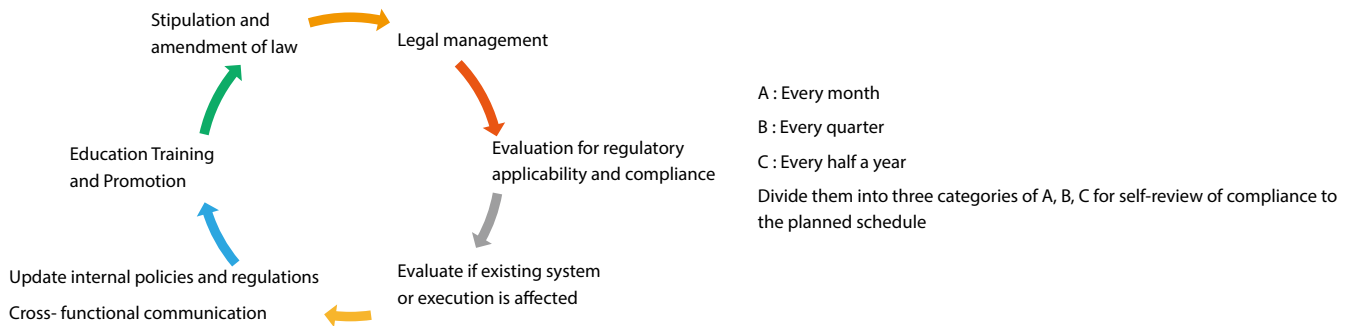
Wiwynn keeps the good reputation of the Corporation and deeply roots integrity and legal compliance culture.

Policy	Fully understand legal amendments and domestic and international supervision trends, fulfilling legal compliance
Commitment	
Resource	Legal compliance management procedure, Wiwynn's RBA Management Committee
Grievance mechanism	The Legal Department is responsible for management of legal compliance
Evaluation mechanism	Internal audit, competent authorities supervision and irregular audit

Wiwynn's Legal Compliance Policy:

- Each unit shall draft the applicable laws and regulations in accordance with the latest laws and regulations to be followed by the unit, including internal policies and regulations.
- All units shall conduct education training or publicize the laws and regulations in accordance with the current effective laws and regulations.
- All units shall abide by relevant laws and regulations when performing business. If there is any violation of laws and regulations, it will be punished and looked into the relevant liability in accordance with the Corporation's personnel regulations, and transferred to the Prosecutors office for investigation if necessary.

Legal Compliance Management Procedure



Wiwynn continues to pay attention on changes in domestic and international laws and regulations, revises relevant rules and regulations in a timely manner, continues to strengthen legal compliance management and deepens the Group's legal compliance culture, ensuring that all businesses comply with legal requirements. Legal compliance is also one of the key points of internal control. Every year, we perform legal compliance audit of all units, reviews the effectiveness of legal compliance implementation to fully understand the Group's compliance risks, countermeasures, and domestic and international supervision trends.

In addition to legal compliance, Wiwynn established the "Wiwynn RBA Management Committee" and issued the "Wiwynn Responsible Business Alliance Code of Conduct Commitment Letter", promising to cooperate and abide RBA Code of Conduct, supporting and encouraging the first-tier suppliers following the identical guidelines, and will do their best to employ RBA methods and tools appropriately in the spirit of meeting the common goals of the industry. Also, we have introduced QC 080000: 2017 (Hazardous Substance Process Management System), ISO 14001: 2015 (Environmental Management System), ISO 45001: 2018 (Occupational Safety and Health Management System), ISO 50001: 2018 (Energy Management System), etc. Through systematic management, we are committed to being environmentally friendly, reducing the environmental hazards of the waste treatment, reducing greenhouse gas emission, improving energy efficiency, providing human rights protection, and a healthy and safe working environment. In addition, Wiwynn passed the "Authorized Economic Operator (AEO) Certification" in 2020, demonstrating the strong attention to the security of the international cargo supply chain, and to maintain the security of the global supply chain as a corporate responsibility.

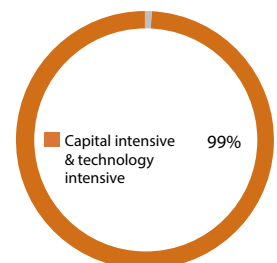
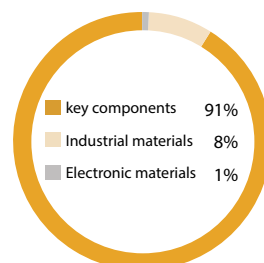
In 2020, Wiwynn has not received punishment due to violation against environmental protection regulations; there is no legal action for anti-competitive behavior, antitrust and monopoly behavior, and there is no violation of socioeconomic laws and regulations.

Supply Chain Management

Wiwynn works with suppliers to be responsible for the economic, environment and society to build the cornerstone of sustainable development in the supply chain.

Policy	Maintaining a long-term strategic alliance with suppliers, encouraging suppliers to fulfill their corporate social responsibility and build a sustainable supply chain in addition to their quality, technology and delivery capabilities.
Commitment	
Resource	<ul style="list-style-type: none"> • Developed a number of supply chain management procedures and formed the Supplier Evaluation Team • In order to comprehensively fulfill the supplier's corporate sustainability and social responsibility audit procedures, we assigned supplier quality management (SQM) representatives to participate in supplier audits
Grievance Mechanism	"Stakeholders' Section" on Wiwynn's official website provides communications channels for stakeholders including employees, suppliers, customers and shareholders.
Evaluation Mechanism	Suppliers performance rating system, Supplier Business Review (SBR), suppliers CSR audit

Wiwynn provides solutions for various products and systems of hyperscale data centers and cloud infrastructure. The main suppliers provide product materials, including key components, electronic materials and industrial materials. It is estimated that there are more than 200 raw materials suppliers, mainly in Taiwan, China, Japan, South Korea, the United States, Europe, with different types including manufacturers, agents and distributors, etc. The industry is characterized by capital-intensive and technology-intensive.



Note: Based on the ratio of purchasing amount that Wiwynn spent in 2020.

Supply Chain Management



Phase 1

New Supplier Evaluation

- International Verification: ISO 9001, ISO14001, etc.
- Signing of Code of Conduct Affidavit
- Initial Audit: Quality, engineering design, environmental protection, and employee health, safety and human rights

Phase 2

Supplier Risk Management

- Risk Survey: Management Risk Assessment, Survey on Material Risks
- Repositioning of global supply chain layout
- Annual supplier survey: Annual CSR Audit, Survey on disputed procurement

Phase 3

Supplier Performance Evaluation

- Supplier Performance Rating System: Quality, Service, Delivery, Cost
- Annual Supplier Performance Assessment: SBR (Supply Business Review) for focal parts Suppliers

Phase 4

Suppliers Corporate Sustainability and Social Responsibility Management

- Wiwynn, on basis of Responsible Business Alliance (RBA) Code of Conducts, formulates Wiwynn Responsible Supplier Code of Conducts
- Conveying sustainable ESG concepts irregularly, constructing supply chain of sustainability

01 New Suppliers Evaluation

At present, the "Supplier Evaluation Team" is formed by design, R&D, procurement, supplier quality management and other related units. New suppliers are evaluated in accordance with the supplier development and evaluation tasks of the "procurement management operation procedures", to evaluate quality, engineering design, environmental protection and social responsibility management and other items. New suppliers must comply with the ISO 9001, ISO 14001, IECQ QC 080000 and ISO 45001 verification systems, and sign the declaration of non-use of environmentally hazardous substances, RBA commitment and the declaration of non-use of conflict minerals. All suppliers except those designated by the customer, it is required to sign the environmental, labor safety, human rights and ethics binding documents, to ensure that suppliers comply with relevant regulations on issues such as environment, occupational safety and health or labor human rights.

02 Suppliers Risk Management

We conduct business risk evaluations for new suppliers, and focus on high-risk groups by regular and irregular investigations on their operations and financial status to avoid unannounced bankruptcies that affect shipments or cause disputes.

Supplier Management Risk Assessment



Supplier Survey on Material Risks

In addition, depending on the situation, major risk investigations will be conducted on suppliers. For special events such as shortage of materials caused by the impact of COVID-19 pandemic. We will conduct a comprehensive understanding of suppliers in relevant regions, investigate the resilience of suppliers, or communicate with suppliers on the appropriate contingency methods that allows Wiwynn to take the most appropriate preventive measures in the supply chain to avoid operational hazards that affect the rights and interests of influence stakeholders.



Annual Supplier Audit

CSR On-Site Examination

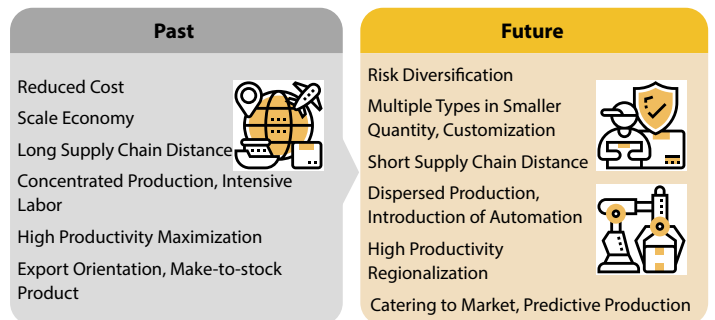
Based on the Responsible Business Alliance (RBA) Code of Conduct, Wiwynn has formulated the Wiwynn responsibility suppliers Code of Conducts, covering five major aspects: labor, health and safety, environment, business ethics, and management systems. Annually through risks evaluation guidelines, we have drafted risk suppliers from "ethical labor risks", "EHS process risks", "last year's audit performance", "media report disclosure", and "annual transaction quantity", and implemented supplier corporate sustainability and social responsibility audit plan.



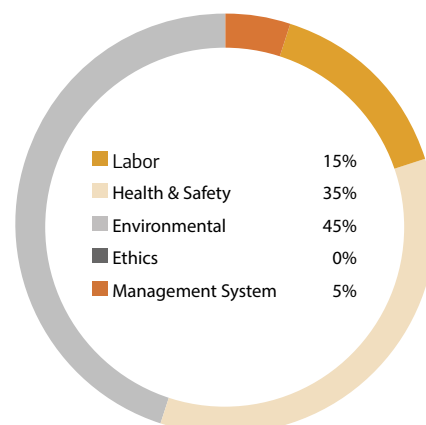
In 2020, we have conducted on-site examinations on 30 suppliers. In case there are unqualified suppliers or those who need improvement, they will be required to improve or disqualify suppliers within a time limit to ensure that all requirements can be fulfilled. The main defects in 2020 CSR audit are mainly in the dimensions of environment and occupational safety, and they account for 45% and 35% respectively. After communication and supervision, it has been fully improved.

Global Supply Chain Repositioning

In response to the COVID-19 pandemic and the China-United States trade conflict, Wiwynn has initiated a global supply chain reconfiguration in 2020, based on supply chain security and risk dispersion considerations. Promotion of "Multi-regional" and "localization" will become Wiwynn's main focus in future Supply Chain Management. It encourages key component suppliers to be able to "decentralize" the global and regional capacity layout and configuration, and through continued communications with customers, we hope to jointly promote more than 80% of the key component suppliers in the future to support the manufacturing site production strategy. Wiwynn upholds the strategy and spirit of local procurement and enhances the proportion of local procurement. Local manufacturers are preferentially selected in packaging material. At present, about 98% of the packaging materials used by production in Taiwan Region are purchased locally.



Auditing deficiency distribution



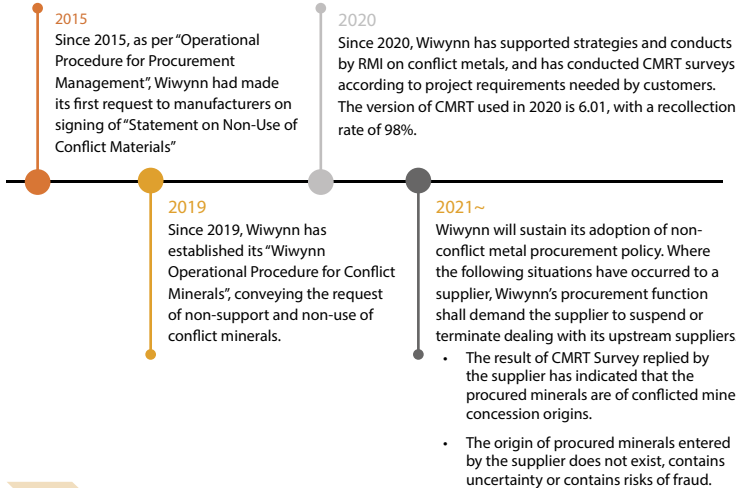
Deficiency and Improvement Status

Category	Item	Companies	Deficiency	Improvement Status
E	Environment	2	<ul style="list-style-type: none"> Garbage in the anti-leakage passage of the chemical warehouse has not been cleaned up in time The sewage drainage channel is blocked by garbage and has not been cleaned up in time Training materials for non-hazard substance protection 	We informed the deficiencies and requested improvements according to procedures. The relevant deficiencies have been improved after being confirmed by the auditors.
S	Health & Safety	6	<ul style="list-style-type: none"> Escape route signs are not placed Fire-fighting equipment has not been installed, and it is recommended to purchase equipment and maintain its effectiveness The first aid kit has no relevant use, inspection, and supplement records The chemical is not labeled, and it is recommended to establish a special zone for control management. The noise in the press shop exceeds the standard, and the operators do not have protective equipment. 	

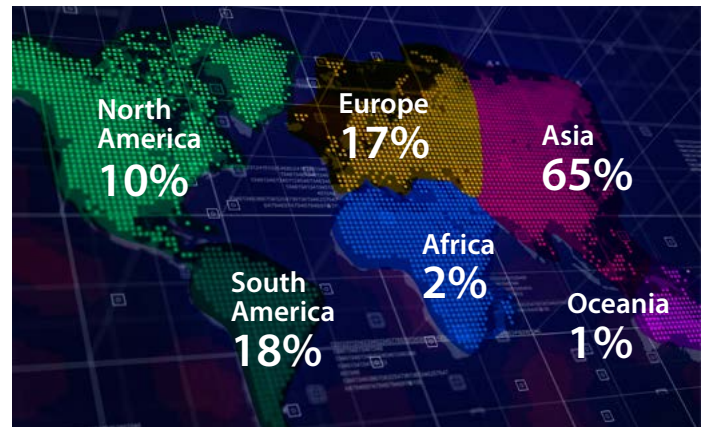
Disputed procurement

As a professional cloud server manufacturer, Wiyynn uses the "Wiyynn Conflict Minerals Operating Procedure" to convey to suppliers the requirements of not supporting and not using conflict minerals. The components of their products must not contain conflict minerals, and suppliers are required to sign the declaration of non-use of conflict minerals. At present, more than 100 companies have completed signing and strictly abide by this declaration. Supplier that violates this declaration will be immediately disqualified as Wiyynn's qualified supplier. In 2020, no suppliers have been disqualified due to violation.

History of Implementation on Conflict Minerals

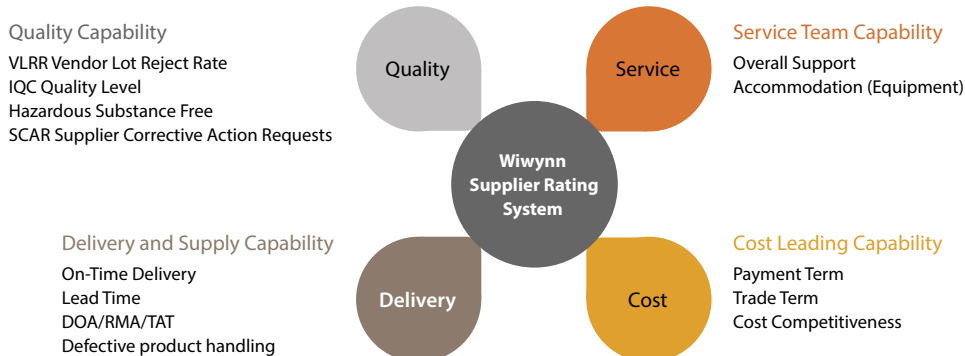


The distribution of qualified smelters and refineries based on the investigation of conflict minerals is as follows:



03 Suppliers Performance Evaluation

After becoming a Wiyynn qualified supplier, regular evaluation is still required. The evaluation result will be an important basis for the procurement strategy. After discussion of procurement and relevant departments, a list of key component strategic supplier is established, and scheduled to update semi-annually. Key component suppliers will formulate strategic manufacturers for each product line. Strategic manufacturers will be given priority to the use of their materials or increase the purchase quantity.



04 Suppliers Corporate Sustainability and Social Responsibility Management

Wiyynn regularly held Supplier Business Review (SBR) meetings with key component suppliers. In addition to quality, cost, technology, delivery, and service factors, it will continue to incorporate the integrity management, environmental protection, labor rights, and safety and health, etc. As an important basis for procurement department when considering order allocation and continuous cooperation, more resources will be given to suppliers with excellent performance. Wiyynn's influence will drive continuous improvement of the supply chain.

2020 implementation results:

- A total of 30 suppliers at risk underwent corporate sustainability and social responsibility audits in 2020, which are implemented in stages and on-site to the suppliers' manufacturing locations for on-site audits and confirmations. The audit results are all approved.
- We continue to promote the concept of corporate sustainability and social responsibility on the official website of Wiyynn.
- We continue to promote the concepts of corporate sustainability and social responsibility to existing and new suppliers from time to time.



Special: Pandemic Management

The coronavirus disease (COVID-19) has caused a global impact, aggravated the inequality of the rich and the poor and affected the harmony of the society, hindered global cooperation and the development of the world economy, and added unpredictable factors to all levels. Wiwynn demonstrated the business operations resilience during the pandemic, established good trust and partnerships with customers and supply chains, and continued to learn from the risk response during the epidemic to improve the ability to resist other risks.

Sufficient Operations Capital
 In 2020, Wiwynn issued NT\$5 billion unsecured ordinary corporate bonds, ensuring operations funds are adequate to support sufficient and stable inventory and maintain operational flexibility.

Supply Chain Care
 Establishing Customer Trust
 In order to avoid shortages in the supply chain, during the outbreak of the pandemic, we initiated supplier surveys for areas affected by the pandemic to care and confirm whether suppliers have affected their production capacity, utilization rate, resumption time, and logistics due to the impact of the pandemic, and provide appropriate assistance to reduce the pressure on the supply chain. If it is a high-risk material with a potential shortage crisis, we will urgently initiate the alternative materials (plans) or carry out the transfer of internal plant materials to reduce the risk of shortage crisis. During the pandemic, Wiwynn increased inventory and material preparation and maintained good communication with customers. Under the huge reduction of international logistics capacity, Wiwynn has made preparation in full to achieve the goal of shipment and to establish the trust with customers.

Protecting the Health and Safety of Employee
 In terms of employee care, Wiwynn HQ and the Tainan Plant established a "Epidemic Prevention command Center" on January 30, 2020, and launched the infectious disease emergency response procedures. They are committed to building workplace pandemic prevention measures and providing a safe and secure working environment for all domestic and international employees.

Unified "one" platform, "first" hand information
 For pandemic prevention information consistency, the Epidemic Prevention command Center will quickly issue pandemic prevention announcements through multiple channels such as the internal EIP system, email, TV wall and Wiwynn APP, so that employees can quickly receive the correct pandemic prevention information.



Healthcare education channels - pandemic prevention and healthcare education on the education training platform



In 2020, we established AVATAR compact mobile meeting rooms, providing safe and independent meeting spaces for our employees.

Sustainable Innovation

Innovations in Products, Services and R&D	30
Intellectual Property Rights	32
Customer Health and Safety	33
Customer Privacy and Information Security	33
Special: Digital Transformation	35

Materiality Performances

Innovations in Products, Services and R&D

R&D expenditure was **NT\$2,179,233**, increased by **51.12%** compared to 2019

Intellectual Property Rights

Invention patents accounted for **92%** of the total patent types

The number of patent certificates obtained in new technology **increased by 7%** compared to 2019

The number of patent proposals **increased by 5%** compared to 2019

The number of patents granted worldwide by the Corporation has **increased by 7%** compared to 2019

Customer Health and Safety

No receive any grievances from customers regarding safety and health

No violated health and safety laws and regulations

The number of grievances regarding customer health and safety was **0**

Customer Privacy and Information Security

Passed information security audits ISO 9001, AEO and customer verification

No grievances of infringement of customer privacy and loss of customer data have been received

No event of ransomware caused by phishing

A total of **6** information security advocacy events were held

Information security education training for all employees. **More than 900 employees were trained, and the training hours exceeded 720 hours**

The false click rate of phishing mails was 16.1%, **decreased by 5.4%** compared to 2019

Information system vulnerability scan and repair rate continues to **reach 100%**

The penetration rate of full-disk encryption of employees' computers and anti-virus software virus code update rate continue to **reach 100%**

2 information security drills were held

Short, Medium and Long-Term Material Topic

Goal Achieved : ● Goal Yet to be Achieved : ▲

	2020	2021	Medium and Long-Term
Innovations in Products, Services and R&D	<ul style="list-style-type: none"> ● Continuing to innovate in product integration performance (such as high-performance computing application) to provide more advanced and superior products <p>In 2020, we published several technology white papers and optimized the development process to continue to provide more advanced and excellent products</p>	<p>Actively participate in the development and cooperation of new generation platforms, develop edge computing servers for 5G, artificial intelligence computing (AI), high-density storage, liquid cooling technology, high-efficiency power supply technology (such as 48V), to provide the best solutions to customer</p>	<p>Continuing to maintain technological leadership and providing customers with comprehensive cloud application solutions</p>
Intellectual Property Rights	<ul style="list-style-type: none"> ▲ Amending incentive methods to encourage our employees in to actively make proposals <p>To make the incentives more effective in enhancing the number of patent proposals, different incentive mechanisms were developed and tested. It is expected that the results of the trial will be reviewed and the incentive methods will be released in 2021</p> <ul style="list-style-type: none"> ● While encouraging the “quantity” of patent proposals, at the same time, we also strengthen the “quality” of patents. The invention type of patents should reach more than 90% of the Corporation’s total patents <p>Invention patents account for 92%</p>	<ul style="list-style-type: none"> • The funds invested in the application and maintenance of official patent cases shall not be less than 0.5% of the independent research and development funds • Drafted Wiwynn intellectual property management measures • Obtained TIPS patent and trademark certification • All employee participated in the introductory intellectual property rights training courses and tracked the effectiveness of training in combination with pre- and post-class tests 	<p>In addition to the continuous increase in valid patents every year, the Taiwan Intellectual Property Management System (TIPS) is introduced in order to use intellectual property more effectively, promote the integration of core patent technology, and reflect the higher value of intellectual property rights through investment and authorization</p>
Customer Health and Safety	<ul style="list-style-type: none"> ● Continuous innovation in stable product quality (stability and yield enhancement under more severe environments), ease of operations and safety (to avoid occupational injuries in product operations), etc. to provide more advanced and superior products <p>There were 0 grievances in terms of customer health and safety in 2020</p>	<p>For telecom edge computing requirements, we ensure product meets the NEBS level 3 certification requirements of network equipment construction system to ensure the personal safety of equipment operators and protect related equipment to ensure the reliability of the entire network equipment</p>	<p>We continue to evaluate the impact of products or services on customer safety and health, and provide customers products and services that are safe and non-hazardous to their health</p>
Customer Privacy and Information Security	<ul style="list-style-type: none"> ● Strengthening information security management of product files of R&D personnel and product managers <p>USB storage device control was enabled in 2020</p> <ul style="list-style-type: none"> ● Strengthening network access security mechanism, import O365MFA (mobile phone and computer dual authentication), VPN, MFA, RD LAN <p>100% of all employees have enabled MFA, mobile phone and computer dual device authentication in 2020</p> <ul style="list-style-type: none"> ● Imported Office365 ATP (Advanced Threat Protection) to prevent phishing emails, Trojan horse emails and ransomware from infiltrating the Corporation’s intranet <p>100% of all employees have enabled ATP email protection to block phishing websites in 2020</p> <ul style="list-style-type: none"> ● Strengthen cloud platform identity verification mechanism (AZURE AD) <p>We completed SAP S/4HANA on Azure cloud platform and independence of O365/Azure domain, and independently manage cloud information security mechanism in 2020</p>	<ul style="list-style-type: none"> • Strengthening the operations of information security organization • Continuing to strengthen information security awareness and advocacy and education • Continuing various information security drills and audits, and passed external information security audits and certifications • Strengthening information security protection and monitoring mechanism, and the security of software use 	<p>We improved the information security protection mechanism and safeguard the rights and interests of stakeholders</p>


Innovations in Products, Services and R&D

Wiwynn upholds the innovation technology research and development spirit, and provides customers with the most optimized cloud technology services, the most comprehensive cloud application solutions and better competitiveness.


Policy	Becoming a key partner of customers in the cloud service business.
Commitment	Providing data centers the optimal total cost of ownership (TCO) and IT solutions with optimized workload
Resources	We established Rack Integration LAB, a rack-level large-scale constant temperature and humidity laboratory, a wind tunnel and a verification laboratory
Grievance mechanism	<ul style="list-style-type: none"> • The technical advice or issue feedback is responsible by the top manager of the product R&D unit, or the managers of the R&D divisions led by them. • Patent related affairs are handled by the Corporation’s legal or patent department
Evaluation mechanism	Product roadmap meeting, cooperation with open communities, customer feedback, internal audit

Wiwynn provide solutions for various products and systems of hyperscale data center and cloud infrastructure with innovation technology, as well as AI and edge computing products that meet the needs of low latency and massive data processing in the 5G era. Innovation in research and development technology has always been an important cornerstone of Wiwynn’s growth. In order to meet the ever-increasing demand for high-performance computing, we will continue to develop new products and applications in terms of product integration efficiency. In 2020, several technology white papers were published on the official website. There are also optimized solutions within the internal development process.


CORE Technology




High Energy Efficiency



High Speed Transmission



Heat Dissipation Solution



Trustworthy Availability

Technology White Paper

1. AI Inference Optimization on OCP OpenEdge Platform

The OCP Open Edge platform server proposed by Wiwynn is in line with the next-generation mainstream technology and hardware. In various and complex AI application

fields (recommendation, vision, usage scenarios), Wiwynn shares the experience of system parameter adjustment and demonstrates the optimization capabilities of software and hardware in AI applications.



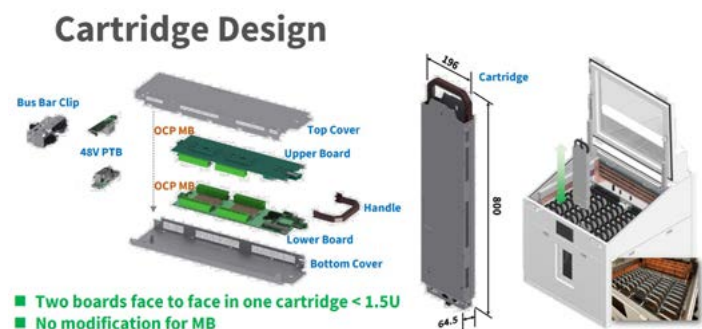
2. Open System Firmware Development on OCP Platform

OSF (Open System Firmware) provides open source code so that more people can participate code review, feature development and debugging, in order to achieve safer code and quality, and major problems can be resolved more quickly without waiting for IBV (Independent BIOS Vendor) and vendor processing can shorten the time for import and resolution.



3. Design Guidelines for Immersion-Cooled IT Equipment

In view of the continuous improvement of server performance and power consumption in the future, server heat dissipation technology plays an extremely important role. For this reason, Wiwynn is actively developing two-phase immersion cooling technology, which takes away a large amount of heat energy by the phase change effect to achieve high efficiency cooling effect.

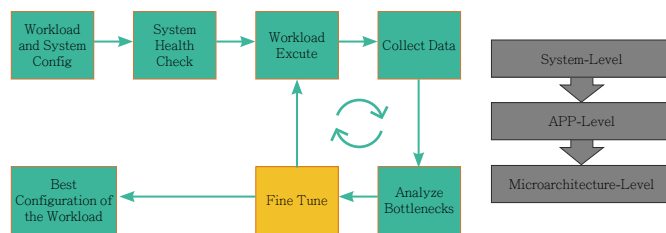


Optimizing Development Process

1. Workload optimization

The server has a variety of different applications in the data center. Different workload software is used to simulate the load situation of the server in the data center, find the system bottleneck and optimize it, so that the server can maximize the computing performance.

Workload Optimization Workflow



2. System Integration Guidelines: Leakage Current Prevention (I²C)

The nowadays server's complicated signal connections, in order to avoid the occurrence of a system failure status caused by leakage, design guidelines for avoiding leakage and line leakage inspection tools are issued to help engineers quickly and effectively solve leakage problems and increase system reliability.

2020 Technology Release

Due to the impact of the COVID-19 pandemic, major exhibitions in the world have been cancelled or replaced by online seminars. Wiwynn demonstrated cloud computing capabilities, edge computing technology, ORV3 (Open Rack v3) independent rack-level liquid cooling solutions, etc. through online seminars of the OCP (Open Compute Project) global virtual summit.

1. 2020 OCP Virtual Summit speeches

- Released Wiwynn's extended computing solutions from the cloud to the edge
- Released ACS_Independent Rack Liquid Cooling Solution
- Released OAI-SCM (Open Accelerator Infrastructure-Secure Control Module) based on DC-SCM (Datacenter-Secure Control Module) to support OAI
- Released OSF_Coreboot/linuxboot feature development for servers
- Released Server_DC-SCM basic specifications and design details
- Released from the cloud open to the edge, building our solutions through modular design
- Released Telco & Edge-Open Edge platform enriched in response to 5G

2. 2020 OCP Tech Week speeches

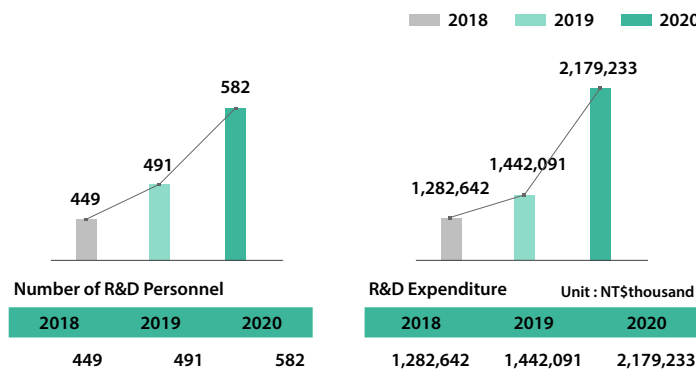
- Released ACS (Advanced Cooling System) Cold Plate-ORV3 blind mate liquid cooling technology
- Released OpenRMC compliant RMC Stack
- Released how distributed and edge computing influence the edge cloud strategy of telecom suppliers
- Released introduction of 5G FR1 SA operating on OpenEdge platform
- Released a flexible computing platform for 5G/Edge/AI solutions

3. Wiwynn EP100 Participated in the Second Global O-RAN ALLIANCE Plugfest with Radisys

- Wiwynn joined hands with Radisys participating in the 2nd Global O-RAN Alliance Plugfest

2020 R&D Result

Wiwynn is the leader in the industry to provide innovative technologies and products to hyperscale data centers and cloud infrastructure customers. Wiwynn has invested a large number of research and development resources, and continuously created new products and new technologies. With a solid foundation of research and development capabilities, we provide more sophisticated and advanced products, to achieve the concept of sustainable innovation and sustainable management. In 2020, the number of patents obtained by Wiwynn in new technologies has increased by 7% compared with 2019.



Intellectual Property Rights

Wiwynn combines its operations and R&D strategy layout to maintain the leading position and competitiveness of the Corporation's innovation through the management of intellectual property rights.

Policy	We gradually start from manage R&D activities to establish intellectual property rights acquisition, maintenance and application, from loss control, dispute prevention, and integration of operations, to ultimately create the maximum value of intellectual property rights.
Commitment	
Resources	Preparation of incentives, application and maintenance budgets, establishment of development engineer log system
Grievance mechanism	The Legal Department is responsible for handling intellectual property disputes
Evaluation mechanism	<ul style="list-style-type: none"> Patent Review Meeting We incorporate the acquisition, maintenance and use of intellectual property into the internal control system, and perform necessary control operations for intellectual property protection and possible risks, and take early prevention through the intellectual property management system



Encouraging innovation and R&D
Strengthening our own IP Portfolio




Enhancing employees of their intellectual property concept and risks awareness



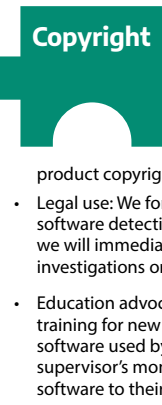
Strengthening competitiveness through investment and cooperation authorization

From strengthening defense capabilities to gradual activation of intellectual assets, Wiwynn encourages innovation and research and development, strengthen the intellectual property portfolio (IP Portfolio), and enhance employees of their intellectual property concept and risk awareness through investment, cooperation and authorization to strengthen the competitiveness. In 2020, through trademarks, copyrights, patents and the trade secret protection measures, we continue to enhance the management of intellectual property rights. The results are reported to the Board of Directors at least once annually, and the most recent report to the Board of Directors was dated January 19, 2021.



Trademark Protection Measures

- Global Layout: Wiwynn has registered trademarks in nine regions around the world
- Regular maintenance: We review the use of registered trademarks and evaluate the necessity of continued maintenance depending on the Corporation's future planning and development for early layout of the trademark register.



Copyright Protection Measures

- Ownership of copyright: In the employment contract between the Corporation and the employee, it is stipulated that the work completed by the employee during the employment period shall belong to the Corporation. For development projects that cooperate with the customer, the ownership of the software product copyright will also be agreed in the first place by contract.
- Legal use: We formulate "Software Management Specifications" and perform software detection from time to time. If an employee uses unauthorized software, we will immediately request the employee to remove it to avoid unnecessary legal investigations or litigation.
- Education advocacy: Continuously implement new employee legal education and training for new employees, and establish awareness of compliance with legal software used by all employees. In addition, analyze relevant copyright cases in the supervisor's monthly meeting to remind supervisors of the importance of using legal software to their colleagues.

In 2020, with advocacy through email announcements and internal website portals, we advised employees to follow the Corporation's "Software Management Specifications", and strictly prohibit the use of software that is not legally authorized.

Announcement

[WYHQ IT] Reaffirmation on Staff's Proper Compliance with this Corporation's "Software Management Regulations" and Ban on Use of Software Not Legally Authorized

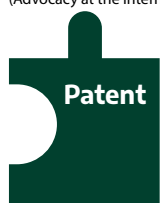
Subject: Reaffirmation on Staff's Proper Compliance with this Corporation's "Software Management Regulations" and Ban on Use of Software Not Legally Authorized

Object: All Staff of this Corporation

Descriptions:

- Use of legal software by all staff has always been an important policy of this Corporation. Please always use legally authorized software. Download, storage, use, distribution of software without legal authorization is prohibited.
- Please cooperate with this Corporation's software audit activities. Where a clarification on use of legally authorized software is required throughout the audit, please provide authorization and certificate information.
- Should a user violate this Corporation's software regulation or any applicable laws and regulations, the user will be subject to relevant legal liabilities in addition to disciplinary dispositions as prescribed by this Corporation.
- Please visit EIP and review this Corporation's "Software Management Regulations" (Click to open the document) and comply with relevant rules.

(Advocacy at the internal website portals)

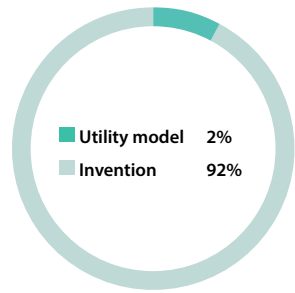


Patent Protection Measures

- Incentive method: Compiled the invention creation incentive budget to encourage innovation and research and development.
- System construction: Assist R&D employees to effectively record design ideas through the engineer log system.
- Review meeting: We regularly hold a patent review meeting to discuss and evaluate the applicant's proposal, effectively checking the quality of the patent. In 2020, the patent proposal was 5% higher than the previous year.
- Regular maintenance: We regularly check and maintains the validity of patents, while adjusting the resources configuration to the optimum.

In 2020, the number of patents granted by the Corporation worldwide has increased by 7% compared to 2019.

(Currently, patents are mostly invention patents, accounting for 92%)



- Risk Management: We regularly conduct patent analysis, tracks customers, peers and companies to consider the patent layout of develop technology, continue to pay attention to the dynamics of competitors, establish an experienced patent team, and plan to enhance the number of patent cases.



Trade Secret Protection Measures

- Confidentiality obligation: The employee's employment contract and resignation notice stipulate that the technology and information that during the period of employment, before the employment and after the resignation, the technology and information that the employee knows or obtains due to his or her position shall be kept strictly confidential, and shall not be disclosed without authorization. Since October 1, 2020, the legal unit has started to implement resignation interviews. Legal employees will have one-on-one interviews with resigning employees, so that employees can understand their confidentiality obligations and have indeed returned confidential information related to the Corporation.
- Information security management: All computer equipment of the Corporation has introduced full-disk BitLocker encryption. USB storage device control will be activated in 2021 to strengthen the trade secret protection.
- Document control: Each department has access permissions for documents and files, and non-related personnel are not allowed to browse and download.

In 2020, the "Contract and Legal Document Review and Management Measures" was formulated. Relevant contract documents must be accessed through the application process and be reviewed by the legal unit. After review and approval, the contract or legal document must be used in accordance with the scope of application and the responsibility for confidentiality is not allowed or leak to a third person.

- Access control: Access control cards must be used to enter and exit control areas such as office areas and entry and exit records must be kept. Visitors are required to register at the counter and are restricted to public areas. Each functional laboratory has access control permissions, non-laboratory related personnel are not allowed to enter, and photos and videos are prohibited in the laboratory to protect operational confidentiality to prevent data from being stolen.

Customer Health and Safety

Wiwynn attaches great importance to the safety of product use by customers, avoiding the risks or hazards of product use substances to the human body and the environment, ensuring the health and safety of the customer, and enhancing the customer's confidence and affirmation of the Corporation's products.

Policy	The quality and hazardous substance policy as "delivering zero-defect and competitive green products and services to customers on time"
Commitment	
Resources	We prepared budget for application of international safety certification, imported ISO9001 Quality Management System, IECQ QC 080000 Hazardous Substance Process Management System, and Green Product Management System (GPM)
Grievance mechanism	In terms of product quality and safety, product business unit is the contact department, with the product manager as the contact person
Evaluation mechanism	<ul style="list-style-type: none"> Manage issues from customer feedback based on ISO9001 Quality Management Systems, and conduct monthly product quality meetings to track and improve products. Understand customer satisfaction through QBR (Quarterly Business Review) ISO9001 and QC080000 third-party verification, internal and customer audits from time to time

Quality and non-hazardous substance policy as "delivering zero-defect and competitive green products and services to customers on time".

Wiwynn attaches great importance to the safety and health effects of customers use in products, and continuously evaluates and improves at all stages of product development, certification, customer use experience, etc., and specifically expressed in the quality of the products to enhance product safety and reliability.

In 2020, we have not received any grievances from customers regarding safety and health, and the Corporation's products and services have not violated health and safety laws and regulations.

The information labels of products and services are handled in accordance with relevant laws and regulations. Customers can obtain product information from the products, user's manuals or the Corporation's official website. In 2020, there is no product and service information label that violates laws and regulations or violates laws and ordinances due to false sales.

Product Development and Design

Caring for customer feedbacks

In the early stage of product development and design, actively inquire about the operation mode of product operators and pay attention to the experience feedback of product operators, such as electricity safety, power configuration of use environment, etc., so as to introduce product design as soon as possible.

Certification

Product safety regulations verification mechanism, materials due diligence

For the safety of product operators, comply the international specifications or the safety certification requirements of various countries to pass the relevant verification mechanism. In addition, in order to reduce the hazard of hazardous substance use to human health, due diligence is carried out on the materials, and the imported hazardous substance testing is effectively performed.

The user can clearly know the certification information of the product used from the regulatory label on the product, such as UL, CE, FCC and other certifications.

Use and Service

Mechanism design optimization, tool-less

In order to increase the convenience and safety of customer operation, design front IO, hot-swappable electronic device with extraction structure, alleviate the occupational injury of product operators after long-term work. Provide product assembly operation and troubleshooting instructions to help the customer understands the correct operation method of the product, and strengthen operational safety.

Customer Privacy and Information Security

Wiwynn abides by the privacy policy, fulfills the obligation of confidentiality for the information obtained in the operations process, and takes appropriate information security measures to protect the integrity of the information and safeguard the rights and interests of stakeholders.

Policy	Maintaining the confidentiality, integrity and availability of operational information.
Commitment	Providing safe and stable information services to protect customer Privacy.
Resources	Introducing Office 365 cloud services
Grievance mechanism	In case of an infringement of privacy or grievances, customers can directly report to the business personnel or their supervisors, or they can make grievances through the phone and email provided by Wiwynn's official website "Stakeholders' Section".
Evaluation mechanism	Internal audit, customer information security audit from time to time

Slogan of Information Security

"Be aware. Connect with care!"

- Any business operation or customer information as contacted during performance of duties are owned by this Corporation or the customer, and all staff shall comply with confidentiality regulations and fulfill due responsibility for protection.
- Information resources as used during performance of duties are owned by this Corporation and or the customer, and all staff shall take proper use of such resources and fulfill due responsibility for protection.
- Operation information/customer business/personal data or other relevant confidential information belonging to this Corporation shall not be copied or disclosed externally without authorization.

As the best partner of customer cloud technology services, Wiwynn provides a professional and secure service environment for customer. Through the information security management mechanism, it fulfills the confidentiality, integrity, accuracy and availability of operations information.

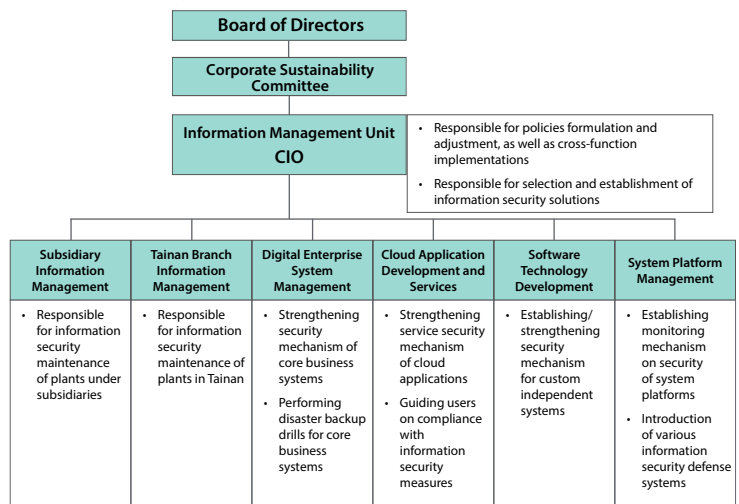
In 2020, no grievances of infringement of customer privacy and loss of customer data have been received, and there has been no event of ransomware due to phishing.

Wiwynn Information Security Policy

Information Operations Management Procedure	Confidential Information Management Measures	Software Management Specifications
Information Resources Security Management Policy	Employee Information Security Guidelines	

Information Security Organization Operation

The information management unit is the implementation unit of the information security policy, responsible for the formulation of the response information security policy and the establishment of the solution, the cross-functional communication and setting of the control authority in line with each operation situation, and the coordination of various departments to fulfill various information security measures. Review and evaluation on the appropriateness and effectiveness of the information security policy are taken continuously every year and reported to the Board of Directors.



Information Security Advocacy and Education

- In 2020, information security advocacy was conducted through e-mail announcements, internal website portals and company TV walls, with information security advocacy questionnaire activities sent out to enhance employees' information security awareness. (In 2020, a total of 5 advocacy events were conducted)
- (In 2020, an interactive information security advocacy questionnaire campaign was held)



- In 2020 information security courses, the names of the lesson include "Information Security Policy", "Information Security Elementary School" and "Phishing Email Protection", etc. More than 900 trainees attended, and more than 720 hours of training hours were taken.

Information Security Operation and Protection Tool Introduction

We continue to strengthen information system security, network security and information confidentiality. In 2020, we introduced multiple protection mechanisms and measures:

In response to the ever-increasing information security incidents, social engineering drills are conducted on employees from time to time, through the drills to help employees understand the phishing letters frequently used by hackers, so as to increase their security awareness, avoid major damages, and lack awareness. Employees with high risks (e.g. entering account numbers on phishing websites or opening scam mails) were trained in information security courses. In 2020, the false click rate of phishing mails has been significantly reduced, and employees' alertness to phishing mails has been significantly improved.

Social drill statistics

	2019	2020
Number of drill attendees	731	964
Number of attendees taking false clicks	157	155
False click rate	21.5%	16.1%

Self-management of cloud information security

We realized O365/Azure domain independence and independently managed cloud information security mechanism.



100%

100% of all employees enabled ATP mail protection to block phishing websites.

100%

We continue to scan the information system for weaknesses, find system security weaknesses early, complete weakness improvements in time, and avoid intrusion attacks. In 2020, there were 389 weakness scans, and 389 items have been improved, with an improvement rate of 100%.

Software Detection is Performed

In order to ensure that the software used by employees is legal, software detection is performed from time to time. If any employee uses unauthorized software, we will immediately request the employee to remove the software to avoid unnecessary legal investigations or litigation.

100%

Passed ISO 9001, AEO and customer audit and other external information security audit certifications. In addition, relevant information security procedures are included in the internal control system and listed as the audit items of the annually audit plan to be controlled, accurately implement the information security protection and security risks supervision and management.

100%

100% of all employees enabled MFA, mobile phone and computer dual-device authentication, to avoid leakage of confidential information due to password leakage or theft.

Full-disk BitLocker Encryption

We introduced full-disk BitLocker encryption to all employees' computers to reduce the risks of sensitive information leakage or data theft, and strengthen information security management and trade secret protection.

High Level of Information Security

We utilized the high level of information security of cloud platform services to strengthen our own enterprise information security, and built SAP S/4HANA on the Azure cloud platform.

Two Disaster Drills

In order to strengthen the information security response capabilities, minimize the damage of information security accidents, and conduct disaster drills for different information security hazards. In 2020, two disaster drills are implemented, which were disaster recovery drills for ERP and its surrounding systems, and manufacturing systems, to continue reserves the ability to quickly return to normal operations.

USB Storage Device Control

In 2021, we implemented the new policy to enhance information protection, and activated USB storage device control.

100%

In order to enhance the function and performance of anti-virus software, we reached the update rate of 100%.



Special: Digital Transformation

In recent years, digital transformation has been a popular topic. The COVID-19 pandemic in 2020 has forced companies to accelerate the pace of digitalization. Compared with the digital and automation development strategy oriented to reduce labor costs, Wiwynn's management level pays more attention to the digital literacy of all grassroots employees, expecting to promote digital transformation from the bottom up. Therefore, in 2020, Wiwynn has not only hold various creative competitions, education training of digital tools, and a series of activities of Digital Festival 2020. Also a dedicated unit called the Digital Promotion Department was established, hoping to realize the ideal of end user computing.



(2020 Group's Hackathon Event)

Digital Transformation Realizing Higher Values

The first digital festival was held by Wiwynn in 2020. The exhibition has three themes, office automation achievements, laboratory automation achievements, and DIY automation tool teaching experience. In addition, in the mini lectures, 10 automation tools or technologies are conveyed to employees in lively and interesting performances similar to close-up magic. We look forward to the effects of these activities, and advised employees to review the difficulties they experienced in their own workflows, mark the pain points, and be able to build their own tools or work with software engineers to develop solutions.

In this wave, our ideology is no longer to build a new system to solve the pain points, but to cleverly combine the collaboration platform and low code tools to create our own exclusive collaboration quickly, agile and tailored. In addition, we use chatbots as a lubricant for these processes, making the annoying tasks such as follow-up, work management, and data sorting simple. Employees can create the process automation robots by themselves, to get rid of the highly repetitive tasks and realize higher values.



(Digital Festival)



(Digital Festival)

Making Digital Literacy the Corporate Culture and Belief

All units in Wiwynn have organized the process adopted and used for one or two decades, redefining a new employee-oriented and data-oriented operating model. We hope that making good use of tools to pursue efficiency becomes a habit of every employee, and then becomes the Corporation's culture and belief.

We understand the rapid changes in the industry, and we also deeply understand that the customer's business model is constantly evolving. Only by enhancing the digital literacy of all employees, we can keep up with the customer's footsteps in the evolution of our internal processes. We hope that in the foreseeable future, in the wave of robotic arms and artificial intelligence gradually replacing manpower, all our employees will be winners, and Wiwynn will become the biggest winner.

Sustainable Environment

Climate Change Strategies and Energy Management	37
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Special: Green Electricity Report	44

Materiality Performances

Climate Change Strategies and Energy Management

Gained A-
CDP Climate Change Item

Bundled RECs 10% of
the electricity replaced by
renewable energy

Setting carbon
reduction goal and
**renewable energy
use goal**

Passed the certification of
ISO 14064-1:2018

Passed the certification of
ISO50001: 2018

The energy **saving 246,422 kWh** of electricity each year, which is
equivalent to a **reduction of 124 tons** of CO₂e emission

Sustainable Products

**Power transformation
efficiency** results greater than
customer standards

High-efficiency heat dissipation design
can achieve **high heat dissipation
efficiency** and **high energy-saving**
results (low pPUE value at 1.03)

100% compliance with
product non-hazardous
substance regulations and
customer specifications

Waste Management

Passed ISO14001 third-party continuing
review, with **0 major defect**

Waste recycle rate was 86.61%, **increased
by 32.81** compared to that of 2019

Waste output by Tainan Branch, compared to employee number
unit equivalent in 2019, **decreased by 24.4%**

Waste output by Wiwynn HQ, compared to employee number
unit equivalent in 2019, **decreased by 7.7%**

Short, Medium and Long-Term Material Topic

Goal Achieved : ● Goal Yet to be Achieved : ▲

	2020	2021	Medium and Long-Term
Climate Change Strategies and Energy Management	<ul style="list-style-type: none"> ● Wiwynn HQ passes ISO 14064-1: 2018 Green House Gases Part 1: Specification with guidance external certification <p>Wiwynn HQ passed the external certification ISO 14064-1: 2018 Green House Gases Part 1: Specification with guidance in 2020</p> <ul style="list-style-type: none"> ● Tainan Branch passes ISO50001: 2018 Energy Management System external certification <p>Tainan Branch passed ISO50001: 2018 Energy Management System external certification in 2020</p>	<ul style="list-style-type: none"> • We formulate energy-saving incentives and enhance energy-saving plans • We increase the use of renewable energy and evaluate the diversity of sources of energy use • We strengthen upstream carbon reduction management and work with the supply chain to identify opportunities for improvement 	Achieving carbon reduction goals and renewable energy use goals
Sustainable Products	<ul style="list-style-type: none"> ● Continuous innovation in product energy-saving carbon reduction (new cooling technology and power conversion design, continuous introduction of green and friendly environmental materials) to provide more advanced and superior products <p>The actual conversion efficiency results of high-efficiency power conversion are better than customer standards. Compared with the general gas cooling that has a pPUE value of 1.4, the high-efficiency heat dissipation design can achieve high heat dissipation efficiency and high energy-saving effect (low pPUE value 1.03)</p> <ul style="list-style-type: none"> ● We continue to maintain 100% compliance with product regulations and customer specifications without hazardous substances <p>In 2020, no event of violation of hazardous substances prohibition or customer complaint due to violation of customer requirements</p> <ul style="list-style-type: none"> ● Maintaining IECQ QC080000 external certification <p>We continue to evaluate the effectiveness of hazardous substances management system IECQ QC 080000 and maintain external certification</p>	<ul style="list-style-type: none"> • We maintain 100% compliance with relevant regulations and customer specifications for products free of hazardous substances, as well as IECQ QC080000 external certification • We continue to develop energy-saving and carbon reducing product and technologies, develop and introduce more efficient power supply (such as 48V) and heat dissipation technology (such as optimized CFM/Watt) to achieve the goal of low PUE and high energy-saving • We follow WEEE and design products that are easy to disassemble and recyclable to meet 3R Standard, such as the use of recycled plastic and recyclable packaging 	We continue to implement the product life cycle evaluation, and strive to reduce the environmental hazards caused by products
Waste Management	(Materiality Item added in 2021)	<ul style="list-style-type: none"> • Waste recycle rate reaches more than 90% • The waste output of Wiwynn HQ, relative to the number of employees, the target is less than 80kg/person (year) • The waste output of Tainan Branch, relative to the production capacity (number of pieces), and the target is less than 0.5kg/piece • We conduct audits at least once annually for clearing and handling waste outsourcing agencies • Garbage reduction and classification advocacy for employees 	Trace the origins of waste to reduce waste, and improve waste recycling rate

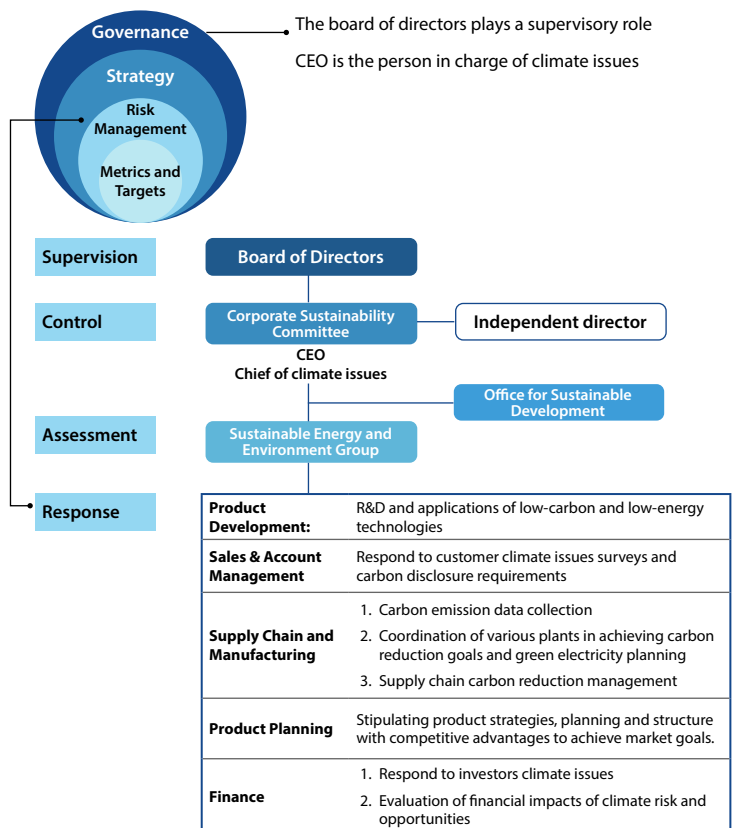
Climate Change Strategies and Energy Management

Wiwynn actively responds to the risks brought by climate change, grasps the opportunities obtained in the process of transition to a low-carbon economy, and effectively configures resources to enhance corporate competitiveness and operational resilience.

Policy	Enhancing the realization of climate change solutions
Commitment	Lowering GHG (Greenhouse Gas, in short "GHG") emission and enhance energy use efficiency
Resources	Established "Sustainable Energy and Environment Group" and introduced management systems such as ISO 14064-1: 2018 (Green House Gases Part 1: Specification with guidance), ISO 50001: 2018 (Energy Management System), etc.
Evaluation mechanism	Board of Directors and Corporate Sustainability Committee

In recent years, under the influence of climate change, the concept of earth energy and resources use has changed, and it has also brought operational challenges to various economies. In order to make the information on climate-related risks and opportunities transparent, Wiwynn has disclosed climate change-related information in accordance with the framework recommended by the TCFD starting from 2019 Corporate Social Responsibility Report. We will continue to respond to the operational challenges and opportunities brought by climate change through the implementation of various plans. At the same time, by introducing climate change-related information into operations and investment decisions to enhance the realization of climate change solutions. Wiwynn is also committed to reducing greenhouse gas emission and implementing the corporate social responsibility.

Climate Issues Management Organization Structure



The Highest Governance Unit for Climate Issues

Wiwynn's "Corporate Sustainability Committee" is the highest governance unit for climate issues. The top level of management, CEO, is the climate issue leader, President Sunlai Chang and Senior Vice President Steven Lu as committee members, and the independent director Cathy Han is appointed to supervise the committee. At least two meetings should be held annually, and the most recent meeting was held on January 6, 2021.

Evaluation and Management of Climate Issues


The "Sustainable Energy and Environment Group" under the "Corporate Sustainability Committee" is responsible for collecting climate issues, evaluating risks and opportunities, as well as communicating with each unit, and tracking subsequent processing status of climate strategies and action policies. The group shall report to the CEO once every quarter, and report to the "Corporate Sustainability Committee" through the "Office for Corporate Development".

Climate-related Risks Integrating into Overall Risk Management System

Based on the evaluation and recommendations of "Sustainable Energy and Environment Group", the "Corporate Sustainability Committee" formulates climate strategies and policies in cooperation with the Corporation's operations plan to control climate risks and integrate climate change-related risks into corporate risk management process. The CEO shall report to the Board of Directors at least once annually and make adjustments based on the recommendations provided by the Board of Directors. The most recent report to the Board of Directors was made on January 19, 2021.

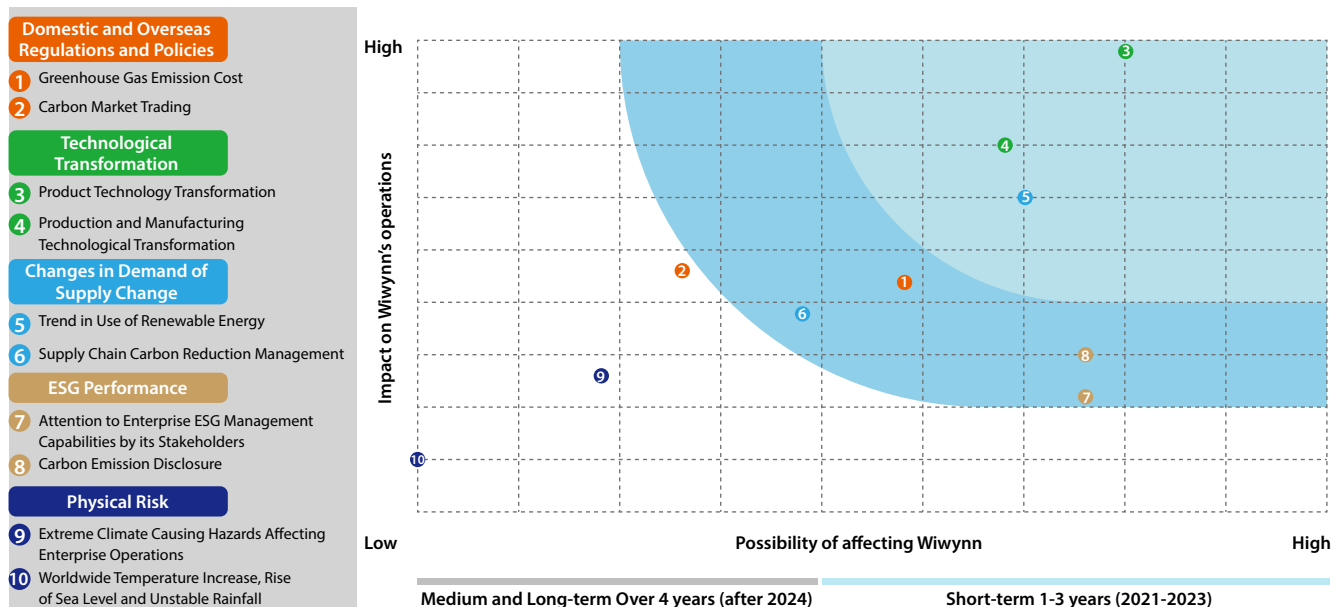
Risks, Opportunities and Financial Impacts brought to Wiwynn by Climate Issues

In accordance with the framework of the Task Force on Climate-Related Financial Disclosures (TCFD), Wiwynn has classified five aspects to evaluate the risks and opportunities that climate issues have brought to Wiwynn, as well as the possible financial impacts.



Strategies	Risks/Opportunities	Potential Financial Impacts
Domestic and International Regulation and Policies	<ul style="list-style-type: none"> Greenhouse gas emission cost Carbon trading market 	Increased legal compliance cost and increased operation cost
Technological Transformation	<ul style="list-style-type: none"> Energy-saving measures for a more effective utilization of resources Technological transformation of product Technology transformation of production and manufacturing Providing products and services more in line with market needs 	Improved resources efficiency, with lower electricity expense and other expenses Raised R&D expenditure, increased development cost, and increased capital expenditure Satisfying customers' needs for energy-saving product with increased revenue
Changes in Supply Chain Requirements	<ul style="list-style-type: none"> Trends in the use of renewable energy Supply chain carbon reduction management Joining the green electricity supply chain Use renewable energy to reduce the risk of rising fossil fuels price in the future 	Raised energy cost and increased operating cost Increased opportunities for cooperation with major international manufacturers to create revenue
ESG Performance	<ul style="list-style-type: none"> Stakeholders' concerns about corporation's ESG management capabilities Carbon emission disclosure Creating a good brand image Increasing breadth and depth of customers 	Increased management expenses and operating costs Enhancing investors' long-term investments willingness, while reducing the probability of large fluctuation in stock value
Physical Risks	<ul style="list-style-type: none"> Extreme climate causes harm and impacts to enterprise operations Global warming, rising sea level and rainfall instability Disaster drill or evaluation, supply chain management/ backup for strengthening operation resilience 	Endangering the safety of employees, resulting in increased labor cost and increasing management cost, decreased productivity leads to a decline in revenue, and loss of assets causing increase in capital expenditure Strengthening climate resilience to reduce the probability of operation disruption and possible loss

Through risks matrix, we may evaluate the impacts on Wiwynn and formulate strategies and action policies.



Sustainable Climate Strategies

- Carbon reduction goals: Wiwynn set a physical intensity target that commits to reduce scope 1 and 2 GHG emissions 30% by 2030 from a 2020 base-year. (A reduction in emissions relative to a production output of the Company)
- Commitment to the use of renewable energy : the renewable energy use will reach 30% by 2030.

Sustainable Climate Action Policies

Risks/ Opportunities Correspondences	Action Policies
3 6 7 8	Adding Scope 3 inventory items and establishing emission data as the management basis
1 2 4 7 8	Formulating energy-saving incentives and adding energy-saving plans
1 5 7 8	Enhancing the use of renewable energy along with evaluation on the diversity of energy sources
1 3 6 7 8	Strengthening upstream carbon reduction management and working with the supply chain to identify opportunities for improvement
9 10	Specific evaluation on potential damages by climate disasters and stipulating continuous operations plans
9 10	Establishing an investigation mechanism for suppliers to respond to climate changes



GHG Emission and Energy Management

Wiwynn deems the “Environment” as part of the corporate sustainable development, by integrating the green concept into daily operations, we introduced ISO 14001: 2015 (Environmental Management System), IECQ QC 080000: 2017 (Hazardous Substance Process Management System). In 2020, we continue to introduce management systems including ISO 14064-1: 2018 (Green House Gases Part 1: Specification with guidance), ISO 50001: 2018

(Energy Management System) to establish greenhouse gases inventory database as the basis for internal environmental management.

GHG Emission

The greenhouse gas inventory that Wiwynn Corporation carried out in 2020 included Wiwynn HQ and Tainan Branch Office. The emission of direct greenhouse gases and indirect greenhouse gases from energy was 5,957 tons of CO₂e in total. Other indirect greenhouse gas emission inventory included input power network, the use of water, waste transportation, and overseas business trip was 1,329.22 tons of CO₂e in total. Due to the expansion of operation and the increase of operational locations, the greenhouse gas emission in 2020 was higher than that in the previous two years while the emission caused by overseas business trip was reduced due to the pandemic.

Annual GHG Emission Statistics

Unit: Tons of CO₂e

	2018	2019	2020
Type 1 GHG emission	0	34	44
Type 2 GHG emission	1,654	3,453	5,913
Type 1+2 GHG emission	1,654	3,487	5,957

Note:

- The inventory scope is calculated based on the operation control, including Wiwynn HQ and Tainan Branch. Tainan Branch commenced its operations from second half of 2019.
- For adjustment on electricity carbon emission coefficient as adopted by Bureau of Energy, MoEA, the 2020 calculation base is 0.509 kg CO₂e/kWh, with retrospective adjustment to 2019 values.
- This table sources Global Warming Potentials (GWP) deriving from “IPCC 5th Evaluation Report (2013)” edition.
- The greenhouse gases include CO₂、CH₄、N₂O、NF₃、SF₆、HFCs、PFCs.
- Wiwynn HQ have taken inventories in accordance with ISO14064-1: 2018 procedures since 2019 and have been externally verified by a third party. Tainan Branch held a completed data in 2020, and conducted ISO 14064-1 Green House Gases Part 1: Specification with guidance in 2021.

Statistics of Other Indirect GHG Emission by Year

Unit: Tons of CO₂e

	2019	2020
Input Power Grid	348.82	1,266.25
Water	4.04	14.95
Waste transportation	1.05	17.18
Business travels	492.64	30.84
Total	846.55	1,329.22

Note:

- The inventory scope of 2019 only include Wiwynn HQ. In 2020, a calculation is made based on operation control, with inventory scope including Wiwynn HQ and Tainan Branch.
- This table sources Global Warming Potentials (GWP) deriving from “IPCC 5th Evaluation Report (2013)” edition.
- GHG include CO₂、CH₄、N₂O、NF₃、SF₆、HFCs、PFCs.

Energy Management

Wiwynn’s total energy use is 41,545GJ; the main sources of energy use are externally purchased electricity, whose consumption is 41,312 GJ, accounting for 99% of the energy consumption.

Annual Energy Consumption Statistics

Unit : Giga-Joule ; GJ

	2018	2019	2020
Externally purchased electricity	11,173	24,419	41,312
Gasoline	0	149	233
Total energy consumption	11,173	24,568	41,545

Note:

- The inventory scope is calculated based on operation control rights, which includes Wiwynn HQ and Tainan Branch. Tainan Branch commenced its operation in second half of 2019.
- The energy consumption has been converted to GJ, with 1 GJ=10⁹ J, and 1 KJ=10³ J.
- 1 kWh=3,600 Kilojoule (KJ), 1000 liters of petroleum = 7,800 Kilocalorie.
- Tainan Branch introduced ISO 50001 Energy Management System in 2020, with third-party external verification obtained.

Energy Saving and Carbon Reduction Measures

The energy saving and carbon reduction measures implemented in 2020 are estimated to save 246,422 kWh of electricity each year, while reducing approximately NT\$700,000 electricity expense, equivalent to reducing 124 tons CO₂e emission. Overall, the effectiveness of energy-saving carbon reduction has been improved compared to 2019. Wiwynn will continue to enhance equipment efficiency to enable effective use of energy.

Energy-saving measures	Energy-saving estimates	Number of kWh saved (kWh/year)	GHG emission decreased (ton CO ₂ e/year)
Replacement of old lighting fixtures in Wiwynn HQ Office	Each old lighting fixture has a consumption of 42W. In contrast, the new lighting fixture records a 33W consumption, reduced 9W for each fixture. In 2020, a total of 760 fixtures were replaced, saving 760*9W =6,840W 6480*12 hours*240 days/1,000=18,662 kWh 18,662 kWh *0.509kg CO ₂ e / kWh =9,499 kg CO ₂ e=9 ton CO ₂ e	18,662	9
Tainan Plant MAU output air temperature lowering for energy-saving purpose 23°C→ 18°C	Measured MAU heater current (Before adjustment 96 A -after adjustment 76 A)*380V*1.732/1000*2 units=26kWh 26kW*24 hours*365 days=227,760 kWh 227,760 kWh *0.509 kg CO ₂ e / kWh =115,930 kg CO ₂ e=115 ton CO ₂ e	227,760	115
Total		246,422	124

	2019	2020
Number of kWh saved (kWh/year)	89,436	246,422
GHG emission reduced (ton CO ₂ e/year)	47.67	124

Water Resources Management

Wiwynn HQ and Tainan Branch mainly use household water sourcing from tap water and rainwater reclamation, which has no significant impact on natural water sources. The generated wastewater is only limited to general domestic wastewater. In 2020, the water consumption was 41,754M³. We will continue to implement the water saving policies through water saving advocacy.

Water Consumption Statistics

Unit : M³

	2018	2019	2020
Water consumption (tap water)	6,631	21,440	41,664
Water consumption (rainwater reclamation)	0	600	90
Total water consumption	6,631	22,040	41,754

Note: Scope of statistics include Wiwynn HQ and Tainan Branch. Tainan Branch commenced its operation from second half of 2019.

Implementation Status in 2020

- We completed the signing of a green electricity procurement contract with the electricity retailer Mr. Watt. It is estimated that from 2021, 10% of Wiwynn HQ's electricity consumption will be green electricity. In addition, we plan to invest more resources in the future to enhance the overall green electricity utilization. According to the green electricity utilization plan, it is expected that in the next 3 years, the green electricity expenditure will exceed NT\$5 million.
- Formulating carbon reduction goals with linkage to KPI, with inclusion to performance assessment.
- Setting up the proposal of energy saving technology investment; it is expected to invest more than NT\$300 million on the application of energy saving technology in 2021.
- Wiwynn HQ introduced ISO 14064-1: 2018 (Greenhouse Gases Part 1: Specification with guidance) and through third-party verification, established annual greenhouse gases inventory capacity and data as management basis for reducing emissions.
- Tainan Branch introduced ISO 50001 Energy Management System and obtained a third-party external verification certificate in order to take inventory on the plant's energy use status, enhancing equipment efficiency, allowing an effective use of energy.
- The energy saving and carbon reduction measures implemented in 2020 are estimated to save 246,422 kWh of electricity each year, while reducing approximately NT\$700,000 electricity expense, equivalent to reducing emission of 124 tons of CO₂e, showing an enhanced carbon reduction effects compared to energy-saving plans of 2019. Overall, the effectiveness of energy-saving carbon reduction has been improved compared to 2019.

Sustainable Products

Situated in the forefront of cloud service and global supply, Wiwynn practices green product design for sustainable actions, and enhances corporate value by upholding the belief of common goods for corporate growth and environment and ecology.

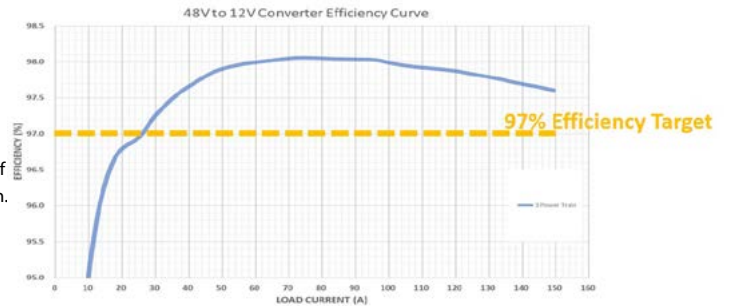
Policy	Realizing more energy-efficient product designs, and providing the green product meeting environmental management substance requirements.
Commitment	
Resources	Introduced IECQ QC 080000 Hazardous Substance Process Management System, ISO 14001 Environmental Management System, Green Product Management system (GPM) and Product Lifecycle Management system (PLM)
Grievance mechanism	Stakeholders may make grievances through the telephone number and email address available at "Stakeholders' Section" of Wiwynn's official website.
Evaluation mechanism	IECQ QC 080000 and ISO 14001 third-party verifications, internal and customer audits from time to time.

Wiwynn upholds the spirit of sustainable innovation in technology and the design concept of sustainable products on products. It considers all aspects of the product life cycle from design to recycling, and reduces the impact of products on the environment and resources. It complies international environmental protection regulations and customer requirements to provide customers with safe, low-pollution, recyclable and energy-saving green products.

Energy-Saving Design

High efficiency power conversion design

In response to the trend of increasing server power density in the future, to meet the needs of high-efficiency computing loads, conversion to a higher efficiency 48V power supply system has become the focus of development at this stage. For the current 12V system, Wiwynn reserves the backplane design for converting 48V to 12V, realizing the conversion of 48V power supply system, and introduces the power conversion efficiency-optimized design. The actual conversion efficiency results are better than customer standards.



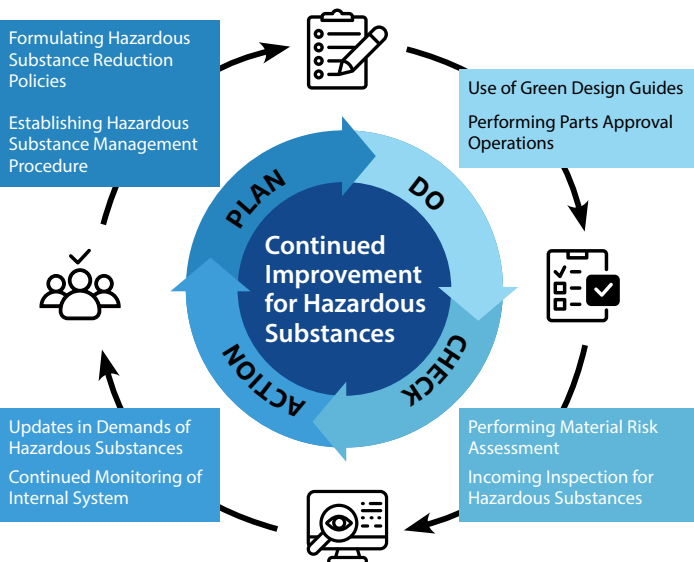
High-efficiency heat dissipation design

Wiwynn Two Phase Immersion Cooling System Project
 Featuring the effects of the phase change process of liquid to gas to absorb heat energy, compared with the general gas cooling pPUE (partial Power Usage Effectiveness) value of 1.4, may achieve high heat dissipation efficiency and high energy-saving effect (low pPUE value 1.03).



Hazardous Substance Control

Wiwynn has formulated the “Hazardous Substance Control and Management Procedures” in the three scopes of products, batteries, and packaging materials, introduced Green Product Management System (GPM) and Product Lifecycle Management System (PLM), manages the ingredients and analysis reports of suppliers’ materials, and through IECQ QC 080000 Hazardous Substance Process Management System certification, continuously implement the effectiveness evaluation of the management mechanism to ensure that Wiwynn’s material management is 100% in compliance with international regulations and customer requirements. In 2020, there was no event of violation of hazardous substance prohibition or customer complaints due to violation of customer requirements.



Wiwynn Hazardous Substance Control and Monitoring Contents

Hazardous Substance Control Scope	Control/Monitoring Type	Control/Monitoring Contents
Product (including subsidiary materials)	Materials as Restricted by EU RoHS Directive	In accordance with the EU RoHS Directive 2011/65/EU and its extended directive (EU) 2015/863 for the control of prohibited substances
	Wiwynn Control Materials	Refer to the items of the International Electrotechnical Commission's material declaration standard IEC62474 and customer control requirements
	Wiwynn Monitoring Materials	For substances that are of concern to environmental protection and customer but have not been banned. We continue monitoring to evaluate the basis for future reduction or elimination
	Halogen-free Product Controlled Substances	In response to customer's hazardous substance exemption requirements, we introduced halogen-free or low-halogen specifications for specific products
	EU REACH Substance of Very High Concern	In accordance with the European Chemical Agency, ECHA, announcement of substance of very high concern (SVHC) control
Battery	EU Battery Directive Controlled Substances	In accordance with the EU Battery Directive 2006/66/EC and its revised Directive 2013/56/EU for battery and button cell battery control
Packaging Material	EU Packaging Materials Directive Controlled Substances	Following Packaging Material and Packaging Material Waste Directive (Directive 94/62/EC) for packaging material and packaging material waste control

Easy to disassemble, recyclable, reusable

- Following Waste Electrical and Electronic Equipment ("WEEE") to design products that are easy to disassemble, and recyclable. Our products developed in 2020 are evaluated and verified by WEEE-3R in accordance with the operating procedures. The product design meets 3R requirements (Reuse and Recycled rate=80%, Recovery rate=85%), and the WEEE recycling label is marked on the product, and it is forbidden to dispose electronic waste at will.
- In the product design stage, Green Design Guide is adopted and under the ISO 9001 Quality Management System infrastructure, the introduction of renewable materials will be gradually increased. The packaging materials are made of recycled materials and with "Recyclable" sign printed on cartons, to enhance the proportion of resource reuse. According to the statistics of the export declaration system, in 2020, the use status of 2020 Wiwynn Tainan Plant materials, of which 113,214 kg of packaging materials were used, accounting for 28.58% of product material usage.

2020 Tainan Plant Material Use Status

Unit: Kilograms

Product Material Use	Packaging Material Use
396,187.9	113,214

Note:

- Product Material Use (Kilograms) = Product Weight + Packaging Material Weight
- Packaging Material Use (Kilograms) = Packaging Material Weight

Waste Management

Wiwynn is committed to creating common goods for corporate operations and the environment, continuing to strengthen sustainable actions and implementing a circular economy.

Policy Commitment	Commitment in compliance with environmental safety and health regulations, implementing waste recycling, continuing to improve environmental safety and health performance, and reducing environmental pollution.
Resources	Introduced ISO 14001: 2015 Environmental Management System, appointing qualified third parties for cleaning and disposal.
Grievance mechanism	Employee may make grievances from the environmental safety department of the Corporation via face-to-face, telephone, email or other methods. Stakeholders may make grievances through the telephone number and email address available at "Stakeholders' Section" of Wiwynn's official website.
Evaluation mechanism	ISO 14001 third-party verification, annual performance examination, regular audits and guidance to cleaning and disposal.

Traceability Reduction and Management	Compliance Declaration and Disposal	Daily Advocacy and Promotion	Resource Recycling and Regeneration
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The Corporation uses innovation's technology to provide solutions for various products and systems for hyperscale data center and cloud infrastructure. The raw materials put into production and operations mainly include key components, electronic materials, mechanism materials. In order to reduce the environmental hazards in the production and operations process, and the end of the product life cycle, Wiwynn starts from procurement, product design and manufacturing in compliance with the Green Design Guide and Waste Electrical and Electronic Equipment Directive (WEEE). Low-pollution, easily disassembled and recyclable environmentally-friendly design has been adopted. In addition, through daily operations advocacy on waste reduction, proper waste sorting has been done to enhance resource recycling rate and dedicated in reducing impacts to the environment. In 2020, a minor defect and an improvement offer have been proposed by the ISO 14001 third-party audit, and the improvement has been completed in the same year.

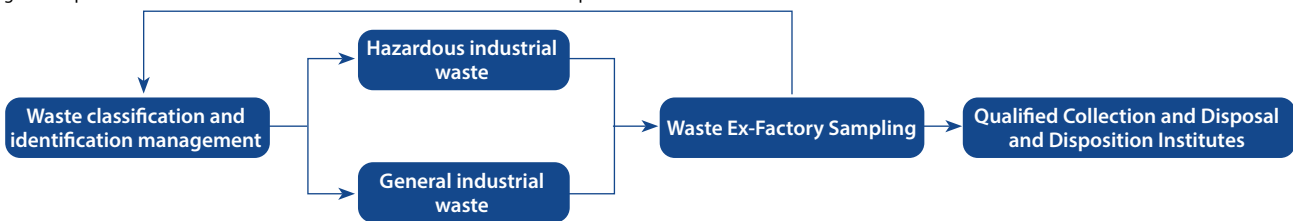
Waste Treatment Procedure



Manufacturing process, Laboratory waste, Household Waste, Tailing

In order to effectively manage the waste generated in the production and operations process, qualified cleaning and disposal institutions are assigned to carry out the waste treatment procedure and declare the relevant data in accordance with the waste disposal law, to ensure that the waste generated under the Corporation's operations complies with the environmental, safe and hygienic treatment procedures. In 2020, there was no case of penalties by the competent authority for violating environmental protection regulations.

The cleaning and disposal institutions, and processing personnel must have waste treatment permits and Class A technician qualified certificates. In accordance with the content of the contract signed by both parties, the contract will be terminated immediately if there is any violation of the laws and regulations. In 2020, according to the relevant procedures, the cleaning and disposal institutions have been audited in accordance with relevant procedures and no defects were found.



According to the statistics of waste declaration in 2020, there was no harmful waste generated by Wiwynn HQ in 2020. The total waste volume was 53.053 tons; among them, 27.611 tons can be recycled and reused. The recovery rate was 52.04%. The total waste volume in Tainan Branch Office was 351.716 tons; among them, 322.948 tons can be recycled and reused. The recovery rate was 91.82%, and it increased 39.84% compared with previous year. The overall recovery rate achieved above 80%. In order to effectively enhance resource recovery rate, we will gradually increase the channels for waste recycling, strengthen recycling system, and continue improving environmental performance.

Unit: ton

		Waste generated	Waste diverted from disposal	Waste directed to disposal
Waste Composition				
Wiwynn HQ	Household waste	23.836	0	23.836
	Paper	5.043	5.043	0
	PET bottles	0.449	0.449	0
	Cans	0.163	0.163	0
	Tetra packs	0.156	0.156	0
	Glass	0.042	0.042	0
	Kitchen waste	1.606	0	1.606
	Plastic parts	0.367	0.367	0
	Steel parts	15.654	15.654	0
	Mixed metal	2.589	2.589	0
	Motherboard	3.148	3.148	0
	Subtotal	53.053	27.611	25.442
	Tainan Branch	Plastic waste	53.936	53.936
Wastepaper		137.420	137.420	0
Scrap iron		0.676	0.676	0
Scrap aluminum		0.096	0.096	0
Organic solvent waste liquid with flash point less than 60°C		10.410	0	10.410
Mixture of other flammable industrial waste		4.040	0	4.040
Other mixed metal waste treated by physical treatment method		0.248	0	0.248
Metal-containing printed circuit board waste and its dust		127.880	127.880	0
Emptied bottles of organic solvent waste liquid with flash point less than 60°C		2.410	2.410	0
General waste chemical substance mixture		0.530	0.530	0
Waste plastic mixture		14.070	0	14.070
Subtotal		351.716	322.948	28.768
Total Waste Volume	404.769	350.559	54.210	

Unit : ton

	On-Site	Off-Site	Total Volume
Hazardous waste			
Preparation for reuse	0	0	0
Recycling	0	130.820	130.820
Other recovery operations	0	0	0
Total volume	0	130.820	130.820
Non-hazardous waste			
Preparation for reuse	0	0	0
Recycling	0	219.739	219.739
Other recovery operations	0	0	0
Total Volume	0	219.739	219.739
Waste prevented			
Proper sorting of wastes to allow the wastes to become the resources in the circular economy in order to reduce environmental impact and enhance resources recoverable rate.			

	On-Site	Off-Site	Total Volume
Hazardous Waste			
Incineration (incl. energy recovery)	0	0	0

Incineration (excl. energy recovery)	0	0.248	0.248
Landfilling	0	28.520	28.520
Other disposal operations	0	0	0
Total volume	0	28.768	28.768
Non-Hazardous Waste			
Incineration (incl. energy recovery)	0	0	0
Incineration (excl. energy recovery)	0	25.442	25.442
Landfilling	0	0	0
Other disposal operations	0	0	0
Total volume	0	25.442	25.442

Recycling Rate

2019	2020	Comparison
53.80%	86.61%	+32.81%

The calculation of employee number equivalent and production capacity equivalent with waste generation amount showed reduction from the previous year.

	2019	2020	Comparison
Wiwynn HQ (Note1)	74.04kg/person (year)	68.37kg/person (year)	-7.7%
Tainan Branch (Note 2)	0.459kg/piece	0.347kg/piece	-24.4%

Note:

- 1.Waste output in comparison with employee unit equivalent of number of employees.
- 2.Waste output in comparison with unit equivalent of productivity (number of pieces).



Special: Green Electricity Report

Words from the CEO

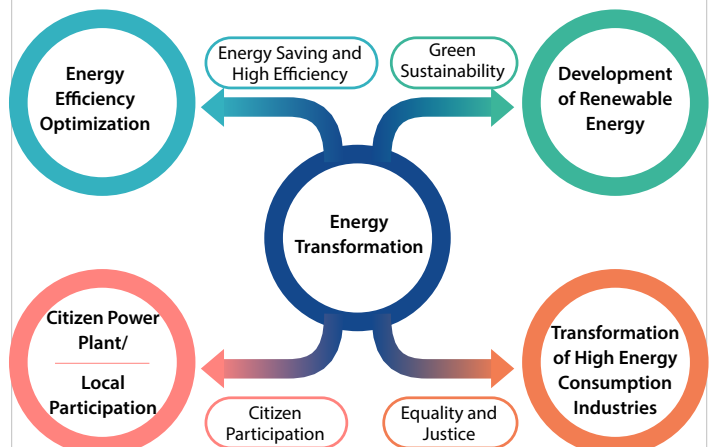
“Energy-saving and carbon reduction have always been the goal of the joint efforts of the energy-intensive data center industry. Use of green electricity is not only an important competitive condition in the current industry, but also a commitment to sustainable operations as a citizen of the earth. We expect to use 10% of the green electricity in Wiwynn HQ from 2021, and we plan to invest more resources in the future to increase the overall green electricity ratio.”



On December 28, 2020, Wiwynn officially announced the completion of the signing of the green power procurement contract, allowing Wiwynn to lead the industry and become the first company in the information service industry in Taiwan to directly purchase green electricity from energy retailer through renewable energy power purchase agreements (PPA) after the electricity act amendments and achieve environmental benefits.

Wiwynn has been deeply involved in the cloud data center industry, and continues to assist customers in improving data center power efficiency through technological innovation. As hyperscale data center customers have declared that they will achieve the goal of carbon neutrality or 100% renewable energy in the next few years, Wiwynn has also started from the operations and gradually promotes energy-saving carbon reduction. Not only has it been leading the industry in planning green power procurement, it has also gained A- in the Carbon Disclosure Project (CDP) Climate Change item announced in 2020.

The green electricity purchased by Wiwynn comes from a solar power plant built on the roof of the school building of Tainan Girl's Senior High School, making Tainan Girl's High School the first school in Taiwan that sells green electricity to a company. This will allow the concept of sustainable energy transition deeply rooted in education, realize the civic responsibility with society to pursue clean energy, and find a sustainable path for the environment.



Diverse and Inclusive Society

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Materiality Performances

Talent Attraction and Retention

Retention rate of new employees recruited within 6 months was **85.88%**

100% of the new employees Survey result that there are opportunities for self-learning and growth at work

The distributed employee bonus **increased by 10.60%** compared to 2019

Subsidies and incentive amounted to **NT\$13,483,320**

An extra 4-day Vitality Holiday has been offered annually since 2017

New employee symposium satisfaction survey result continues to maintain at a **score of 4.5** (out of 5)

Human Capital Development

The average training hour for each employee was **20 hours**

The average training cost on each employee exceeds **NT\$7,500**

The average training hours for each management position was **34 hours**

Electronic learning platform provided **12,110.82 hours of online learning**

The cost on education training reached **NT\$13,015,228**, increased by **41.93%** compared to 2019

Occupational Safety and Health

Passed ISO14001 third party continuing review, with **0** major defect

Occupational safety education trainees reached **1,494 employees**. The training hours reached **3,175.5 hours**

Rate of occupational hazard per thousand employees was **2.144**, FSI was **0.04**, rate of occupational illness was at **0**

Employee satisfaction survey of health promotion events reached **over 94.5%**

Plant contractor of OSH training rate reaching **100%**, with on-site audit improvement rate at **100%**

OSH training rate for new employees maintained at **100%**

No cases of injury or death at work or occupational illness

Employee Care and Human Rights Management

RBA training courses Compulsory courses for new employees

The number of employees receiving RBA education training was **1,548**, with the total training hours of **1,075.7 hours**

Short, Medium and Long-Term Material Topic

	2020	2021	Goal Achieved : ● Goal Yet to be Achieved : ▲
Talent Attraction and Retention	<ul style="list-style-type: none"> ● Retention rate of new employees recruited within 6 months is above 80%. In 2020, retention rate of new employees recruited within 6 months was at 85.88 %. ● New employee satisfaction survey result More than 95% of the new employee expressed their satisfaction. 100% of the new employees believe that they have opportunities for self-learning and growth at work in the past three months. ▲ Overall salary and compensation maintains in top 25% tier of the industry. <p>Please refer to the chapter of talent attraction and retention.</p>	<ul style="list-style-type: none"> ● Retention rate of new employees recruited within 6 months is above 80% ● New employee satisfaction survey result exceeding a score of 4.5 ● Building a friendly working environment for employees with disabilities. 	We continuously enhance the strategies and abilities to attract excellent employees, reduce turnover rate, and enhance retention rate and employee satisfaction.
Human Capital Development	<ul style="list-style-type: none"> ● Average training hours for each employee exceed 20 hours. In 2020, the average training hours for each employee exceeded 20 hours. Wiwynn values talent cultivation and has held department training since 2016, deepening knowledge to professional fields and providing enriched learning contents for culturing a continuous learning environment. 	Average training hours for each employee exceed 20 hours.	We strengthen talent cultivation and improve employee organizational commitment and work performance.
Occupational Safety and Health	<ul style="list-style-type: none"> ● OSH training rate for new employees reaching 100% In 2020, the new employee occupational safety and health education reached a training rate at 100%. ● The measured value and statutory standard value for working environment having a compliance rate over 95%. In 2020, the detection value of hazardous factors control in the working environment meets the statutory standard value of 100%. ● New employee health check implementation rate was more than 95%. In 2020, the new employee health check implementation rate reached 100%. ● Disabling Frequency Rate (FR) (excluding traffic accidents) below 3.15. In 2020, the Disabling Frequency Rate (FR) was 0.72 in Wiwynn HQ , and was 1.02 in Tainan Branch. 	<ul style="list-style-type: none"> ● Occupational hazard rate per thousand employees was below 2.5%. ● OSH training rate for new employees reached 100%. ● Annual average compliance rate of OSH certificates reached 100% ● The measured value and statutory standard value for working environment having a compliance rate over 95%. ● Occupational Safety and Health Committee continues to implement worker communications and participation, with employee representative attendance rate more than 1/3, and at least 1 meeting is held quarterly. ● At least 12 health promotion events were held, with an employee satisfaction rate over 80%. ● Actively audited more than 10 suppliers and contractors for safe operations management. 	We continue to improve environmental safety and health performance, reduce occupational disasters, provide a safe and hygienic working environment, and protect the physical and mental health of employees.
Employee Care and Human Rights Management	<p>In 2020, 4 Employee Relationship Promotion Committee meetings were held, with discussions covering: organizational operations principle, working hours, healthy working environment, employee working rights, rights for resigned employees, etc.</p> <p>Since 2020, relevant courses have become compulsory for new employees. In 2020, the number of employees receiving adjusted training of RBA education training was 1,548, with the total training hours of 1,075.7 hours and a completion rate at 98.8%.</p>	At least 4 Employee Relationship Promotion Committee meetings shall be held in 2021.	We continue to comply with labor regulations and the international human rights code, safeguard labor rights and create a win-win situation for labor and the company.

Talent Attraction and Retention

Wiwynn attracts outstanding talents with competitive salary, welfare and multiple equality policies, and regards employees as the most important partners, cares about employees' physical and mental health, and establishes a healthy and happy workplace culture.

Policy	Happy Wiwynn, diverse and inclusive friendly workplace
Commitment	Complying with labor regulations and formulating personnel management rules in accordance with relevant laws and regulations, with labor conditions from employment, appointment, welfare to retirement are in line with laws and regulations.
Resources	The Corporation's human resources unit is divided into functions of recruitment, training, salary and compensation and employee relations, etc., and each specialized staff is responsible for the promotion of policies.
Grievance mechanism	The Corporation provides the employee complaint hotline phone number and email address on the internal portal and has a grievance handling method clearly defining processing procedures and incentives and punishments. Stakeholders may make grievances through the telephone number and email address available at "Stakeholders' Section" of Wiwynn's official website.
Evaluation mechanism	Compensation Committee, new employee symposium, Employee Relationship Promotion Committee, Employee Welfare Committee, regular internal audits

Equal and Diverse Human Resources Policy

Wiwynn respects every employee, guarantees gender equality in work rights, performs diversified employment, complies with the "Labor Standard Act", "Act of Gender Equality in Employment", "Employment Service Act", etc., prohibits employment discrimination, regardless of gender, age, or candidates with disabilities can have fair employment opportunities.

The total number of employees under Wiwynn in 2020 was 1,715 (excluding non-employee contract workers, including 7 cleaning staffs in Wiwynn HQ and 48 production line operators in Tainan Branch). The total number of employees increased by 51.37% compared to 2019, mainly due to establishment of Tainan Branch in March 2019 and continued business expansion. Categorized by operation locations, job categories and employment types, the ratio of male to female employees in 2019 and 2020 were both 6:4, and the percentage of female employees holding management positions reached 24%, showcasing the fact that female employees have fair promotion opportunities and good career development in Wiwynn. The Corporation also continues to pay attention on gender equality and the recruitment and retention of female employees.

Age distribution within the Corporation is mainly between 31 and 50 years old, with 512 employees holding master's degrees or above. To continuously develop new products and new technologies that optimize various applications, R&D personnel account for 61% of the total number of employees. We will continue to recruit excellent talents and enhance quality of manpower to maintain our competitive advantage.

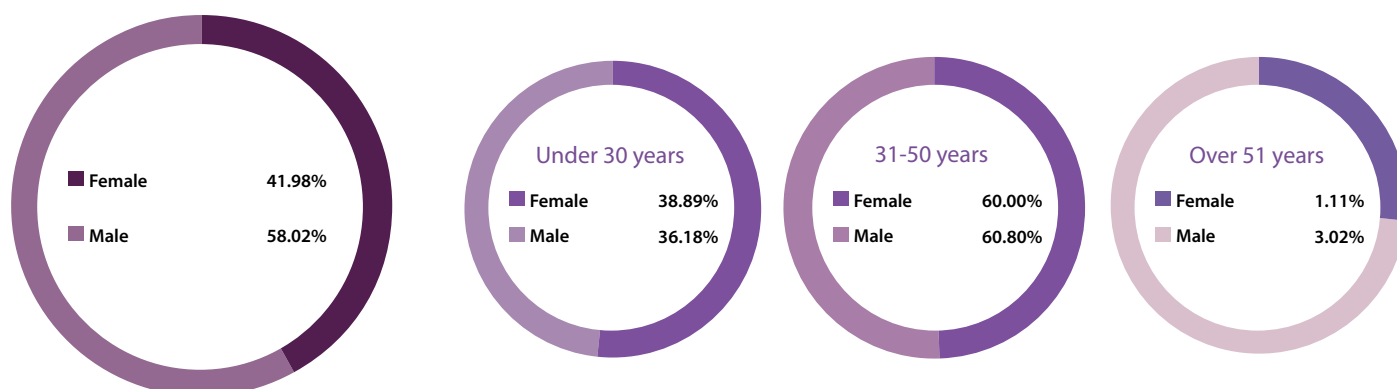
In order to provide employment opportunities for people with disabilities, Wiwynn actively cooperates with relevant units to manage the recruitment of people with disabilities through various channels. The number of employees with disabilities in 2020 was 11, showing an increase of 51.14% compared to 2019. Wiwynn will continue to provide employment resources to assist people with disabilities enter the workplace smoothly.

Wiwynn provides equal employment opportunities, and there is no violation against Employment Service Act in 2020.

Unit : Employees

		Full-time		Contract-based		Age		
		Male	Female	Male	Female	Under 30	31-50	Over 51
Wiwynn HQ	Indirect employee	496	262	24	3	320	434	31
Tainan Branch	Direct employee	362	399	0	0	267	494	0
	Indirect employee	112	56	1	0	53	109	7
Subtotal		970	717	25	3	640	1,037	38
Total			1,687		28	640	1,037	38

Employee Gender Ratio and Age Distribution



Recruitment and Retention of Outstanding Talents

With diversified recruitment channels to attract outstanding talents, our strict recruiting criteria enhance quality of manpower. We emphasize on employee workplace experience, properly taking care of employee needs and providing care and support, with strive to make employees blissful in joining Wiwynn!



Diversified Recruitment Channels

Wiwynn has a diverse recruitment channels based on the difference of each recruitment position, attracting talents who are aspiring to Wiwynn beliefs. In 2020, due to the impact of the pandemic, a large number of face-to-face recruitments have been cancelled, giving us a chance to participate in the first virtual job expo in Taiwan "Virtual Enterprise Exposition" organized by the National Central University. Through an interesting interactive interface, students can submit resumes online on campus, and participate in talent matching process with Wiwynn's supervisors through one-on-one video consultation, and the Corporation's reputation is improved among schools.

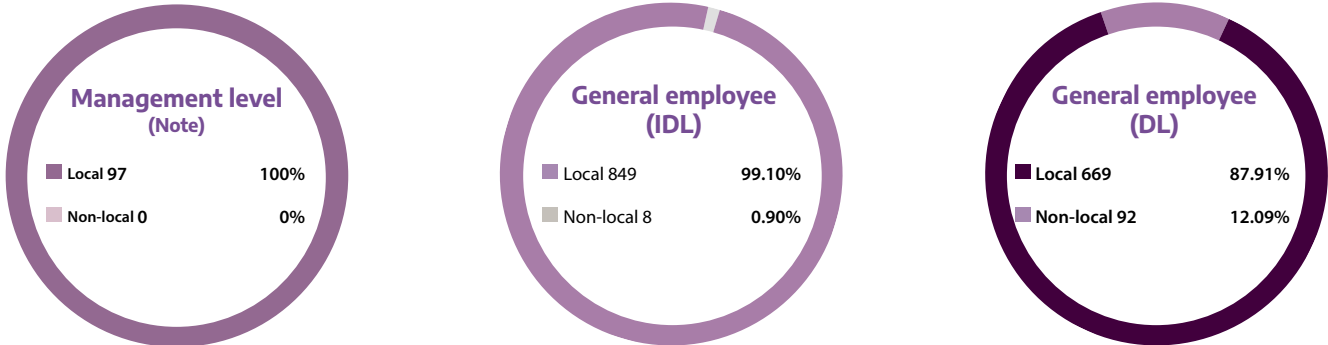
In addition to campus recruitment, Wiwynn also recruits more outstanding talents through the employment matchmaking meeting organized by Institute for Information Industry, III. In the meantime, to attract the young individuals and allow their in-depth understanding of Wiwynn, we worked with 104 Job Bank Corporation to create a recruitment website. Through a lively and clear interface, strengthen the exposure of our popular job positions over the 104 Job Bank Corporation, and bridge a communication channel with the job seekers.



Quality of Manpower

To recruit outstanding talents, all Wiwynn supervisors must first complete the selection and interview skills training. In addition, Wiwynn adopted Behavioral Event Interview (BEI), and used systematic interview tools to evaluate suitable candidates. Wiwynn's new employee has undergone strict selection standards, going through English proficiency, professional and other tests and face-to-face interview evaluation. The recruitment of talents in each operation location is mostly local residents. In Taiwan, the proportion of local residents as management level is 100%, and the proportion of general employee being local residents is 99.1%. In addition, the Corporation contains 92 direct employees who are foreign workers. Wiwynn follows the RBA "no-fees" policy, which related recruitment fees are borne by the Corporation to protect the rights and interests of foreign workers from exploit.

Proportion of Local Residents Employed (Unit : employees)

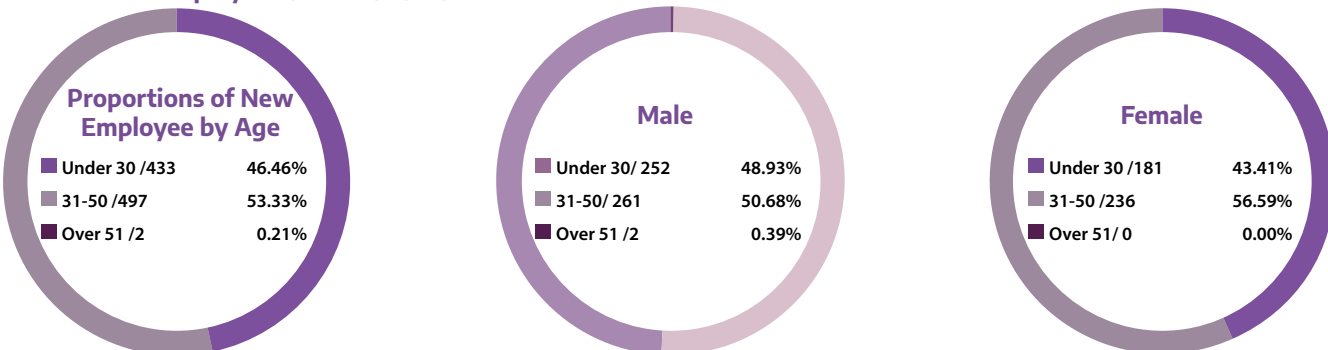


Note:
 1. Operations HQ of the Corporation is established in Taiwan. The Operations HQ is responsible for holding group strategy planning, and is categorized as a significant operation location.
 2. "Local" refers to employees with Taiwanese nationality. "Management Level" refers to supervisors in hierarchy of department or above.

Employee Care

In 2020, a total of 932 new employees were recruited, achieving a new employee rate at 54.34%. The Corporation holds at least one "New Employee Symposium" to care about the new employees' adaptation to the environment, work and colleagues, and conduct two-way communication. After the symposium, a questionnaire survey was conducted, and the new employee satisfaction survey result was 4.65 scores (out of 5 scores), with retention rate of new employees recruited within 6 months at 85.88 % (excluding contractors).

Statistics of New Employees (Unit : employees)



Note: Number of New Employees does not exclude the new employees resigned throughout the year.

Above 100%	Believe he/she is getting along well with his/her colleagues and the working environment is great. Satisfied: I have obtained opportunities to learn and grow at work in the past three months.
Above 98%	Believe his/her job is important. Satisfied: I understand my goals at job and expectations from others or my supervisors.
Above 98%	Believe he/she has opportunities for self-learning and growth in both work and life in the past three months. Satisfied: My supervisor or colleagues often shows care about me.



New employee's warm feedbacks

I think this newbie symposium is very interesting, and sharing by others is also great

It's nice to meet some colleagues who may not have interactions at work.

I've learned interpersonal interaction


Now I have more confidence at work.

I think the Corporation is really caring for employees. They show caring at all times, caring for employee's feedbacks, and are willing to provide various resources. It's really the greatest gift to have entered this company. It's awesome. Thank you!

It gets me reflect the working status throughout this period

The games are fun. I felt embarrassed at first, but people got more and more involved later.

Wiwynn attaches great importance to the balance between work and family life of employees, and specially formulated the "Regulations of Employee Giving Birth Incentives" to reward our employees for giving birth. Regardless of gender, the employee is granted NT\$60,000 per child. In addition, we encourage male employees to take maternity leave and paternity leave to accompany his partner throughout the pregnancy and childbirth as well as taking care of family life. In addition, the "Warm Charging Station for Expectant Mothers" is available on the employee portal website, which provides breastfeeding room use applications, pregnancy and parenting guides, and health consultations to give employees proper care in various needs.



Giving Birth Incentive

In 2020, a total of 72 employees applied for the incentive, with an accumulated amount of NT\$167,000 granted.

Wiwynn protects the work rights under gender equality and there is no event of violation against Act of Gender Equality in Employment in 2020.



Breastfeeding Room

Two breastfeeding rooms are available in Taipei and Tainan operation locations. Our caring and comfortable breastfeeding environment provides equipment including water boiler, sterilizer, and refrigerator.



Application for Unpaid Parental Leave

In 2020, a total of 11 employees applied for unpaid parental leave and the reinstatement rate of unpaid parental leave was 100%, and the retention rate of unpaid parental leave was 66.67%. The main reason for the non-reinstated employees is the need to continue the cares to the family, and they decided to give up such reinstatement. For the reinstated employees, the Corporation also arranges reinstatement-related matters in advance, including education training in the department, to assist the employee to quickly reconnect to their duties and return to the workplace smoothly.

Statistics on Unpaid Parental Leaves in 2020

	Male		Female		Subtotal
	Number of employees	Proportion (%)	Number of employees	Proportion (%)	
Number of qualified applicants in 2020 (A)	8	32.00	17	68.00	25
Actual number of applicants in 2020 (B)	2	18.18	9	81.82	11
Number of employees to be reinstated in 2020 (C)	3	100.00	0	0.00	3
Actual number of employees reinstated in 2020 (D)	3	100.00	0	0.00	3
Actual number of employees reinstated in 2019 (E)	0	0.00	3	100.00	3
Number of employees having worked for 1 year after reinstatement in 2019 (F)	0	0.00	2	100.00	2
Application rate (B)/(A)					44%
Reinstatement rate (D/C)					100%
Retention rate (F/E)					66.67%

Resignation Statistics

According to the statistics of resigned employees in 2020, the total number of resigned employees was 355 (including contracted employees), resulting in a turnover rate at 20.7%, increased by 5.78% compared to 2019. The Corporation will continue to understand the reasons for resignation through resignation interviews and promote continuous improvement of the Corporation to reduce the turnover rate and increase the retention rate.

For employees who resign involuntarily, the Corporation pays the relevant fees and handles the notification of the severance pay in accordance with the provisions of the Labor Standards Act and the Employment Service Act. The calculation of the severance pay is based on the employee's old or new labor pension system as applicable with reference to the service period, followed by the completion of severance payment and issuance of an involuntary resignation certificate to allow employees resigning involuntarily to apply for unemployment benefits to the public employment service agency. There is no event of violation against the Labor Standards Act in 2020.

Statistics of Resigned Employees in 2020

	Age	Male (Person)	Proportion to the number of resigned employees (%)	Female (Person)	Proportion to the number of resigned employees (%)	
Taiwan	DL direct employee	Under 30	30	8.45	41	11.55
		31-50	57	16.06	36	10.14
		Over 51	0	0.00	0	0.00
		Subtotal	87	24.51	77	21.69
	IDL indirect employee	Under 30	57	16.06	32	9.01
		31-50	62	17.46	37	10.42
		Over 51	3	0.85	0	0.00
		Subtotal	122	34.37	69	19.44
	Total number of resigned employees (A) (Note 2)					355
	Total number of employees (B)					1,715
Employee turnover rate% (A)/(B)					20.70	

Note:

- Number of resigned employees including voluntary resignation, dismissal, retirement, etc.
- The number of resigned employees, including 42 short-term contracted employees.

Competitive and Fair Compensation System

Establishing a Fair Compensation Management Procedure	Compliance with Labor Rights Laws and Regulations	Performance Reward System
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Wiwynn provides a competitive compensation whose system complies with relevant labor laws and regulations, including minimum wages, overtime hours, etc., and establishes a performance reward system to motivate employees to link the profitability of the organization. The salary of an employee depends on academic experience, job title, performance and market conditions. Employees will not be treated differently due to gender, race, religion, political stance, or marital status. We enhance employee satisfaction and job performance through our fair compensation management procedure.

- We regularly examine the internal salary management system and conduct external salary level surveys to offer competitive salary and welfare.
- We perform performance evaluation based on employee's professional knowledge, skills, responsibilities and work performance, and provide reasonable salary rewards.
- Annual salary adjustments and promotions are made based on market status to encourage employee performance.
- If there is a profit in the year, more than 5% of profit will be distributed as the employee bonus, allowing employees to grow and share profits with the Corporation. In 2020, the distributed employee bonus NT\$407,000 thousand, increased by 10.60% compared to 2019.

Wiwynn Corporation provides competitive overall salary. The minimum salary standard is the same as the legal basic wage while the minimum salary standard for the indirect personnel is 1.18 times of the legal basic wage. Male employees and female employees apply the same salary system; there is no difference between gender.

For short-term contracted employees, to ensure that the contracted employees are also properly protected by the Corporation, the Corporation stipulates in the contract that the salaries and working conditions of the contracted employees must comply with the labor laws and regulations and must not be lower than the statutory basic salary.

Significant Operation Locations Ratio of Statutory Basic Salary and the Minimum Salary Base		
Taiwan	Direct employee	Male 1 : 1
		Female 1 : 1
	Indirect employee	Male 1 : 1.18
		Female 1 : 1.18

Note: The minimum statutory salary was promulgated by the Ministry of Labor on August 19, 2019 and effected from January 1, 2020. The monthly basic wage is NT\$23,800.

Significant Operation Locations Compensation Ratio of Employee by Gender			
		Male	Female
Taiwan	Supervisors above-managerial	1.24	1
	Direct employee	1.11	1
	Indirect employee	1.06	1

Note: The R&D personnel account for a majority of supervisors above-managerial and indirect employees. In addition, the salary for male employees is higher than female due to the industrial experience and years of experience.

Number of full-time employees who are not in management positions, their average salary and median salary, as well as the differences with those of 2019 are as follows:

	2019	2020	Difference
Number of employees	603	1,359	756

Total employee salary	NT\$972,076 thousand	NT\$1,577,715 thousand	NT\$605,639 thousand
Employee "average" salary	NT\$1,612 thousand	NT\$1,161 thousand	NT\$-451 thousand
Employee "median" salary	NT\$1,302 thousand	NT\$881 thousand	NT\$-421 thousand

The company's operating scale continued to expand in 2020, and the number of employees in the year increased compared with that in 2019. The increase in the proportion of basic-level employees in manufacturing units to all employees resulted in a decrease in overall average salary.

Excellent and Sound Welfare System

Wiwynn has developed a welfare system superior to the regulations, including the Vitality Holiday, various subsidies and incentive measures, as well as diversified club activities, so as to gather the employees and achieve a life with balance between work and body and soul!



The spirit of Wiwynn is to "Work Smart, Play Hard" - showing efficiency at work, enjoying daily life, and having a fun life

Various Welfare Measures in Significant Operation Locations Subsidies and Incentives

In 2020, the cumulative disbursements of subsidies and incentives are as follows: NT\$58,000 birth giving subsidy, NT\$11,872,000 travel subsidy, NT\$717,000 birthday bonus, and NT\$398,520 art and culture events (movie tickets giveaway).



(Birthday gift for employees)

Vitality Holiday

Since 2017, Wiwynn has offered an extra 4-day Vitality Holiday annually, allowing all employees to take leaves simultaneously and get recharged for the future challenges. (In response to production line requirements, Tainan Branch is allowed for rescheduling of such holiday)

Clubs and Group Activities

In 2020, 4 new clubs were established. Currently there are 13 clubs funded by the subsidy amount of NT\$270,800. There are diverse types of clubs related to sports, art and culture, daily life, such as softball, badminton, movie, camping, etc.

Specialty Coffee Brewing Experience Course



December 12, Let's go into the mountains - Hiking Club



Bike Trip in South of the Border



Team Day

Every year, the Corporation arranges half a day to one day team competitions for all employee. By completing different competition events through teamwork and cooperation, members are brought closer, with teamwork sense conglomerated.



Family Day

In 2020, Wiwynn hosted the Family Day inviting families of employees to travel together on this lovely day.



Year-end Party

Our employees had fun together at the year-end party. Employees are gathered showing their vitality and brainstormed to bring the grand prize home.



Other Events - Momentum Cup Team Basketball Tournament



Other Events – Achieved Second Place by Softball Club



Group Insurance and Retirement System

- Wiwynn takes care of the employees and their families. In addition to fully subsidize the employees' group insurance (including the employee's own life insurance, accident and medical insurance), the employees' family members can also insure the group insurance provided by the Corporation at a more favorable premium.
- To enhance the retirement life security of employee, and to strengthen the labor-employment relationship, the Labor Pension Regulations have been established in accordance with the "Labor Standards Act" and the "Labor Pension Act". The employee pension shall be allocated on a monthly basis in accordance with relevant laws and regulations.

Pension Plan	Allocation to Salary Ratio	Accounts for Allocation
New Pension System	Employer: 6%	Personal pension account
	Employee: self-allocation at 0-6%	
Old Pension System	Employer: 2%	Company pension account
	Employee: 0%	

Note: cumulative allocation as of end of 2020. For details, please refer to the 2020 Financial Reports.

Human Capital Development

Wiwynn develops human resources capital under the concept of “Knowing people’s subordinates and assigning them the right work, right people at the right place, and talent cultivation and retention”. The organization and the employees can grow together to achieve the maximum benefit for the Corporation.

Policy	Enhancing quality of manpower, strengthening core functions, and improving work performance
Commitment	Regardless of gender, race, class, nationality, sexual orientation, age, marital status, each employee has equal opportunities for study and development.
Resources	Introduced seven training systems and Electronic learning platform
Grievance mechanism	The Corporation provides employee complaint channels on the portal. Employees may utilize the dedicated phone or email to send the grievance to the top manager of the Corporation’s human resources unit.
Evaluation mechanism	Performance appraisal, incentive system, and promotion meeting

Wiwynn’s Human Capital Development Strategies “Enhancing quality of manpower, strengthening core functions, and improving work performance” links organizational goals and development, exerts synergy, reserves human capital energy, strengthens organizational efficiency and operations to achieve corporate sustainability management and development.



Enhancing Quality of Manpower

- Electronic learning platform in combination of digital resources
The new E-training system was launched in March 2020, with rich and diversified course content, and the O2O (offline to online) learning mechanism, to enhance employee work knowledge and skills. The E-content can update and save teaching materials at any time, and deliver the latest information to employees, so that employees can study 24 hours a day and achieve their self-learning goals. In 2020, a total of **968** employees used online learning, and total learning hours were approximately **12,110.82** hours.
- Job rotation and polymath development
We encourage and respect employees to learn job skills and communication skills from different perspectives, and cooperate with the organization to develop, arrange and plan personal career development. There were **31** internal transfers in 2020, including **8** cross-functional transfers. Wiwynn actively implements on-the-job training that enables employees to give full play to their strengths. We arrange job rotations according to personal wishes and promote the flow of internal talents.
- Developing global view and competitiveness
We perform strategic expatriations and business trips, making appropriate authorizations to create opportunities for employees to perform and grow, so that employees can accumulate cross-border practical experience, learn communication skills, and develop international talents.
- In order to improve the foreign language skills of our employees, a total of **10 language courses** were held in 2020. The number of employees attended was **167**, and the total number of training hours was **250 hours** (including physical

and online courses). As physical courses have been affected by the pandemic and cannot start smoothly, after changing our learning concepts, a total of 4 3-minute English videos was released, which gained a total of **500 viewers** and received popular responses.

- We launch the Wiwynn English Corner on the employee portal to publish journals introducing current affairs or analyses on practical phrases. From 2019 to the end of 2020, an accumulated 96 Wiwynn English Corner information have been posted to help employees enhance their English skills.
- English tests are held twice a year, as employees can confirm their learning results through the tests. The number of participants in 2020 was 319. There were **670 people** who have passed the Wiwynn English standard in the Corporation, of which **167 employees** showed a test performance equivalent to the proficiency of TOEIC score of 800 or more.
- Inheritance of knowledge and experience
To make Wiwynn’s core values, professional knowledge, experience and skills preserved, communicated and developed in the enterprise, meeting the professional services required by many customers due to different technologies. Many of our supervisors serving as lecturers in various training courses and internal training courses run by each unit. Our CEO also give lectures in training courses to pass on knowledge and experience.

Strengthening Core Competency

- Seven training systems and core competency training
Wiwynn attaches great importance to diversified training of talents with various functions. Through seven training systems, professional functions and core managerial roles training are offered. Employees may enhance professional and management capabilities through on-the-job training and internal and external training courses resources.



New Employee Training System

In addition to introducing the Corporation, environment and organization to the new employees on the orientation day, the new employees are required to complete the general online courses for new employees within one month, including Code of Ethical Conduct, hazardous substance training, corporate sustainability and social responsibility, legal knowledge, occupational safety and information security advocacy, etc. We fully convey the Corporation’s vision and system specifications to help new employees quickly blend into the Wiwynn family. The completion rate of new employee training course in 2020 was 96.6%

Profession Training System

- By functional professions, each unit formulate courses and conduct on-the-job education training, such as the 2020 Financial Report study session, basic training on business contract, etc.



- R&D personnel training
In cooperation with the cloud O2O (Online to Offline) training model, approximately 200 R&D courses in the Corporation have been redesigned, and trainings were performed on education and training mobile learning platform APP. Followed with mentoring and learning between supervisors and peers offline, a learning environment with knowledge and technology shared may be created, allowing learners to grasp the knowledge at any time and receive learning information instantly.

Management Training System

A number of supervisor training courses are held for management positions. In 2020, the courses include interview skill, MTP supervisor training, etc.



Internal Lecturer Training System

Internal lecturer system implements the knowledge and experience inheritance as well as mutual growth of the lecturers and the trainees. As of the end of 2020, numerous internal lecturers have been trained. The lecture courses include language, general education and other training courses.



Quality Training System

To implement the quality policy and solutions, as well as delivering zero-defect and competitive green products and services to customers on time, the quality management training courses is introduced.



EHS and Energy Management Training System

Education training related to environment, safety and health, and energy management systems is implemented to enhance employees' knowledge and skills on EHS and energy management for effective performance of management tasks.



General Training System

- To enhance employee functions and work efficiency, the Corporation planned O365 and Office series courses, strategic presentation skills, time management and practical English courses in 2020.



- The Corporation introduced the MOT, Moment of Truth Course, which is a set of training courses costing NT\$1 million. The supervisor serves as the training instructor. Through this course, the method of creating value for the customer is passed down, and the behavior mode of interacting with the customer is provided to understand and satisfy customer needs, create value for customers, enterprises and themselves, and enhance operational performance. This course is a compulsory general education course for all employees, as every employee in Wiyynn plays an important and key role.

2020 Training Results (including various internal and external trainings)

Wiyynn encourages employees to participate in different types of diversified learning activities in accordance with the Corporation's future growth trends, organizational orientation, and personal professional knowledge and skills. Therefore, if there is a training course, the supervisor will also assist in arranging proxy so that the employees may attend classes easily. In 2020, the average training hours for management positions was 34 hours, the average training hours of indirect employees exceeded 30 hours, and the average training hours of full-time employees exceeded 20 hours. The average training cost of employees exceeded NT\$7,500. We continuously enhance work efficiency through education and training to ensure our employees implement knowledge sharing and inheritance, and have more energy for upward improvement.

Unit: Employees; hours

Unit: employees; NTS

Average Training Hours for Each Employee in 2020			
	Male	Female	
Management position	Number of participants (A)	74	23
	Total training hours(B)	2,439.14	889.25
	Average hours of training (B)/(A)	32.96	38.66
Direct employee	Number of participants (A)	362	399
	Total training hours (B)	2,874.92	3,279.39
	Average hours of training (B)/(A)	7.94	8.22
Indirect employee	Number of participants (A)	633	321
	Total training hours (B)	18,374.94	10,423.7
	Average hours of training (B)/(A)	29.03	32.47

Average Training Cost for Each Employee in 2020		
	Male	Female
Number of participants (A)	995	720
Total training cost (B)	8,054,424	4,960,804
Average training cost (B)/(A)	8,094	6,890

Note: The average training expense for each trainee is over NT\$7,500.

Enhancing Work Performance

- Organizational Performance Top-Down**
In order to link individual performance with organizational development and achieve annual organizational goals, each year, based on the goals set by the organization, the unit and individual goals (KPI) are drawn up by layered Top-Down to each employee. When setting annual KPIs, the supervisor may communicate with the employee on the employee's core expertise and career development stages to improve the employee's recognition of the performance system, with performance evaluation conducted semi-annually. After the employee self-evaluation, the employee may obtain supervisor's suggestions and feedback through the face-to-face communications or via inquiry on the system, ensuring the clarity and fairness of the performance evaluation.
- Incentive System Boosting Employee Performance**
Through linkage between the performance evaluation to incentive system such as performance bonus, employee bonus and promotion system, we expect to boost personal work performance, assist employee in career development, and maximize organizational effectiveness.



Note: Excluding the employee yet to reach 3 months of service within the performance evaluation period, other employees reached a 100% participation in performance evaluation system.

Occupational Safety and Health

Wiwynn is committed to ensuring work safety, promoting a safety culture, building a healthy workplace, and cooperating with corporate partners as its beliefs. We also committed to perfecting every management procedure to reduce the incidence of occupational injuries and to protect the safety and health of Wiwynn's partners.

Policy	Compliance with laws and regulations, continuous improvement, reduction of occupational hazard
Commitment	We commit in complying with EHS (Environment, health and safety, in short "EHS") regulations and other requirements by stakeholders, meanwhile implementing worker communications and participation to continuously improve safety and health performance and reducing occupational hazards.
Resources	Introduction of ISO 45001: 2018 Occupational Safety and Health Management System, establishment of dedicated unit for EHS and Health Management promotions, promotion of EHS management operation contents digitization
Grievance mechanism	Health management hotlines, Labor management meetings and Occupational Safety and Health Committee are established respectively in Taipei and Tainan.
Evaluation mechanism	Management System Promotion Committee, ISO 45001 third-party verification, customer audit from time to time

Work Safety Assurance	Safety Culture Promotion	Healthy Workplace Construction	Common Goods with Corporate Partners
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Workers performing work activities under control of the Corporation (proportion):

- Wiwynn HQ - 785 employees (99.12%) and 7 non-employees (0.88%).
- Tainan Branch - 930 employees (95.09%) and 48 non-employees (4.91%).

Occupational Safety and Health Committee

The chairman of the Occupational Safety and Health Committee is served by the top management of the Corporation, who is responsible for management of committee affairs. The Committee shall have one meeting every quarter and has duties of formulating worker health and safety management plans, promoting

strategies and goals, and promoting plans implementation and improvement measures.

In addition, to effectively implement workers' communication and participation, the Committee's labor representatives have a participation ratio of more than 33%. Members of the Committee include occupational safety and health management personnel, a health counsellor and labor representatives, etc., to protect the rights of workers to understand whether there are hazards in their working environment. In addition, the Corporation values the health of workers and provides a safe working environment. In case of potential injury or illness risks which leave from work is required, an employee may inform such condition to his/her colleague or supervisors nearby without receiving any punishment or disposition, as protected by the Corporation following relevant laws and regulations. In 2020, no occupational safety related grievance cases were received.

	Wiwynn HQ	Tainan Branch
Number of members	9	12
Number of labor representatives	3	4
Proportion of labor	33%	33%

Resources Sufficiency

To maintain the validity of EHS management system, the Corporation deploys professionals complying with the specifications of relevant laws and regulations. In 2020, a total of 180 occupational safety related certificates were obtained by our employees. The Corporation will continue to retain the validity of their professional certificates through retraining and dispatched training, with strict prohibition on related operations such as ionizing radiation operations to maintain employee workplace safety.

Education Training Status

The Corporation organizes various occupational safety training courses according to the trainees and encourages employees to participate in education trainings organized by government authorities to enhance OSH concept and emergency care knowledge of our employees. In 2020, 1,494 employees participated in occupational safety education trainings and the training hours reached 3,175.5 hours.

Internal Occupational Safety and Health Training Courses

Course Name	Training objects	Number of employees trained	Training hours
Occupational safety and health education training	New employees	670	3 hours/person
Fire safety lecture	Fire safety groups, new employees	182	2 hours/person
Use of AED	First-aid personnel	96	1 hour/person
First-aid course CPR+AED practical course	Selected personnel	113	1.5 hours/person
Fire extinguisher personnel practice and operation training	On-site personnel	176	1 hour/person
ERT training by groups	ERT personnel	35	1 hour/person
Traffic safety advocacy course	On-site personnel	166	1 hour/person
Construction safety supervision training	Seeded personnel of each department	20	1 hour/person



(Right figure) Fire Safety Lecture

(Left one, left two figures) Occupational Safety and Health Education Training

(First-Aid Course CPR+AED Practice)

(ERT Training by Groups)

External Occupational Safety and Health Training Courses

Date	Course name	Organizer	Participants	Participation hours
2020/01/31	"Coronavirus disease 2019 (COVID-19) Prevention Session"	Southern Taiwan Science Park Bureau	1	3 hours/person
2020/04/28	"2020 National Workplace Safety Health Week - Enhancing Workplace Health Labor Force Seminar"	OSH Administration, Ministry of Labor	4	5 hours/person
2020/08/13	Fire Extinguishment Training Course-2nd Batch	Southern Taiwan Science Park Bureau	3	3 hours/person
2020/09/09	Real Fire Extinguishment Training Course-3rd Batch	Southern Taiwan Science Park Bureau	3	3 hours/person
2020/09/11	Occupational Safety and Health Management Practice	Southern Taiwan Science Park Bureau	4	3 hours/person
2020/09/21	Compound Earthquake Disaster Emergency Adaptability Drill	Southern Taiwan Science Park Bureau	4	2 hours/person
2020/09/22-2020/09/23	Emergency Response Defense Relocation Training	Southern Taiwan Science Park Bureau	2	16 hours/person
2020/10/21	Respiratory Protection Plan Preparation Practice Seminar	Southern Taiwan Science Park Bureau	1	3 hours/person
2020/10/23	Industry 4.0 and Occupational Safety and Health Summit Forum	OSH Administration, Ministry of Labor	1	2 hours/person
2020/11/19	High-Tech Factory Fire Safety Emergency Response Commander Training Plan	Southern Taiwan Science Park Bureau	2	6 hours/person
2020/11/24	2020 Earthquake Warning and Intelligent Disaster Prevention and Rescue System Database Establishment and Practice	Southern Taiwan Science Park Bureau	2	2 hours/person
2020/11/25	Seminar on Strengthening Chemical Hazard General Knowledge and Competency through Virtual Reality	Southern Taiwan Science Park Bureau	1	3 hours/person
2020/11/30	2020 Workplace Safety and Health On-site Counseling Commissioned Handling	Southern Taiwan Science Park Bureau	4	3 hours/person
2020/12/03	22020 Q4 Safety and Health Advocacy Meeting	Southern Taiwan Science Park Bureau	2	3 hours/person
2020/12/09	2020 Guidance Projects Closing Info-Meeting	Southern Taiwan Science Park Bureau	2	2 hours/person

Disaster Drills

To enable employees to enhance their self-response capabilities in disasters and strengthen their knowledge of disaster prevention. In 2020, a 4-hour fire disaster drill for 924 employees was conducted in the entire plant of Tainan Branch.



Procedure Validity

To prevent occupational disasters and ensure the safety and health of workers, Wiwynn has established standardized safety and health management procedures, implemented ISO45001:2018 management system and passed third-party verification. At present, there are 44 documents for management procedures at all levels, and a total of 10 management procedures have been revised in 2020, with continued ensuring of implementation of the management procedure conforming to the current situation and containing completeness and validity. In 2020, a minor defect and an improvement offer were proposed in an external audit, both of which were completed in the same year.

Through the analyses of internal and external issues and the expectations and requirements of stakeholders, PCDA is implemented for safety and health items to continuously improve and effectively prevent risks.

Laws and Regulations Identification:

An audit registration form has been established through the laws and regulations identification. Currently, a total of 62 applicable laws and regulations have been registered. We will continue to confirm the internal operating procedures comply with laws and regulations, provide necessary safety and health equipment and measures, and reduce the incidence of occupational hazards.

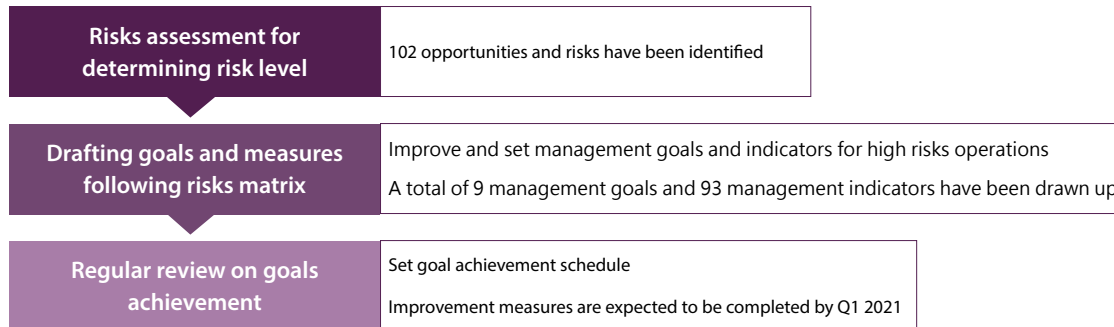
Hazard Identification

In 2020, hazard identification was carried out to 712 operations based on routine and non-routine operations and internal and external events, etc. Risk assessment is implemented from the aspects of impact on personnel injury and illness and the integrity and validity of protective facilities, of which, 4 operations have higher risks that have been immediately reviewed and implemented with countermeasures for reduction to acceptable risks

Risks and Opportunities Assessment

We evaluate the risks and opportunities with potential impact on OSH management system, determine the level of risk through the assessment procedure, and based on the risk matrix, we file the high risks for improvement with corresponding goals and measures drafted, while making regular reviews on management goals achievement.

2020 Risks and Opportunities Assessment and Achievement Status



Occupational Injury and Illness Management and Prevention

To reduce losses caused by occupational injury and illness and to prevent the recurrence of similar incidents, the incident handling and investigation management procedures are drawn up, and the corrective procedures are implemented based on the investigation results of the incidents. There is no event of occupational diseases and no deaths of workers due to occupational disasters in 2020. One occupational accident case in Wiwynn HQ and 2 cases in Tainan Branch were reported. Frequency-severity indicator (FSI) was in the interval of 0.03-0.04 with a majority of injuries coming in cuts, burns, bruises, contusion, etc., and immediate medical care has been given. In addition, corrective measures are conducted through interviews with relevant personnel, such as advocacy through meetings and training to raise awareness of employees, etc. to implement workplace safety commitment.

Occupational Injury Statistics and Analysis

	Wiwynn HQ			Tainan Branch	
	2018	2019	2020	2019 (Note 2)	2020
Number of injuries (events)	1	1	1	0	2
Days of loss (days)	4	2	3	0	4
Total working hours (hour)	792,144	1,174,400	1,386,552	536,519	1,949,323
FR (disabling injury Frequency Rate)	1.26	0.85	0.72	0	1.02
SR (disabling injuries Severity Rate)	5	1	2	0	2
FSI (Frequency-Severity Indicator)	0.07	0.02	0.03	0	0.04

Note:

1. Excluding traffic accidents.
2. Tainan Branch commenced its operation from second half of 2019.
3. Description on difference with 2019 Sustainability Report: the occupational injury statistics and analysis in 2020 is calculated based on methods announced by Occupational Safety Administration, Ministry of Labor, counted disabling frequency rate and severity rate in million working hours, with retrospective adjustment to data of 2018 and 2019 presented.

Implementation of Occupational Injury and Illness Management and Prevention

Physical, Chemical Hazard Management

Routine operation inspections have been conducted in accordance with work environment hazard assessments.

Item	Frequency	2020 Assessment Result
CO2 concentration and lighting detections in office area	At least once semi-annually	Compliance with legal requirements
Noise detection in the laboratory area of Wiwynn HQ	Continuous monitoring	Compliance with legal requirements The decibel meter has been set up to enable the worker to grasp the status of the working environment and evaluate the exposure status.
Detecting methanol, isopropanol, tin, noise, etc. for the Tainan Plant production line area, and grasp the status of the working environment and evaluate the exposure status.	At least once semi-annually	Compliance with legal requirements and with relevant protective gear provided for employees.
Low-voltage switchboard inspection	Once per year	Compliance with legal requirements
Fire safety equipment inspection, with all inspection items properly completed to prevent fires and maintain public safety	At least once per year	Wiwynn HQ has completed defect improvement in Q3 2020 Tainan Branch has completed defect improvement in Q4 2020

Air conditioning maintenance in office area and R&D testing area	Self-installed air conditioning-once a month/ Central air conditioning-once semi-annually	Completed
Water dispense maintenance/drinking water testing Ensure the quality of drinking water and maintain the health of employees	Wiwynn HQ: Once a month / Once every quarter Tainan Branch: Once every 2 months	Completed; sampling rate over 12.5%
Disinfection of public areas in Taipei office building	Once a month	Completed

For proper management of chemicals, the Corporation has set up a special area for placement of explosion-proof safety cabinets with safe intervals in between. For hazardous chemicals, the necessary general knowledge measures are clearly marked, with a safety data sheet prepared for inquiry, added by a chemical control card clearly recording the name and volume of the chemical to control the maximum storage capacity of the explosion-proof cabinet. In addition, safety equipment has also been placed, including emergency shower and eyewash, as countermeasures in case chemical operators are exposed to hazardous risks, which allow them to adopt timely protection measures.



Human Factors and Mental Hazard Management



- Prevention Plan of Musculoskeletal Diseases Induced by Repetitive Operations**
 The Corporation implemented the questionnaire survey of the four major plans of labor health protection, and selected high-risk cases based on the survey results of the musculoskeletal pain scale, with a total of 89 people whose pain index is ≥ 3 points. In the combination of physicians, occupational nurses, occupational therapists, and OSH personnel, etc., on-site operation observation, personnel care interviews, etc., are conducted following manual material handling checklist (KIM form), followed by provision of health education guidance to prevent occupational diseases. In addition, functional treatment health promotion activity was held in 2020, with participation by high-risk cases arranged. A total of **58 people** participated and gave an overall satisfaction rate of **94.5%**.
- Prevention Plan of Diseases Induced by Abnormal Workload:**
 The Corporation calculates the risk of cardiovascular disease within ten years based on the survey using fatigue scale and the results of the employee year health examination report, giving calculations based on the risk level and the interview recommendation table. A total of 12 medium-risk cases have been found, and a total of 1 case requiring interview arrangement. The Corporation has given the said employee medical and health education guidance and advice through the doctor's interview, and will continue to track and care for status of the said employee.

In addition, the Corporation organizes psychological stress-relieving health promotion activities, screening questionnaires for high-risk groups (heavily overworked employees), and arranging lectures to help employees understand the meaning and importance of emotional management and stress adjustment, and apply practical skills to daily lives and work to enhance their stress response ability. A total of **105 people** participated, and the overall satisfaction rate was **95.5%**.

- Prevention Plan of Unlawful Infringements During Performance of Duties:**
 The Corporation collects cases through questionnaire surveys and human resources notifications, launches unlawful infringement prevention work plans, works with human resources unit and occupational care, understands the employee's working conditions and confirms the details of unlawful infringements, counsels the victims' mental health. We put forward relevant health guidance, work adjustments or replacements and other physical and mental health protection measures to access and recommend appropriate configuration and planning, reduce unlawful infringement.

Maternal Health Management

The maternity health protection plan is initiated after receipt of reports. We evaluate the reported case's working environment and content to confirm the risk level, care for the reported case's health status, provide health education and guidance, arrange doctor consultation interviews, etc. In 2020, a total of 36 employees have been listed as objects of maternity health protection, among which 10 of them were suggested by doctors to request working hours readjustment on working hours or venues under the coordination of their supervisors, such as night shifts to day shifts, avoiding exposure to ionizing radiation, etc. The consultation rate and improvement rate reached 100%. In addition, in the 2020 RBA audit, after understanding employees' needs through employee interviews, and set up maternity motorcycle parking spaces.



Contractor Management

Before contracting operators enter the factory, they are required to join the contractor labor safety and health agreement organization of the Corporation and conduct coordination meetings. The safety and health office provide the contractors with hazard information and safety rules education and training, to enhance their safety protection awareness and implement irregular audits. In case of violation, contractor is required to improve within a limited period, and relevant improvements have been completed in 2020.



	2019		2020	
	Wiwynn HQ	Tainan Branch	Wiwynn HQ	Tainan Branch
Number of contractor employees trained	36	259	40	320
Number of violations	1	0	1	5
Number of violations - improved within a limited period	1	0	1	5

Note:

1. Tainan Branch commenced its operation from second half of 2019.
2. Contractor training hours is 1 hour/employee.

Health Monitoring and Promotion Events

The Corporation uses systematic methods to conduct workplace health promotion. In 2020, the Corporation was awarded the Healthy Workplace Certification by the Health Promotion Administration, MOHW. We continue to formulate a health promotion management initiative program through the annual health examination results and the questionnaire survey of the four major plans of labor health protection.

Health Examination

Wiwynn organizes employee health examinations on an annual basis. In addition to general health examinations, 49 employees who are required to undergo special health examinations due to noise or exposure to ionizing radiation have all undergone special health examinations in 2020.

According to annual health examination report results, the management is carried out at difference levels. A total of 72 employees are required to receive health management tracking and treatment. In 2020, health counseling has been completed through the consultation service of physicians and the guidance of factory health education.



	Wiwynn HQ	Tainan Branch
Number of employees receiving general health examination	634	680
Number of employees receiving special health examination	42	7

Resident Doctor Service

We arrange doctors to provide personal health consultation, assist in improving the working environment, and promote the physical and mental health of workers in the workplace. The services include health management, consultation on abnormal values in health examination reports, employee post-injury care and reinstatement counseling and evaluation, preventive health care, chronic disease diagnosis and treatment, counseling on physical and mental issues, etc. A total of 220 employees receive consultation in 2020.

Employee Assistance Program, EAP

We introduced the EAP program, established an employee assistance hotline, providing a 24-hour employee assistance program. All consultations are protected by the privacy policy. In 2020, a total of 12 employees have utilized the consultation or consultation assistance system to seek assistance for interpersonal relations, career work, legal consultation, family parenting, etc.

Health Promotion Advocacy

The Corporation has set up a "Health and Care" section on the portal website to conduct health promotion advocacy. In 2020, a total of 45 health promotion advocacy were conducted, including pandemic prevention information notification, health advocacy, preventive health care and other related health education information.

Health Promotion Events

Event name	Promotion effects
2020 Group Event, The Healthy Marching	4,612 employees registered, with 2,951 employees reaching the goal for steps
2020 Quit & Win, Quit Smoking to Win -Tips for Quit Smoking & Pandemic Prevention	14 participants
The Distance Between Cigarettes and Us, Free Carbon Monoxide Test (3 sessions)	56 participants
2020 Quit & Win, Quit Smoking and Win the Game Contest	2 employees successfully quit smoking
Implant the New Fitness Concept, Balance of Muscles and Relieve Soreness (2 sessions)	58 participants
Wiwynn Health Season - Group Weight Loss Contest	Participated by 168 employees in 56 teams. A total of 299.9 kgs were lost, with the weight loss rate reaching 2.3%
InBody Test (Test made before, during and after the session)	372 participants
Physical Treatment - Exercise Injury Prevention Seminar	64 participants
Intensive Bodybuilding Aerobics + Interactive Boxing Aerobics + Core Muscle Training (5 sessions)	69 participants
Nutrition Seminar - Combat of Diets with Reduced Fat, Ways of Getting Healthy Diets for Constant Eat-Out People	78 participants
Mental Stress Relief - Stress Relief with Mindfulness, Says Goodbye to Stress that Makes You Fat (2 sessions)	105 participants
Blood Donation Event	Collected 69 bags of blood amounting to 17,250cc

Risks		Risks mitigation measures	
Occupational injuries 89 employees	Counseling, improvement rate 100%	Occupational treatment health promotion event	58 participants
Abnormal workload 12 employees	Counseling, improvement rate 100%	Mental stress relief health promotion event	105 participants
Maternal health effects 36 employees	Counseling, improvement rate 100%	Work adjustment	10 participants
Health management tracking 72 employees	Counseling, improvement rate 100%	Resident doctor service	220 participants
		Employee Assistance Plan, EAP	12 participants
		Health promotion events	5598 participants

Employee Care and Human Rights Management

With people orientation, Wiwynn implements respect, equality and inclusiveness, and builds a friendly workplace environment.

Policy	Formulating human rights policy, promoting employee relationship management and implementing labor rights protection.
Commitment	Protecting and respecting labor human rights, complying with the “Wiwynn RBA Code of Conduct Commitment” to perform social responsibility commitment, and supporting and encouraging the first-tier suppliers to follow the same guidelines.
Resources	Introduction of employee assistance program, EAP , provision of multiple communication platforms and channels, establishment of “Wiwynn RBA Management Committee”, implementation of external validated audit process, social responsibility management system education and training
Grievance mechanism	Dedicated hotline and mailboxes are available on the internal portal of the Corporation. Stakeholders may make grievances through the phone and email address available at “Stakeholders’ Section” of Wiwynn’s official website.
Evaluation mechanism	Employee Relationship Promotion Committee, RBA SQA Self-Evaluation, External Audit Verification (VAP)

Wiwynn complies with the labor and human rights specifications of the “Labor Standards Act”, “RBA Responsible Business Alliance Code of Conduct”, and has formulated a number of management procedures and regulations in accordance with the International Human Rights Code, committing guarantees of labor human rights. In case of termination of the employment due to major operational changes, the dismissed employees will also be notified in advance in accordance with the law to protect labor rights, and we continue to expand the influence on suppliers into mutual compliance with the RBA Code of Conduct.

Management Procedures and Measures

Human Resources Management Rules	Anti-Discrimination Management Procedures	Prohibition of Child Labor and Mis-employment Redemption Procedure	Youth Labor Management Procedures
Management Procedure for Requirements in Freedom of Association and Religions and Beliefs	Management Procedure for Anti-Discipline, Forced Labor and Prison Labor	Workplace Sexual Harassment Grievance and Discipline Regulations	

Risks Evaluation and Risks Mitigation

Based on the self-evaluation questionnaire (SAQ) designed from the RBA Responsible Business Alliance, the social, environmental and ethic risks evaluation are accessed every year. In 2020, The SAQ evaluation scores of Wiwynn HQ and Tainan Branch reached an average of over 90 points, which are under low risks (≥ 85 points refers to low risks). In addition to the SAQ annual evaluation, Tainan Branch was verified by a third-party verification agency with performance of the external Validated Audit Process and obtained a gold certificate in 2019, and completed defect improvement and obtained a full mark in 2020. The relevant information is disclosed on the RBA-Online platform.

	SAQ		VAP		SAQ Full Mark 100 Low risks (≥ 85) Medium risks (≥ 65 & <85) High risks (<65) VAP Full Mark 200
	2019	2020	2019	2020	
Wiwynn HQ	87.4	99.2	-	-	
Tainan Branch	87.4	93.9	180.4	200	

<p>Issues</p> <p>Evaluation</p> <p>Risks Mitigation</p> <p>Risks Analyses</p>	<p>Safe and healthy working environment</p> <p>Occupational diseases prevention, we provide employee a safe and healthy working environment</p> <ul style="list-style-type: none"> ● Arrange employees general health examination annually, along with specific health examination for employees having operations under noisy environment or in contact of ionizing radiation. ● Implement health advocacy and occupational safety education and training ● Introduced ISO 45001 Occupational Safety and Health Management System ● Health Management Center was established in 2020 to enhance employee health and care. ● Occupational Safety and Health Committee meetings are regularly convened <p>In 2020, through the internal risk analysis of RBA, to prevent employees from contracting major infectious diseases, we prevented and effectively isolated the confirmed patients, and assisted the confirmed patients to restore their health to ensure sufficient production manpower and normal operation of the factories. For public health and foreign employees' accommodation, we incorporated EHS continuous operation management plan, with continuous supervision and management.</p>	<p>Prohibition of child labor and youth labor management</p> <p>To effectively control the non-recruitment and non-support of child labor and guarantee the employment conditions of youth labor</p> <ul style="list-style-type: none"> ● Stipulation of "Prohibition of Child Labor and Mis-Employment Redemption Management Procedure" and "Youth Labor Management Procedure" ● Recruitment and employment procedure in accordance with the laws. ● Complying with labor laws and regulations to ensure the employment of young workers, such as work must not be dangerous or harmful, with limitation on working hours, and minimum basic wages guarantee, etc. ● New employees are required to submit identification documents, followed by our strict inspection to prevent child labor employment. <p>In 2020, there is no event of misuse of child labors or events in violation of Labor Standards Act. Identified as low risks in risks evaluation.</p>	<p>Anti-discrimination, equal working opportunities</p> <p>For the recruitment and employment process (e.g. training, salary, promotion, dismissal or retirement, etc.), no discriminatory behavior due to differences in employee conditions is allowed</p> <ul style="list-style-type: none"> ● Formulation of "Anti-Discrimination Management Procedure" ● Conducting recruitment and employment procedures in accordance with the law. ● Male and female employees are applied with the same salary system without disparity difference due to gender. ● Giving all employees equal opportunities to learn develop according to their functions. ● Implementation of performance evaluation and two-way communication to ensure clarity and fairness in performance evaluation ● Establishing grievance channels for supervision and management <p>In 2020, there is no event of employee complaint. Identified as low risks in risks evaluation.</p>	<p>Ban on forced labor</p> <p>It is forbidden to impose illegal or inhumane disciplinary measures and forced labor on employees</p> <ul style="list-style-type: none"> ● Formulation of "Management Procedure for Anti-Discipline, Forced Labor and Prison Labor" ● Specifying in the work regulations that if there is a need for overtime work, the employee's consent must be obtained, and overtime pay or compensatory time off will be provided afterwards. ● Establishing grievance channels for supervision and management <p>In 2020, there is no event of employee complaint. Identified as low risks in risks evaluation.</p>
<p>Issues</p> <p>Evaluation</p> <p>Risks Mitigation</p> <p>Risks Analyses</p>	<p>Freedom of association</p> <p>Respecting employee's freedom of association, and rights to join in labor union and group negotiation</p> <ul style="list-style-type: none"> ● Formulation of "Management Procedure for Requirements in Freedom of Association and Religions and Beliefs" ● Employees elect among themselves the employee representative through the election system, with the Employees Relationship Promotion Committee meetings regularly convened <p>In 2020, various employee relationship promotion meetings were convened in Taipei and Tainan, showing a good communication. Identified as low risks in risks evaluation.</p>	<p>Sexual harassment prevention</p> <p>Building a gender-friendly workplace, and completely eradicating sexual harassment at workplace</p> <ul style="list-style-type: none"> ● Formulation of "Workplace Sexual Harassment Grievance and Discipline Regulations" ● Perform Sexual Harassment prevention advocacy on the TV walls of the Corporation ● Established sexual harassment event grievance channels <p>Sexual Harassment Prevention Hotline 8301-xxxx / 8311-xxxx</p> <p>In 2020, there is no event of employee complaint. Identified as low risks in risks evaluation.</p>	<p>Physical and mental health and work-life balance</p> <p>Assisting employees to maintain physical and mental health and work-life balance</p> <ul style="list-style-type: none"> ● We regularly arrange "one-on-one doctor consultation" service, providing employee health management, preventive health care, chronic disease diagnosis and treatment and prevention, and counseling on physical and mental issues. ● Hosting diverse events (e.g. Team day, Family Day) and club activities ● Introduced the employee assistance program (EAP), providing 24-hour employee assistance, and all consultations are protected by the privacy policy. <p>Employee Assistance Hotline 0800-025-008 service@ffceap.com.tw</p> <p>A total of 220 employees applied for one-on-one doctor consultation in 2020. The consultation includes health management, consultation on abnormal values in health examination reports, preventive health care, chronic disease diagnosis and treatment, counseling on physical and mental issues, etc.</p> <p>In 2020, a total of 12 employees have utilized the consultation or consultation assistance system to seek assistance in aspects of interpersonal relations, career work, legal consultation, family parenting, etc.</p>	<p>Suppliers human rights management</p> <p>Complying with RBA Code of Conduct, encouraging and supporting the first-tier suppliers to follow the same guidelines.</p> <ul style="list-style-type: none"> ● Conflict mineral due diligence investigation and management ● Suppliers RBA on-site audit ● We hold regular Supplier Business Review (SBR) meeting with suppliers of important components to establish stakeholder's grievance channels, which was disclosed on the company's official website <p>For more information, please refer to "Supply Chain Management"</p>

Education Training and Advocacy

To enable employees to understand their own rights and the Corporation's policies and practices on issues such as labor, human rights, health and safety, environment, and ethics and other issues through training courses, a number of RBA related courses have been held. These relevant courses will be listed as the compulsory courses for new employees since 2020.

2020 RBA Related Courses Training Status

	2019	2020
Number of attendees	1,275	1,528
Total hours	212 hours	1,075.7 hours
Training completion rate	100%	98.8%



In addition, to maintain Wiwynn's workplace safety and enhance the awareness of the Corporation's human rights policy by security guards, human rights-related education training for all security guards was implemented in the Tainan Plant in 2020. The number of trainees was 8, the training hours were 2.5 hours, and the training completion rate was 100%.

Diverse Communications Channels

Wiwynn attaches great importance to the opinions and rights of employees, builds a diversified communication platform and communication channels, conglomerates consensus among employees, and promotes labor-management relationship harmony.

Internal communications meetings for each unit/ daily meeting	Irregular/daily
Management team weekly meeting	Weekly
One-on-one meeting - senior supervisors and department heads	Monthly
Kick-off /Mid-year meeting	Twice every year
Employee Relationship Promotion Committee	At least 3-4 times every year
New employee symposium	At least 3-4 times every year
Electronic message delivery -internal portal EIP -official website "Wiwynn News Center"	Irregular



In 2020, reports by employees through our diverse communications channels are summarized as follows. All reports have been processed and closed in the current year.

Items :

- Multiplier for overtime pay
- Salary inquiry
- Pieces of static protection wear provided
- Air conditioning on production line
- Accommodation subsidy
- Static electricity shoes replacement process

The key issues discussed by the Employee Relationship Promotion Committee in 2020 are summarized as follows:

Proposals :

- Issues related to Labor Standard Act regulations
- Operating principles of labor-management meeting
- Public health issues
- Flexible working hours/female nighttime work/working hours
- Overtime Issues
- Flexible working hours
- Issues concerning rights of resigned employees
- Environmental facilities

Special: Seeking Common Good with the Society

Charity Promotion Caring for the Underprivileged Groups

Since April 2020, Wiwynn has participated in "Sowing the Seeds of Reading-Giving Children a Big Future" charity project initiated by the Commonwealth Publishing Education Foundation, donating monthly magazine "Future Children" to 100 elementary schools in rural areas across Taiwan, to cultivate children's interest in reading and learning, and to open up their windows to knowledge. Wiwynn Corporation believes each child has unlimited potentials. Through the promotion of the scheme, it is to reduce the gaps between "quality" and "time" among the students in the cities and in the countries to provide children a better future. Besides, in order to care for disadvantaged group, we work with charity groups, Bear House and Syin-Lu Social Welfare Foundation, to carry out activities or purchase gifts for Chinese New Year and traditional festivals so that the delivery of love and hope will become the strength for the society to move forward.

- 100** Schools in Rural Areas
- >1000 copies** Magazines and Monthly Journals Every Year
- >1000** Students Benefitted
- 2** Charitable Groups Cooperated
- >2000** Charity Purchases
- > NT\$ 600,000** Charity Expenditure



Giving Back to the Communities, Common Goods with the Locality

The Southern Taiwan Science Park Bureau has held a series of activities of "STSP Charity Month" for 6 consecutive years, calling on manufacturers in the science park to offer charity and help the underprivileged and urgent needs of the surrounding areas of the park, such as Shanghua, Anding and Xinshi Districts. In the past six years, it has raised more than NT\$9.5 million and helped more than 500 families. In order to give back to the local communities, Wiyynn's enthusiastic employees of Tainan Plant led by the plant manager participated in the event "Charitable Picnic Party" charity fair organized by Southern Taiwan Science Park in 2020, with all proceeds donated to charity. Looking forward that through this activity, the warmth of society will be passed on to the underprivileged groups, and the Corporation may obtain co-existence and co-prosperity with the locality.



Student Reading Condition Sharing:

The "Future Child" have always been the most popular books for students to borrow. For children in rural areas, these are important books to expand their vision and absorb new knowledge. From the sharing of children, we know the children's reading interest has been greatly enhanced.



Heping Elementary School

Children are looking forward to reading the "Future Child" magazines. They always looking forward to read them and make discussions. It is extremely helpful to the development of reading habits.



Yongan Elementary School



In rural areas, it is not very common for parents buying books for children. Most of children's reading materials are dependent on the school. I would like to thank Wiyynn for such sponsorship to expand children's vision.

Dehua Elementary School

I would like to thank Wiyynn for promoting excellent leisure reading materials, opening the window to the world for children in the rural areas, and having more channels to understand different fields of knowledge. I am very grateful to Wiyynn for benefiting children in rural areas.

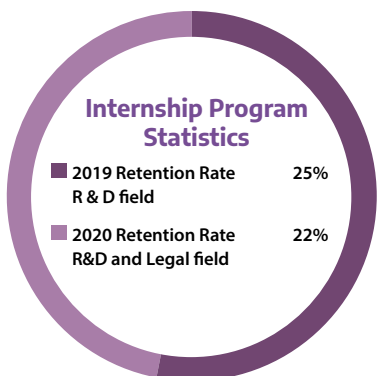
Lushang Elementary School

Many of the contents in the magazine are very relevant to daily life and have high practical knowledge. In addition to teaching using textbooks, teachers can also easily access the topics in the magazine as supplementary materials, which is especially useful.

Luocuo Elementary School

Industry-Academia Cooperation Connecting to Workplace

Wiyynn collaborates in internship projects with universities and colleges across Taiwan to provide a stage for students to learn and grow, and to help outstanding interns connect with the workplace. With Wiyynn's internship experience, and mentor's 1 on 1 professional leadership, students can familiarize themselves with industry practices in advance, and have in-depth study of professional knowledge. In addition, interns are entitled to the same training courses and benefits as regular employees, such as strategic briefing courses, Moments of Truth courses, Family Day, corporate culture and other activities. In addition to collaborating with multiple learning resources and tools, Wiyynn also encourage all interns to participate in internal projects to obtain career soft power and enhance workplace adaptability.



In response to the rise of the digital economy and AI, Wiyynn supports the government to promote the "Digital Youth Transformation Seed Empowerment Program". In the future, it will continue to invest in resources to help talents integrate into the changing job market and digital trends in the future, and through corporate practices, talent energy for various functions may be cultivated.

Healthy Enterprise, Friendly Workplace

In response to the COVID-19 pandemic in 2020, Wiyynn offer half-paid pandemic prevention care leave available for employees with children under the age of 12. According to statistics, 17 employees applied for the pandemic prevention care leave, including 5 male and 12 female employees. Wiyynn's pandemic prevention and care and friendly measures for employees have been recognized by the Labor Affairs Department of New Taipei City Government and was awarded in the 2020 Friendly Workplace Activities organized by the same bureau. We will continue to plan friendly measures to achieve our vision of the balance between labor, family and work.



Appendices

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GRI Standards Comparison Table

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102-2	Activities, brands, products, and services	About Wiwynn	p. 3
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102-4	Location of operations	About Wiwynn	p. 3
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102-6	Markets served	About Wiwynn	p. 3
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102-10	Significant changes to the organization and its supply chain	Supply Chain Management	p. 25
102-11	Precautionary Principle or approach	Risk Management	p. 23
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102-13	Membership of associations	About Wiwynn	p. 3
102-14	Statement from senior decision-maker	A Message from the Chairman of Corporate Sustainability Committee	p. 2
102-15	Key impacts, risks, and opportunities	Materiality Analysis and Communications with Stakeholders	p. 6
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102-17	Mechanisms for advice and concerns about ethics	Ethical Management	p. 21
102-18	Governance structure	Corporate Governance Risk Management	p. 18 p. 23
102-19	Delegating authority	Corporate Sustainability Committee	p. 5
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate Sustainability Committee Climate Change Strategies and Energy Management	p. 5 p. 37
102-21	Consulting stakeholders on economic, environmental, and social topics	Corporate Sustainability Committee Materiality Analysis and Communications with Stakeholders	p. 5 p. 6
102-22	Composition of the highest governance body and its committees	Corporate Governance	p. 18
102-23	Chair of the highest governance body	Corporate Governance	p. 18
102-24	Nominating and selecting the highest governance body	Corporate Governance	p. 18
102-25	Conflicts of interest	Corporate Governance	p. 18
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102-29	Identifying and managing economic, environmental, and social impacts	Corporate Sustainability Committee Risk Management	p. 5 p. 23
102-30	Effectiveness of risk management processes	Risk Management Climate Change Strategies and Energy Management Corporate Sustainability Committee	p. 23 p. 37 p. 5
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102-37	Stakeholders' involvement in remuneration	Corporate Governance Human Capital Development	p. 18 p. 53
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102-42	Identifying and selecting stakeholders	Materiality Analysis and Communications with Stakeholders	p. 6
102-43	Approach to stakeholder engagement	Materiality Analysis and Communications with Stakeholders	p. 6
102-44	Key topics and concerns raised	Materiality Analysis and Communications with Stakeholders	p. 6
102-45	Entities included in the consolidated financial statements	About this Report	p. 1
102-46	Defining report content and topic boundaries	About this Report Materiality Analysis and Communications with Stakeholders	p. 1 p. 6
102-47	List of material topics	Materiality Analysis and Communications with Stakeholders	p. 6

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102-50	Reporting period	About this Report	p. 1
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102-55	External assurance	Appendices : GRI Standards Comparison Table	p. 65
102-56	External assurance	About this Report	p. 1

Topic-specific

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GRI 103 : Management Approach			
103-1	Explanation of the material topic and its Boundary	Materiality Analysis and Communications with Stakeholders	p. 6
103-2	The management approach and its components	Materiality Analysis and Communications with Stakeholders	p. 6
		Please refer to the content of each topic	
103-3	Evaluation of the management approach	Please refer to the content of each topic	
GRI 201 : Economic Performance 2016			
201-1	Direct economic value generated and distributed	Economic Performance	p. 22
201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Strategies and Energy Management	p. 37
201-3	Defined benefit plan obligations and other retirement plans	Talent Attraction and Retention	p. 46
201-4	Financial assistance received from government	Economic Performance	p. 22
GRI 202 : Market Presence 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Talent Attraction and Retention	p. 46
202-2	Proportion of senior management hired from the local community	Talent Attraction and Retention	p. 46
GRI 204 : Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	Supply Chain Management	p. 25
GRI 205 : Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Ethical Management	p. 21
205-2	Communication and training about anti-corruption policies and procedures	Ethical Management	p. 21
205-3	Confirmed incidents of corruption and actions taken	Ethical Management	p. 21
GRI 206 : Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Regulations and Voluntary Compliance	p. 25
GRI 301: Materials 2016			
301-1	Materials used by weight or volume	Sustainable Products	p. 40
301-2	Recycled input materials used	Sustainable Products	p. 40
GRI 302 : Energy 2016			
302-1	Energy consumption within the organization	Climate Change Strategies and Energy Management	p. 37

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302-4	Reduction of energy consumption	Climate Change Strategies and Energy Management	p. 37
GRI 305 : Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	Climate Change Strategies and Energy Management	p. 37
305-2	Energy indirect (Scope 2) GHG emissions	Climate Change Strategies and Energy Management	p. 37
305-3	Other indirect (Scope 3) GHG emissions	Climate Change Strategies and Energy Management	p. 37
305-5	Reduction of GHG emissions	Climate Change Strategies and Energy Management	p. 37
GRI 306 : Waste 2020			
306-1	Waste generation and significant waste-related impacts	Waste Management	p. 42
306-2	Management of significant waste-related impacts	Waste Management	p. 42
306-3	Waste generated	Waste Management	p. 42
306-4	Waste diverted from disposal	Waste Management	p. 42
306-5	Waste directed to disposal	Waste Management	p. 42
GRI 307 : Environmental Compliance 2016			
307-1	Non-compliance with environmental laws and regulations	Regulations and Voluntary Compliance	p. 25
GRI 308 : Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	Supply Chain Management	p. 25
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management	p. 25
GRI 401 : Employment 2016			
401-1	New employee hires and employee turnover	Talent Attraction and Retention	p. 46
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Attraction and Retention	p. 46
401-3	Parental leave	Talent Attraction and Retention	p. 46
GRI 402 : Labor/Management Relations 2016			
402-1	Minimum notice periods regarding operational changes	Employee Care and Human Rights Management	p. 61
GRI 403 : Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Occupational Safety and Health	p. 55
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Safety and Health	p. 55
403-3	Occupational health services	Occupational Safety and Health	p. 55
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Safety and Health	p. 55
403-5	Worker training on occupational health and safety	Occupational Safety and Health	p. 55
403-6	Promotion of worker health	Occupational Safety and Health	p. 55
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Safety and Health	p. 55
403-8	Workers covered by an occupational health and safety management system	Occupational Safety and Health	p. 55
403-9	Work-related injuries	Occupational Safety and Health	p. 55
403-10	Work-related ill health	Occupational Safety and Health	p. 55
GRI 404 : Training and Education 2016			
404-1	Average hours of training per year per employee	Human Capital Development	p. 53
404-2	Programs for upgrading employee skills and transition assistance programs	Talent Attraction and Retention Human Capital Development	p. 46 p. 53








Number	Title of disclosure	Corresponding chapter	Page numbers
404-3	Percentage of employees receiving regular performance and career development reviews	Human Capital Development	p. 53
GRI 405 : Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Corporate Governance	p. 18
		Talent Attraction and Retention	p. 46
405-2	Ratio of basic salary and remuneration of women to men	Talent Attraction and Retention	p. 46
GRI 406 : Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	Employee Care and Human Rights Management	p. 61
GRI 410 : Security Practices 2016			
410-1	Security personnel trained in human rights policies or procedures	Employee Care and Human Rights Management	p. 61
GRI 412 : Human Rights Assessment 2016			
412-1	Operations that have been subject to human rights reviews or impact assessments	Employee Care and Human Rights Management	p. 61
412-2	Employee training on human rights policies or procedures	Employee Care and Human Rights Management	p. 61
GRI 414 : Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	Supply Chain Management	p. 25
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management	p. 25
GRI 416 : Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	Customer Health and Safety	p. 33
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Health and Safety	p. 33
GRI 417 : Marketing and Labeling 2016			
417-1	Requirements for product and service information and labeling	Customer Health and Safety	p. 33
417-2	Incidents of non-compliance concerning product and service information and labeling	Customer Health and Safety	p. 33
417-3	Incidents of non-compliance concerning marketing communications	Customer Health and Safety	p. 33
GRI 418 : Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Privacy and Information Security	p. 33
GRI 419 : Socioeconomic Compliance 2016			
419-1	Non-compliance with laws and regulations in the social and economic area	Regulations and Voluntary Compliance	p. 25
Customized Topic			
Customized Topic 01	Taxation Management	Taxation Management	p. 23
Customized Topic 02	Innovations in Products, Services and R&D	Innovations in Products, Services and R&D	p. 30
Customized Topic 03	Intellectual Property Rights	Intellectual Property Rights	p. 32

SASB Standards Comparison Table

「 Electronic manufacturing services & original design manufacturing 」 Sustainability Accounting Standards

CODE	Indicator description and response	Corresponding chapter	Page numbers												
Water Management															
	Accounting Metric : Total water withdrawal, water consumption, and impact on regions of high or extremely high baseline water stress.														
TC-ES-140a.1	Wiwynn HQ and Tainan Branch mainly use household water sourcing from tap water and rainwater reclamation, which has no significant impact on natural water sources. The generated wastewater is only limited to general domestic wastewater. In 2020, the water consumption was 41,754M3. Wiwynn HQ and Tainan Branch are not located in areas of high or extremely high baseline water stress.	Climate Change Strategies and Energy Management	p. 37												
Waste Management															
	Accounting Metric : Amount of hazardous waste from manufacturing, percentage recycled.														
TC-ES-150a.1	Hazardous waste is defined in accordance with the "Standards for Defining Hazardous Industrial Waste". The total amount of hazardous waste is 159.588 tons, of which 81.97% is recyclable; the proportion of incineration (without energy recovery) is 0.16%; the proportion of landfilling is 17.87%.	Waste Management	p. 42												
Labor Practices															
	Accounting Metric : Number of work stoppages and total days idle														
TC-ES-310a.1	It is not applicable due to the Corporation did not happen to suspension or strike in 2020.	-													
Labor Conditions															
	Accounting Metric : Total recordable incident rate and near miss frequency rate														
	There is no event of occupational diseases and no deaths of workers due to occupational disasters at Wiwynn in 2020. The relevant occupational injury statistics are as follows:														
TC-ES-320a.1	<table border="1"> <thead> <tr> <th></th> <th>FR (Disabling injury Frequency Rate)</th> <th>SR (Disabling injury Severity Rate)</th> <th>FSI (Frequency-Severity Indicator)</th> </tr> </thead> <tbody> <tr> <td>Wiwynn HQ</td> <td>0.72</td> <td>0</td> <td>0.03</td> </tr> <tr> <td>Tainan Branch</td> <td>1.02</td> <td>0</td> <td>0.04</td> </tr> </tbody> </table>		FR (Disabling injury Frequency Rate)	SR (Disabling injury Severity Rate)	FSI (Frequency-Severity Indicator)	Wiwynn HQ	0.72	0	0.03	Tainan Branch	1.02	0	0.04	Occupational Safety and Health	p. 55
	FR (Disabling injury Frequency Rate)	SR (Disabling injury Severity Rate)	FSI (Frequency-Severity Indicator)												
Wiwynn HQ	0.72	0	0.03												
Tainan Branch	1.02	0	0.04												
	Accounting Metric : The percentage of RBA validated audit process (VAP) and the percentage of high risk; non-conformance rate with the RBA validated audit process (VAP), and associated corrective action rate for priority non-conformances and other non-conformances.														
TC-ES-320a.2	Wiwynn Tainan Branch was verified by a third-party verification agency with performance of the external Validated Audit Process and obtained a gold certificate in 2019, and completed defect improvement and obtained a full mark in 2020. The relevant information is disclosed on the RBA-Online platform.	Employee Care and Human Rights Management	p. 61												
TC-ES-320a.3	Based on the RBA Code of Conduct, Wiwynn has formulated the Wiwynn Responsible Supplier Code of Conduct. It formulates a supplier CSR audit plan through risk assessment every year. In 2020, we have conducted on-site examinations on 30 suppliers, the main defects in CSR audit are mainly in the environmental and occupational safety aspects, accounted for 45% and 35% respectively, and improvements have been implemented after communication and guidance.	Supply Chain Management	p. 25												
Product Lifecycle Management															
	Accounting Metric : Weight of end-of-life products and e-waste recovered, percentage recycled														
	Following Waste Electrical and Electronic Equipment ("WEEE") to design products that are easy to disassemble, and recyclable. Our products developed in 2020 are evaluated and verified by WEEE-3R in accordance with the operating procedures. The product design meets 3R requirements (Reuse and Recycled rate=80%, Recovery rate=85%), and the WEEE recycling label is marked on the product, and it is forbidden to dispose electronic waste at will.	Sustainable Products	p. 40												
TC-ES-410a.1	In the product design stage, Green Design Guide is adopted and under the ISO 9001 Quality Management System infrastructure, the introduction of renewable materials will be gradually increased. The packaging materials are made of recycled materials and with "Recyclable" sign printed on cartons, to enhance the proportion of resource reuse. According to the statistics of the export declaration system, in 2020, the use status of 2020 Wiwynn Tainan Plant materials, of which 113,214 kg of packaging materials were used, accounting for 28.58% of product material usage.	Waste Management	p. 42												
Materials Sourcing															
	Accounting Metric : Description of the management of risks associated with the use of critical materials														
TC-ES-440a.1	Wiwynn has initiated a global supply chain reconfiguration in 2020, based on supply chain security and risk dispersion considerations. Promotion of "Multi-regional" and "localization" will become Wiwynn's main focus in future Supply Chain Management. It encourages key component suppliers to be able to "decentralize" the global and regional capacity layout and configuration, and through continued communications with customers, we hope to jointly promote more than 80% of the key component suppliers in the future to support the manufacturing site production strategy.	Supply Chain Management	p. 25												

UN Sustainable Development Goals (SDGs) Comparison Table

SDGs goal of sustainable development	Targets	Corresponding chapter	Page numbers
 <p>4 QUALITY EDUCATION</p> <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</p>	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	Diverse and Inclusive Society - Human Capital Development - Special: Seeking Common Goods with the Society	p. 53
	4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations		p. 63
 <p>5 GENDER EQUALITY</p> <p>Achieve gender equality and empower all women and girls.</p>	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Diverse and Inclusive Society - Talent Attraction and Retention	p. 46
	5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels		
 <p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>Ensure access to affordable, reliable, sustainable and modern energy for all.</p>	7.3 By 2030, double the global rate of improvement in energy efficiency	Sustainable Innovation - Sustainable Products Sustainable Environment - Climate Change Strategies and Energy Management	p. 40
	7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology		p. 37
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	Diverse and Inclusive Society - Talent Attraction and Retention - Employee Care and Human Rights Management - Occupational Safety and Health - Special: Seeking Common Goods with the Society	p. 46
	8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training		p. 61
	8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms		p. 55
	8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment		p. 63
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.</p>	9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending	Sustainable Innovation - Innovations in Products, Services and R&D - Intellectual Property Rights	p. 30
			p. 32
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>Ensure sustainable consumption and production patterns.</p>	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse *	Sustainable Environment - Sustainable Products - Waste Management	p. 40
	12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle		p. 42
 <p>13 CLIMATE ACTION</p> <p>Take urgent action to combat climate change and its impacts</p>	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Sustainable Environment - Climate Change Strategies and Energy Management	p. 37
	13.2 Integrate climate change measures into national policies, strategies and planning		
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> <p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.</p>	16.5 Substantially reduce corruption and bribery in all their forms	Sustainable Governance - Ethical Management Diverse and Inclusive Society - Occupational Safety and Health - Employee Care and Human Rights Management	p. 21
	16.6 Develop effective, accountable and transparent institutions at all levels		p. 55
	16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels		p. 61
	16.B Promote and enforce non-discriminatory laws and policies for sustainable development		

Independent Third-Party Assurance Opinion Statement



INDEPENDENT ASSURANCE OPINION STATEMENT

2020 Wiwynn sustainability report

The British Standards Institution is independent to Wiwynn Corporation (hereafter referred to as Wiwynn in this statement) and has no financial interest in the operation of Wiwynn other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of Wiwynn only for the purposes of assuring its statements relating to its corporate sustainability, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by Wiwynn. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Wiwynn only.

Scope

The scope of engagement agreed upon with Wiwynn includes the followings:

1. The assurance scope is consistent with the description of 2020 Wiwynn sustainability report.
2. The evaluation of the nature and extent of the Wiwynn's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that 2020 Wiwynn sustainability report provides a fair view of the Wiwynn CSR programmes and performances during 2020. The CSR report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the Wiwynn and the sample taken. We believe that 2020 economic, social and environmental performance information are fairly represented. The CSR performance information disclosed in the report demonstrate Wiwynn's efforts recognized by its stakeholders.

Our work was carried out by a team of CSR report assurers in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that Wiwynn's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards: Core option were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top level review of issues raised by external parties that could be relevant to Wiwynn's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 18 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000AP (2018).

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness and Impact of AA1000AP (2018) and GRI Standards is set out below:

Inclusivity

This report has reflected a fact that Wiwynn has sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for economic, social and environmental information in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the Wiwynn's inclusivity issues.

Materiality

Wiwynn publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of Wiwynn and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the Wiwynn's management and performance. In our professional opinion the report covers the Wiwynn's material issues.

Responsiveness

Wiwynn has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for Wiwynn is developed and continually provides the opportunity to further enhance Wiwynn's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the Wiwynn's responsiveness issues.

Impact

Wiwynn has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. Wiwynn has established processes to monitor, measure, evaluate and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the Wiwynn's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

Wiwynn provided us with their self-declaration of in accordance with GRI Standards: Core option (For each material topic covered by a topic-specific GRI Standard, comply with all reporting requirements for at least one topic-specific disclosure). Based on our review, we confirm that social responsibility and sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported or omitted. In our professional opinion the self-declaration covers the Wiwynn's social responsibility and sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

The CSR report is the responsibility of the Wiwynn's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of Lead auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

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For and on behalf of BSI:



Peter Pu, Managing Director BSI Taiwan



Statement No: SRA-TW-2020017
2021-04-09

Climate related Financial Disclosure Conformity Statement



Conformity Statement

Climate related Financial Disclosure Conformity Statement

Issued to: Wiwynn Corporation
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Xizhi Dist.
New Taipei City
22102
Taiwan

緯穎科技服務股份有限公司
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汐止區
新台五路一段 90 號
8 樓
22102

Holds Statement No: CFD 745152

As a result of carrying out conformity check process based on TCFD requirement, BSI declares that:

- Wiwynn Corporation follows Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to disclose climate-related financial information which is clear, comparable and consistent about the risks and opportunities and its financial impact. The disclosures cover four core elements and have been prepared by seven principles for effective disclosures.
- The maturity model for the Climate-related Financial Disclosures is **Level-5: Excellence** grade.

For and on behalf of BSI:

Managing Director BSI Taiwan, Peter Pu

Latest issue: 2021-04-06

Expiry date: 2022-04-05

Page: 1 of 2

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Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
BSI Taiwan is a subsidiary of British Standards Institution.

Conformity Statement Number: CFD 745152

Location	Conformity Check Overall Result
Wiwynn Corporation 8F NO. 90, Sec. 1, Xintai 5th Rd. Xizhi Dist. New Taipei City 22102 Taiwan 緯穎科技服務股份有限公司 臺灣 新北市 汐止區 新台五路一段 90 號 8 樓 22102	The maturity model for the Climate-related Financial Disclosures is Level-5: Excellence grade.



Latest issue: 2021-04-06

Expiry date: 2022-04-05

Page: 2 of 2

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Wiwynn’s policies and related certifications

Environmental protection, safety, health, energy Policy and Certification

Policy	ISO14001 Certification	ISO14064-1 Certification	ISO45001 Certification
<ul style="list-style-type: none"> Environmental, Health and Safety Policy Energy Policy 	<ul style="list-style-type: none"> Wiwynn Corporation 	<ul style="list-style-type: none"> Wiwynn Corporation 	<ul style="list-style-type: none"> Wiwynn Corporation
ISO50001 Certification			
<ul style="list-style-type: none"> Wiwynn Corporation Tainan Branch 			

Quality Policy and Certification

Policy	ISO9001 Certification	IECQ QC80000 Certification
<ul style="list-style-type: none"> Quality, Hazardous substances free Policy 	<ul style="list-style-type: none"> Wiwynn Corporation 	<ul style="list-style-type: none"> Wiwynn Corporation Wiwynn Corporation Tainan Branch

Authorized Economic Operator (AEO) Statement and Certification

Statement	Certification
<ul style="list-style-type: none"> Five major statements 	<ul style="list-style-type: none"> Wiwynn Corporation Tainan Branch

The Responsible Business Alliance (RBA) Commitment and Certification

Commitment	Certification
<ul style="list-style-type: none"> Wiwynn Commitment to the RBA Code of Conduct 	<ul style="list-style-type: none"> Wiwynn Corporation Tainan Branch