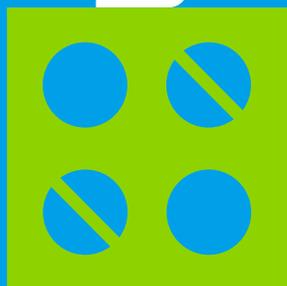
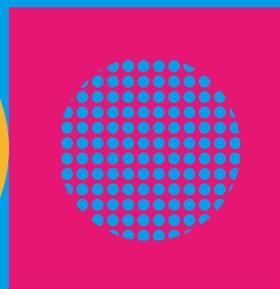
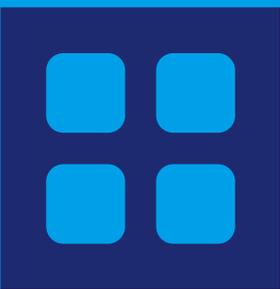
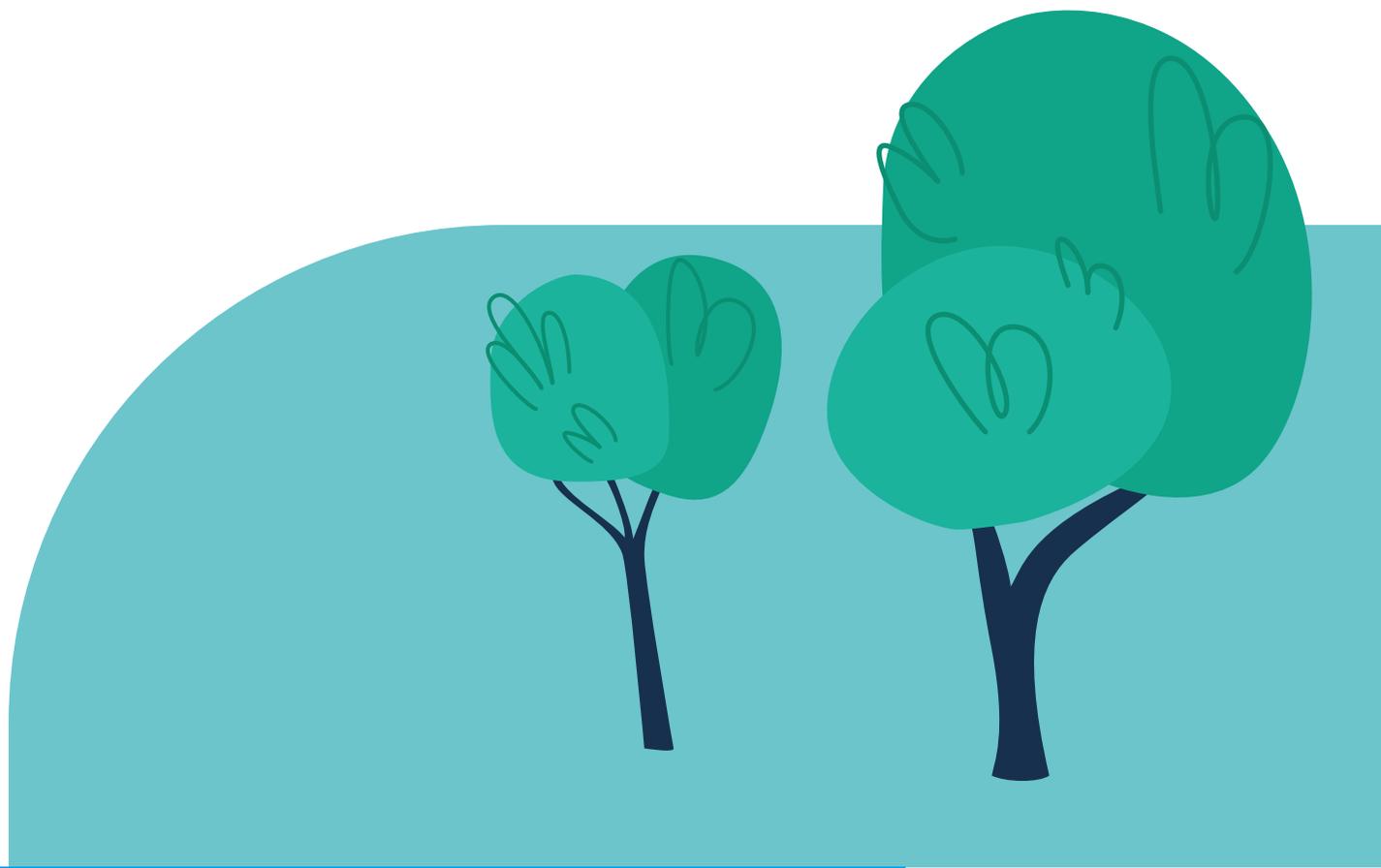


2021

Wiwynn Corporation
Sustainability Report





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About this Report

Wiwynn Corporation (hereinafter referred to as "Wiwynn" or "the Company") has released non-financial information reports since 2020. In June 2022, Wiwynn releases its 2021 Sustainability Report (hereinafter referred to as "this Report") to present the Company's performance in environment (E), society (S) and governance (G) during the year of 2021 (January 1 to December 31), allowing all stakeholders caring for Wiwynn 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.

Wiwynn's Sustainability Reports for the previous years in Chinese and English can be downloaded from the dedicated zone of [ESG Sustainability](#) on our official website. The last edition was issued in June 2021.

Scope and Border of the Report

The scope of this Report mainly covers Wiwynn Taipei Headquarters (hereafter referred to as "Wiwynn HQ"), Tainan Branch Company (including Tainan Plant), and our subsidiary which has manufacturing plants all over the world (Wiwynn Mexico S.A. de C.V., hereinafter referred to as WYMX ()). 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

The report follows GRI Standards- Core published by Global Reporting Initiative for the preparation as well as refers to the industrial criteria announced by Sustainability Accounting Standards Board (SASB) and Sustainable Development Goals (SDGs) promoted by the United Nations as the principles for reporting.



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

Feedback

We welcome any suggestion concerning this Report or related to the sustainable development of Wiwynn.

Responsible Unit : Corporate Sustainable Development Office
Phone : 886-2-6615-8888 #7300
E-mail : IR@wiwynn.com
Website : <https://www.wiwynn.com/esg/>



Report Verification and Validation

- The Report has undergone verification of BSI Taiwan Branch in accordance with AA1000 AS V3 standard, and is verified meeting the requirements of Core Disclosure, with Statement of Opinions on Verification by Independent Third-Parties appended in Appendices of the Report.

Words from the Chairman

To all the stakeholders who care about the sustainable development in Wiwynn Corporation,

COVID-19 in 2020 brought us new normal, and we continued adjusting and adapting to the continuous changes in 2021. Each small change affected everything else and challenged our capability of agile response and resilience. However, we were also able to review and adjust ourselves through these opportunities and continued moving towards the goal of sustainable development.

The keywords for the industry in 2021 were supply shortage. Rush orders, port congestion, capacity rescheduling, and the panic of material shortage were testing our capability of wheeling and dealing. With the efforts of all the employees, customers, and suppliers, we still managed to create an excellent performance of annual revenue of NT\$196.2 billion and EPS of NT\$49.46 under the difficult state of supply chain.

In May, the epidemic in Taiwan broke out. Thanks to the early adoption of digital tools, we were able to have responding plans rapidly for working from home to ensure the continuous product development, factory operation, and business promotion. During the Level 3 COVID-19 alert, we used video conference technology to assist the Shareholders' Meeting for the first time to ensure the rights and interests of shareholders and protect the health and safety of the participants. Our investment in digital transformation and end-user computing won us the recognition of Harvard Business Review Digital Transformation Ding Ge Award.

In terms of corporate governance, we promoted to enhance the system of the intellectual property rights protection as well as successfully obtained Level A certification from Taiwan Intellectual Property Management System (TIPS). Besides, we joined the high-tech security alliance and established Information Security Committee to respond to the rising challenges on information security. We also worked with the partners in our supply chain to implement supplier ESG audit and promote the development of ESG in the industry.

As for sustainable environment, other than continuing developing sustainable products and participating in the Carbon Disclosure Project (CDP), we also joined Taiwan Climate Coalition and set up the goals of achieving 30% of carbon reduction and 30% of green energy utilization in 2030. Our Office for Sustainable Development also launched "Ocean Hugs" program to focus on embracing ocean with the missions of "recycling, regeneration, plastics reduction, and sharing good with living beings." In November 2021, we planted 800 tree saplings by the sea at Wujie Township, Yilan County as the first step of coastal line protection and tree planting

along the coast around the island. In addition, we worked with foundations to host relevant educational and promotional activities. It is to help our colleagues understand the positive environmental benefits created by the tree planting along the coast. From awareness to action, we expected to promote the virtuous circle and implement the concept of protecting ocean to the details of company operation.

We also believe the investment in ESG will help attract talents sharing the same values as well as bridging us with the new-generation job seekers. Other than the self-fulfillment at work, we want to help our employees creating meaningful and positive impacts to the environment and the society.

Facing an environment full of changes, we maintain our original intention and invest in various topics of sustainable development related to the operation of the Company with innovative thinking and technology. While we are developing and expanding our business, we continue achieving the goals of caring the environment in our society and sharing good.



Sustainability Performance

Ocean Hugs	CDP
Launching Ocean Hugs to share good with the environment and the ecology.	Continue to actively participate in the items of climate change in carbon disclosure project (CDP).
Energy-Saving Technology	89%
High-efficient energy saving and cooling solution_ two-phase immersion cooling technology has formally entered hyper scale data center.	Replacement rate of plastic materials used in products by recycled plastic materials.

Environmental

Gold Certification	27 hours
Obtaining RBA certificate.	Average training hours received by full-time employees.
5 days	100%
Days of vitality break in 2021.	Maternal health management implementation rate and Improvement rate.

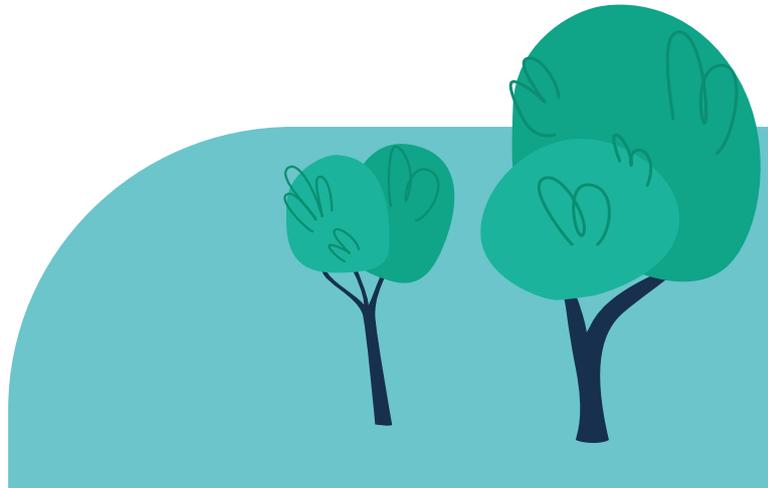
Social

100%	Level A
Board of Directors & Functional Committee attendance	Obtaining TIPS certification.
Timely Information Symmetry	Information Security Committee
In January, the consolidated self-closing profit and loss of the previous year was announced, and the quarterly report disclosures were earlier than 7 days before the announcement period.	Establishing a cross-department highest level information security committee.

Governance

Recognitions and Honors of Sustainability

Outstanding Information Talent Award President, Mr. Sunlai Chang	Excellent Internal Audit Personnel Director of Auditing Office, Mr. Alec Lo	Frist Prize Digital Transformation Awards
"Taiwan Corporate Governance 100 Index" Listed as a component stock	Taiwan Sustainability Index" Listed as a component stock	
Gold Medal TCSA Corporate Sustainability Report Awards	Top 6%-20% Corporate Governance Evaluation	
Certificate of Healthy Workplace Received award by Health Promotion Administration, MOHW	B Item of climate change in CDP	



About Wiwynn Corporation

Vision
Unleash the Power of Digitalization, Ignite the Innovation of Sustainability.

Mission
Provide the Best TCO, Workload and Energy Optimized IT Solutions from Edge to Cloud.

Core Values
Integrity, Pioneering, Excellence, Agility, and Team-Spirit

Wiwynn Company Profile	
Full Name of Company	Wiwynn Corporation
Operations HQ Address	8F, No. 90, Sec. 1, Xintai 5 th Rd., Xizhi Dist., New Taipei City, Taiwan, R.O.C.
Paid-In Capital of 2021	NT\$1.748 billion
Chairman	Simon Lin
Vice Chairman and CEO	Emily Hong
President	Sun-lai Chang
Date Established	2012/03/03
IPO Date	2019/03/27 (Stock Code: 6669)
Number of Employees	4,725 (as of December 31, 2021)

Core Businesses and Services

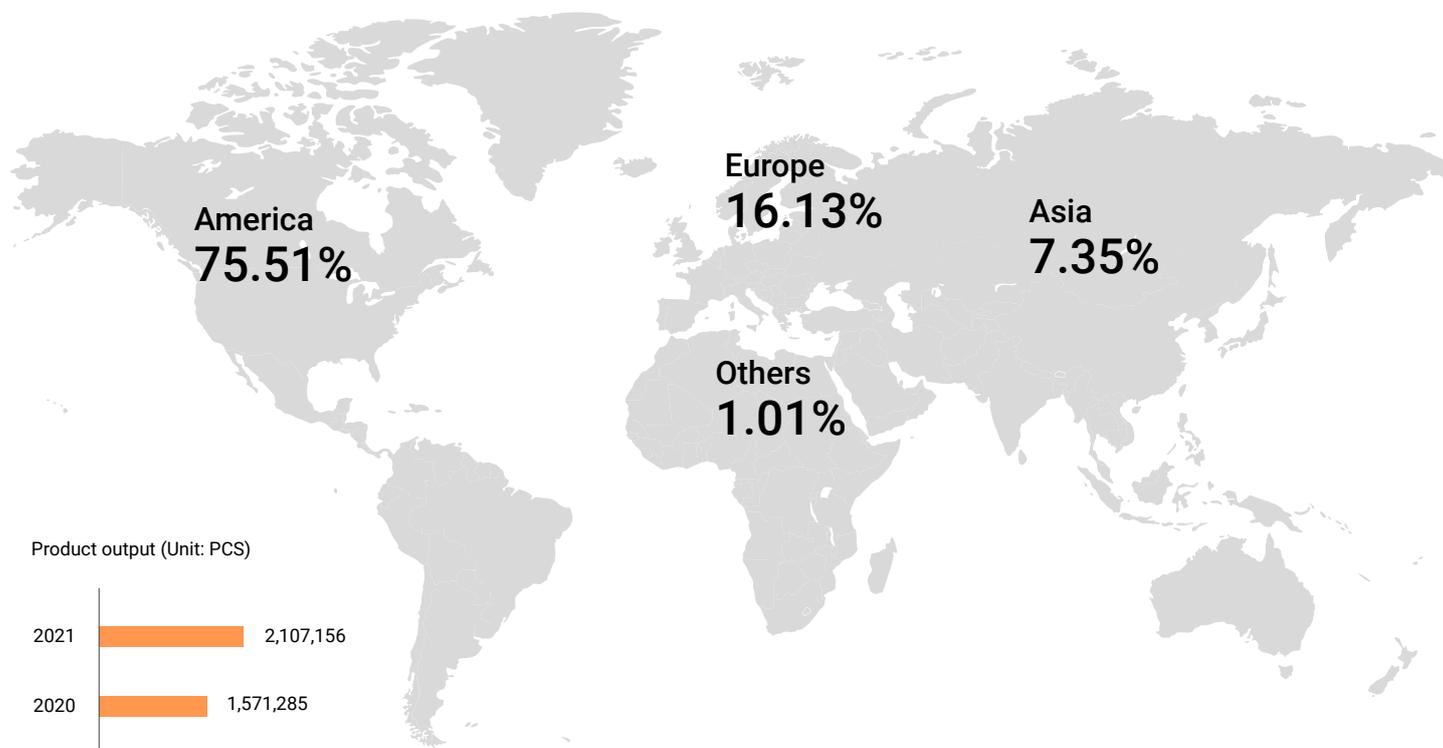
The products provided by our Company are mainly higher technology level cloud servers with high-efficiency and high-quality computing and storage as well as integrated rack solutions. To meet the market demand that keeps pace with the times, the Company actively invests in new technologies to satisfy the needs of next-generation data centers. In terms of product strategy, our Company works with partners with key technology to collaborate closely with main software manufacturers in the world. All of the products we launched are implemented the latest technology and equipped with a processing unit of the latest series. As a platinum member of open compute project (OCP) and a supplier of solutions, our Company also actively introduces the design concept of OCP to the whole series of our products. No matter they are products of 19-inch or 21-inch rack, they can all assist data centers to enjoy the advantages of high-power efficiency, simplified and refined, and easy maintenance and satisfy the demands on computer efficiency, energy saving, and easy maintenance.

In terms of services for data centers, our Company provides the service of one-stop shopping of customized products and system integration as well as meets the trend of low power consumption, high efficiency, and green energy & environmental protection. We provide data centers the best workload the total cost of ownership (TCO) and assist data centers to use IT resources more efficiently and flexibly with optimized solutions.

In terms of edge computing product development, the Company develops edge computing platforms and servers that can be flexibly configured for various edge computing. On the one hand, we assist telecom operators 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 computing. Together we meet the different edge computing needs of low latency and huge data processing of the 5G era. Through virtual network and new deconstructing technology, we bring better scalability, flexibility, reliability, and agility to 5G network. Meanwhile, we also speed up the development of product interoperability among manufacturers in the industrial ecological chain.

Layout of Operation Locations

To provide solutions with a complete service process from product design, integration, optimization to after-sales service, Wiyynn Corporation has strategically deployed operating locations around the world. With cooperation of different locations through division of labor and support, assistances, creation of maximum synergy in sales and services, we provide customers with accurate, fast, and close-to-need solutions.



Participation in External Initiatives

Wiyynn 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. Wiyynn Responsible Business Alliance Code of Conduct Commitment, after approved by Vice Chairman and CEO, will be released for all fellow workers.



Participation of external organizations

Wiyynn actively participates in international organizations to exert its influence on the industry and continue to grasp the pulse of industry and technology; in addition, we also participate in related industry associations and other organizations to maintain good interaction and communication with industry members.

Organization Name	Participation Status	Organization Name	Participation Status
Open Networking Foundation	Member	Taipei Computer Association	Member
Open Compute Project	Member	Taiwan Science Park Association of Science and Industry	Member
Open Radio Access Network	Member	High-Tech Information Security Alliance	Member
O-RAN	Member	Taiwan Climate Coalition	Member
Computing & IoT Association in Taiwan	Member		

Corporate Sustainability Committee



Vision

Seeking the Common Good with Society and Environment

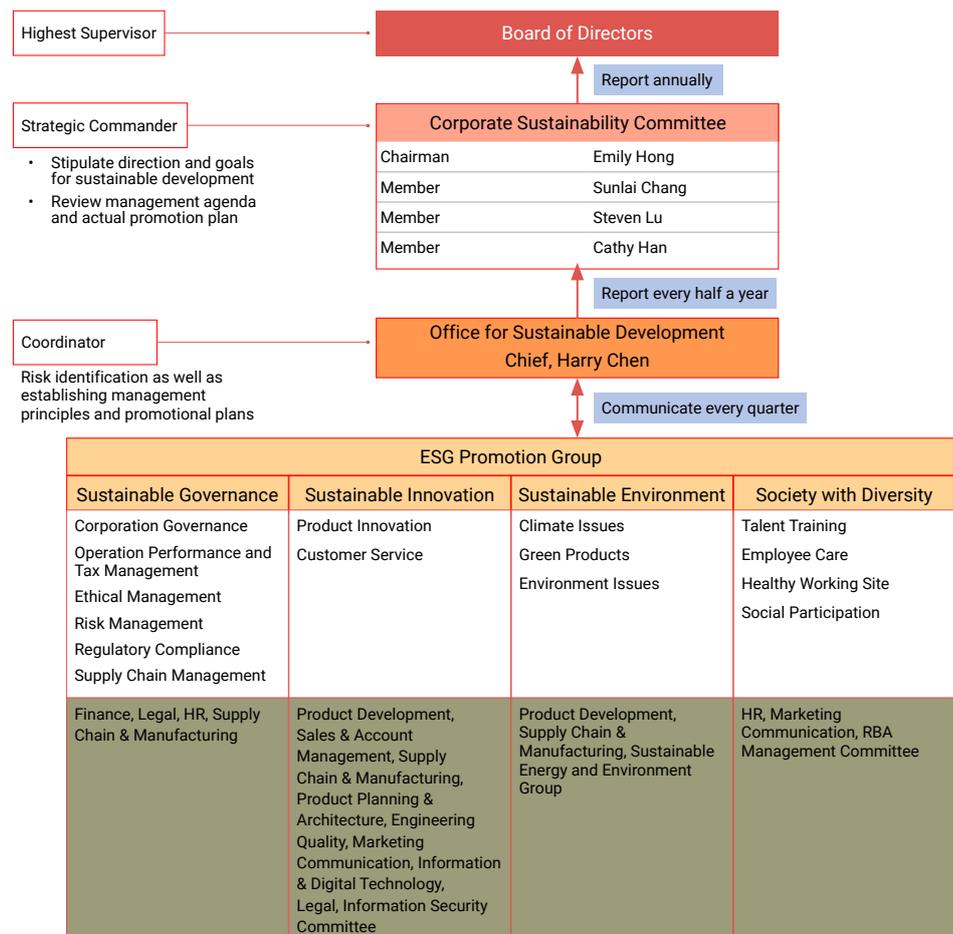


Mission

Fulfilling Corporate Governance, Developing a Sustainable Environment, Maintaining Social Benefits, and Fortifying ESG Information Disclosure

Events of Wiwynn's Sustainability Conducts

2021/10	<p>Activation of Ocean Hugs Launched Ocean Hugs. It focuses on ocean to implement corporate social responsibility, realize circular economy with responsible production and consumption, and deposit sand & plant trees to protect coastal line in order to share the sustainable good with the ecology.</p>
2021/04	<p>Enhancement of information quality Sustainability Report has obtained the third-party independent assurance statement as well as Level-5 excellence grade of TCFD Third-Party Independent Conformity Verification Statement.</p>
2021/03	<p>Establishment of functional committee Established "Regulations for Corporate Sustainable Development Committee" and announced publicly to the external parties of the establishment of Corporate Sustainable Development Committee in our Company through public disclosure. It shall hold at least two meetings every year and submit a report to the board at least once a year.</p>
2020/11	<p>Following the Board of Directors' adoption of the amended "Code of Conducts for ESG Practices", "Corporate Sustainable Development Committee" was established, with CEO of the Company taking the role of chief member and one Independent Director responsible for supervision.</p>
2020/06	<p>Wiwynn issued their first Sustainability Report.</p>
2019	<p>"Wiwynn ESG Report Preparation Work Group" was established.</p>



Management

<p>Sunlai Chang Corporate Sustainability Committee Member President</p> <p>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.</p>	<p>Harry Chen Chief of Office for Sustainable Development Chief Financial Officer</p> <p>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.</p>
<p>Steven Lu Corporate Sustainability Committee Member Senior Vice President</p> <p>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.</p>	<p>William Liao Chief of Human Resources</p> <p>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.</p>
<p>Robin Wang Vice President - Operations</p> <p>Wiwynn is committed to becoming the benchmark of corporate social responsibility for data center equipment manufacturers.</p>	<p>James Wen Chief of Information Officer</p> <p>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.</p>
<p>Joe Chiao Vice President - Account Management</p> <p>We shall continue to uphold the principles of integrity and mutual benefits and establish solid long-term relationships with customers.</p>	<p>Lois Lin Chief of Legal</p> <p>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.</p>

The main points of the motions that Corporate Sustainability Committee reported to the Board of Directors

<p>Implementation Results in 2021</p> <ul style="list-style-type: none"> Launched Wiwynn Ocean Hugs to create shared good of sustainability. Established cross-department highest level information security committee. Joined the High-Tech Information Security Alliance organized by TWCERT/CC to create information security joint defending capability with the high technology industry. Obtained TIPS Level A certification, promoted the integration of core patent technology, and maintained leading position in corporate innovation. Supervision and management of continuous operation plans during COVID-19; implemented the protection of employees' health and safety. Engagement with stakeholders through diverse communication and feedback channels; established ESG material topics disclosure. Strengthened energy deployment and established supply chain carbon emission management data. Included ESG performance into KPI for the competence for the implementation from top to bottom. 	<p>Development Plan for 2022</p> <ul style="list-style-type: none"> Target to participate in SBTi to implement the route of carbon reduction. Enhance evaluation and utilization of renewable energy diversity. Series of activities related to Ocean Hugs and shared good with the ecology. Implement plastics reduction, recycling and reutilization; realize circular economy and fulfill the corporate value. Green factory. Human rights assessment and management.
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Materiality Analysis and Communications with Stakeholders

Based on the GRI reporting principles of "stakeholders inclusiveness", "sustainable context", "significance" and "integrity", Wiyynn identifies major issues through procedures of identification, materiality analysis and confirmation, and adjusts strategies and goals of sustainability management according to actual conditions in order to effectively promote the continuous improvement of various functional groups, strive to create corporate value and share with society, the environment and stakeholders.



STEP 1 : Identification

7 categories of stakeholders
23 issues related to sustainability

Stakeholders

Evaluate the objects that have an impact on Wiyynn or are affected by Wiyynn to summarize Wiyynn's stakeholders.

According to the five principles of AA1000 SES Stakeholder Engagement Standards, "dependency", "responsibility", "influence", "multiple viewpoints" and "focus on tension", seven categories of stakeholders are identified. They are employees, customers, suppliers, government authorities, investors, banks and society (public welfare/academic).

Sustainability issues

Collect internal and external issues from sources including 2020 materiality, organizational goals and vision, international sustainability standards and norms (GRI standards, SASB standards, RBA, SDGs), sustainable investment institutions (DJSI, CDP, TCFD, MSCI ESG Index), communication with stakeholders & stakeholder concerns, and domestic benchmarking companies, etc., to identify 23 Wiyynn sustainability issues.

STEP 2 : Analysis

Stakeholders attention survey

The electronic questionnaire is sent to the corresponding window of the 7 categories of stakeholders to conduct a survey of the degree of concern among the stakeholders.

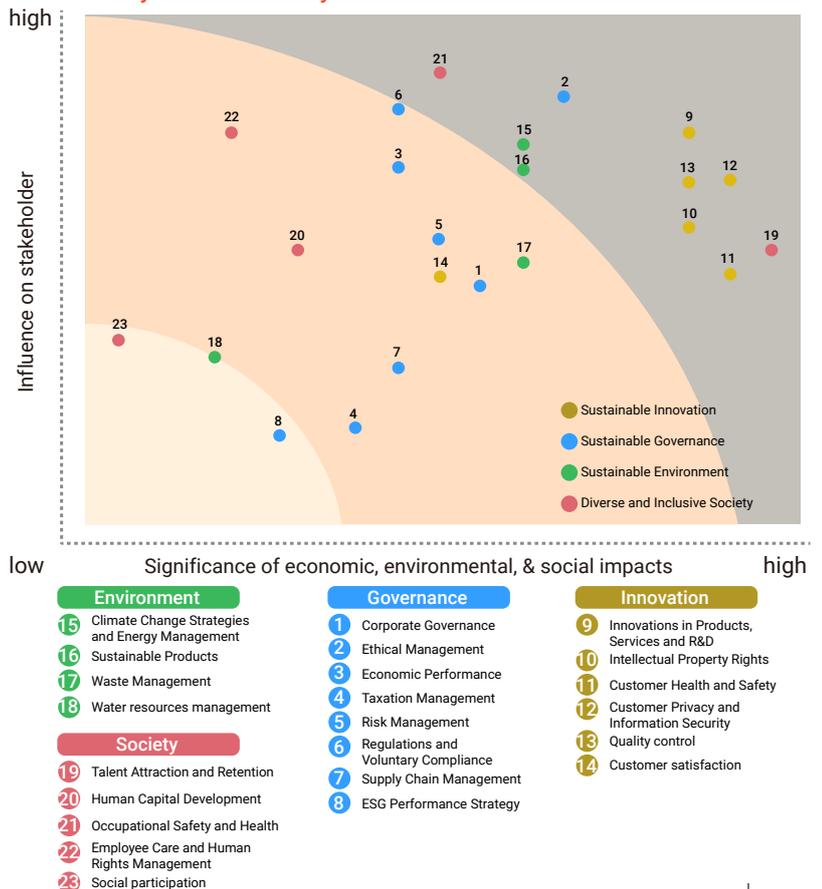
Operational impact analysis

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

Materiality matrix analysis

Based on the level of attention of stakeholders to various issues and the impact of each issue on Wiyynn's economic, environmental, and social dimensions, a two-way impact assessment is conducted to draw a matrix of materiality and analyze the 23 sustainability issues as below:

Matrix analysis of materiality



STEP 2 : Analysis

[Intellectual Property Right Management] The significant impact and attention are higher compared to that in 2021.

Analysis: The competent authority has enhanced the attention on corporate's "intellectual property rights" and "information security" in the recent years to include the requirements in the corporate governance evaluation and annual report.

Wiwynn actively obtained TIPS certification in 2021. During the process of promotion, it enhanced the attention on intellectual property rights among managers and employees.

In terms of information security, it was enhanced at the same time when promoting information security certification required by customers.

[Issues related to the environment] The significant impact and attention are higher compared to that in 2021.

Analysis: The issues of climate and energy in recent years enhance the attention on environmental issues. It further highlights the KPI setup in the category of environment.

[Risk management] The significant impact and attention are higher compared to that in 2021.

Analysis: The management level in Wiwynn shares a consensus

better and better in terms of risk management on ESG. External stakeholders value more on the risk management on ESG done by the enterprise.

[Tax policy] The attention in the past two years were lower.

Analysis: Wiwynn Corporation carries steady tax planning. There is never any significant loss caused by violation. Therefore, it only draws low attention.

[Corporate governance] [Risk management] [Economic performance] [Tax policy] [Regulatory compliance] all fell into the middle section on the matrix in 2021. It reveals they are essential elements that need to be followed during business operation. In the future, they will not be listed to the ESG matrix for analysis every year. The result of the implementation will be disclosed externally.

STEP 3 : Confirmation

18 significant issues 24 specific topics
12 SDGs goals

Confirming materiality and its borders

In 2021, 20 key issues were identified. To present complete management and explanation on each issues, "quality management" and "customer satisfaction" will be listed to "customer health and safety" for further explanation. Therefore, there were 18 significant issues and 3 secondary issues summarized in the 2021 identification. The significant issues are with no significant difference from that in 2020. They were corresponded to the 24 specific topics in GRI Standards and 12 SDGs. The impact of the 18 significant issues are reviewed and reported its management guideline, goal setup, and performance in the relevant chapters based on the requirements of GRI Standards.

Material topics and value chain

● Direct, indirect impact ○ Indirect Impact ⊕ Business conduct impact

Materiality	Specific Subjects of GRI Standards (including SASB item)	GRI Standards and Disclosure (including SASB index code)	Upstream Supplier	Wiwynn Corporation (Note 1)	Other Stakeholders (Note 2)	Downstream Customers
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		●○	●○	
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	Subject by Own Decision			●○	●○	
Risk Management	Organization Overview 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	Organization Overview Anti-Competitive Behaviors Legal Compliance Concerning Environmental Protection Social economic Compliance	GRI 102-12, GRI 206, GRI 307, GRI 419	⊕	●○	●○	
Supply Chain Management	Organization Overview Procurement Practices Supplier Environmental Assessment Supplier Social Assessment (SASB item: Labor Situation, Material Purchasing)	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)	⊕	●○	●○	
Innovations in Product, Service and R&D	Subject by Own Decision		⊕	●○	●○	⊕
Intellectual Property Rights	Subject by Own Decision			●○	●○	
Customer Health and Safety	Customer Health and Safety Marketing and Labeling	GRI 416, GRI 417		●○	●○	⊕

● Direct, indirect impact ○ Indirect Impact ⊕ Business conduct impact

Materiality	Specific Subjects of GRI Standards (including SASB item)	GRI Standards and Disclosure (including SASB index code)	Upstream Supplier	Wiwynn Corporation (Note 1)	Other Stakeholders (Note 2)	Downstream Customers
Customer Privacy and Information Security	Customer Privacy	GRI 418		●○	●○	⊕
Climate Change Strategies and Energy Management	Strategies Governance Economic Performance Energy Emission (SASB item: Water Management)	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, GRI 305-6, GRI 305-7 (SASB code: TC-ES-140a.1)	⊕	●○	●○	⊕
Sustainable Products	Materials (SASB item: Produce Life Cycle Management)	GRI 301-1, GRI 301-2 (SASB code: TC-ES-410a.1)	⊕	●○	●○	⊕
Waste Management	Waste (SASB item: Waste Management, Produce Life Cycle Management)	GRI 306 (SASB code: TC-ES-150a.1, TC-ES-410a.1)	⊕	●○	●○	
Talent Attraction and Retention	Organization Overview Economic Performance Status on Market Employment Training and Education Employee Diversity and Equality Opportunities	GRI 102-8, GRI 201-3, GRI 202, GRI 401, GRI 404-2, GRI 405		●○	●○	
Human Capital Development	Education and Training	GRI 404		●○	●○	
Occupational Safety and Health	Occupational Safety and Health (SASB item: Labor Situation)	GRI 403 (SASB code: TC-ES-320a.1)	⊕	●○	●○	
Employee Care and Human Rights Management	Labor/Management Relations Security Practice Human Rights Assessment (SASB item: Labor Practice)	GRI 402, GRI-406, GRI 410, GRI 412-1, GRI 412-2 (SASB code: TC-ES-310a.1)	⊕	●○	●○	

Note 1: Wiyynn HQ, Tainan Branch Company (including Tainan Plant), and Mexico Subsidiary (WYMX).

Note 2: Other stakeholders include employees, government authorities, investors, banks and the society.

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

Materiality	Importance to Wiyynn	Management Strategies	Action Plans and Evaluation Management (Corresponding Chapters)
Sustainable Governance			
Corporate Governance	A sound corporate governance system enables enterprise management and operation achieving 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 committee strengthens the operation and independence of Board of Directors Corporate Governance Manager assists directors to perform their supervisory functions Performance evaluation deepens the effectiveness of Board of Directors 	<p>Sustainable Governance</p>
Ethical Management	The integration of integrity and ethical values into the Company'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 Management policy Implement educational training and publicity from inside to outside Provide adequate reporting channels Work with the supply chain to implement the concept of integrity Continue deepening the corporate culture of ethical management 	
Economic Performance	It can create value-added value for the Company and share it with society, environment and stakeholders to form 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"> Handle declaration and disclosure in accordance with local tax laws Careful assessment of taxation risks Establish mutual trust and good communication with stakeholders 	
Risk Management	Effective Risk Management mechanism and formulation of better business strategies to maintain corporate resilience.	<ul style="list-style-type: none"> Establish a legal identification mechanism to formulate relevant regulations Implement laws and regulations compliance audit to verify the effectiveness of the implementation 	
Regulations and Voluntary Compliance	Prevent the Company 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 for the responsibility on 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, we closely integrate the Company's R&D and innovative concepts with practical customer applications 	<p>Sustainable Innovation</p>
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 Permanent 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 using materials that are risky or hazardous to the human body and the environment in products, ensure the health and safety of customers, and enhance customers' confidence and affirmation on the products manufactured by the Company.	<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 Implement quality policy and solution as well as introduce management training courses Establish improvement guidance and strategy based on the analysis of satisfaction results, follow up the effectiveness of improvement, and continue advancing and enhancing customer satisfaction 	
Customer Privacy and Information Security	In order to protect the rights and interests of stakeholders, the information obtained during the operation process will be kept confidential, and appropriate information security measures will 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 	<p>Sustainable Environment</p>
Sustainable Products	Implement sustainable actions through green product design to enhance corporate value.	<ul style="list-style-type: none"> Through product design, verification and life cycle management, we optimize the efficiency of energy saving and power saving. Moreover, we use harmless and renewable raw materials and design products with features that are easy to disassemble and recyclable to reduce the impact of product life cycle on the environment. 	
Waste Management	In order to create a common good between corporate operation and the environment, we continue to strengthen sustainable action and implement a circular economy.	<ul style="list-style-type: none"> Traceability management Waste is properly sorted to improve utilization Ensure the 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. We aim for establishing 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 ensuring the effective operation of the strategy through recruitment, retention, resignation situation and employee satisfaction surveys, etc. 	<p>Diverse and Inclusive Society</p>
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 Company.	<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 plans 	
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, educational training and promotion, and multiple and smooth communication channels. 	

Communications with Stakeholders

Wiwynn communicates effectively with stakeholders through various appropriate channels to understand the issues and needs among different types of stakeholders and properly handle their opinions.

Stakeholders Importance to Wiwynn

Employees	Employees are important partners of Wiwynn as well as the cornerstone for 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. They maintain long-term strategic alliances to ensure a stable source of supply and quality, so as to quickly introduce the latest technology to respond to the rapidly growing market demand.
Government Authorities	The government authorities are in charge of the punishment and incentives of the enterprise. The more serious ones affect the sustainable operation 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 Company's financial business and other information. Effectively assess the true value of the Company is conducive to the stable operation of the Company in order to 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 to share the common good with society and the environment. We are committed to creating value-added value, giving back to society and sharing with the society.

Subjects Concerned by Stakeholders and Communications Guidelines



Employees

Corresponding Chapters

Diverse and Inclusive Society

Issues Concerned

- Salary and Welfare
- Human Rights
- Occupational Safety
- Health and Care
- Learning and Promotion Opportunities
- Grievance Channel

Key Results of Engagement in 2021

- 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 Company. **There were 5,140 people receiving RBA training courses in 2021, and the total training hours were 2,879.9 hours.**
- The participation rate of employee in the Occupational Safety Committee meetings was more than 1/3. **In 2021, the committee meeting was held regularly once every quarter to implement employee engagement and communication effectively.**
- To take care the health of employees, **a total of 33 health promotion activities** were conducted in 2021, including pandemic prevention information notifications, health promotion, preventive health care and other related health education information. Besides, **more than 50 health promotion activities were provided, and the course satisfaction achieved 92.6%.**
- Introduced **Global Job Leveling System** to offer employees the opportunity of diverse development.
- **Employees were 100% involved in the performance appraisal system, and, through linking performance appraisal to the incentive system, we improve personal work performance and assist employee career development.**
- The seven training systems and e-learning platforms in 2021 provided **average 27 hours of training hours** for each full-time employee.
- **To strengthen communication channels**, our Mexico Subsidiary (WYMX) held educational trainings in 2021 to promote the communication channels to employees. **Any issue related to occupational safety, labor, or ethics can be given feedback and suggestions. There were 1,364 people participated in the training with the total training hours of 682 hours.**

Employees Relations 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 / Irregular

Employee Questionnaire Survey / Irregular

Internal Website and Physical / Electronic Bulletin / Permanent

Employee Grievance Hotline and Email / Permanent

Company Website / Permanent



Customers

Corresponding Chapters

- Sustainable Governance
- Sustainable Innovation
- Sustainable Environment
- Diverse and Inclusive Society

Issues Concerned

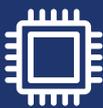
- Innovation Management
- Product Quality and Service
- Customer Use Safety
- Customer Privacy
- Corporate Integrity
- Risk Management
- Management on No-Hazardous Material and Conflict Mineral
- Carbon Reduction Strategies
- RBA Compliance

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 2021

- Two-phase immersion cooling technology has formally entered hyperscale data center in 2021, and we will continue developing high-efficiency solutions for energy saving and carbon reduction as well as cooling system.
- The design for optimization of power conversion efficiency achieved **the actual conversion efficiency above 97%. The result is better than the standard requested by customers.**
- We **passed external information security audit in 2021**, including AEO and customer authentication. We did **not receive any complaint related to the invasion of customer privacy and the loss of customer data.**
- Wiwynn's **material management is 100% in compliance with international regulations and customer requirements. There were no violations of hazardous material bans or customer complaints due to violations of customer requirements in 2021.**
- We **added the investigation of cobalt in 2021.** The tin, tungsten, tantalum, gold (3TG), and cobalt minerals used by suppliers under our investigation **all came from qualified smelters or refineries.**
- We introduced recycled plastic materials to our products. **More than 89% of the plastic materials used in our products were replaced by recycled plastics.**
- We **introduced ISO 14064-1:2018 management system to our Tainan Branch Company and established greenhouse gas examination data as the accordance for internal environmental management.**
- Tainan Branch Company obtain Gold Certificate on **the RBA external validated audit process executed by the third-party verification institution.**



Suppliers

Corresponding Chapters

- Sustainable Governance
- Sustainable Environment

- Suppliers Evaluation / Annually
- Suppliers Convention / Annually
- On-Site Guidance and Audit / Irregular
- Suppliers Questionnaire Survey / Irregular
- Company Website / Permanent

Issues Concerned

- Corporate Integrity
- Operation Status
- Production Strategies
- Raw Materials Requirements
- Supply Chain Sustainability Management

Key Results of Engagement in 2021

- We encourage suppliers of key components to "decentralize" and arrange **the global and regional capacity layout as well as support production strategies at the original production locations.**
- Wiwynn continues requiring suppliers to achieve **100% investigation and use of minerals from 100% qualified smelters.**
- We continue encouraging suppliers to obtain international standard verification.
- A total of 33 risky suppliers were audited in the corporate sustainability and society responsibility audit in 2021. Suppliers are **encouraged to fulfill their corporate social responsibility and build a sustainable supply chain except equipped with quality, technology and delivery capabilities.**
- We **established supply chain carbon emission management data in 2021 to work with our suppliers towards sustainability and shared good.**



Government Authorities

Corresponding Chapters

Sustainable Governance	Innovation Sustainable Environment	Diverse and Inclusive Society
Sustainable	Sustainable Environment	

Issues Concerned

- Ethical Management
- Corporate Governance
- Legal Compliance Status
- Taxation Strategies
- Information Security Management
- Intellectual Property
- Rights Management
- Labor/Management Relations
- Workplace Safety
- Waste Treatment
- Carbon Emission Data Management

Correspondence of Official Documents / Irregular

Seminar / Info-Meeting Participation / Irregular

Competent Authorities Audit / Irregular

MOPS / Irregular

Company Website / Permanent

Key Results of Engagement in 2021

- There were **no major violations in 2021**.
- In accordance with government and regulatory requirements, we completed relevant declarations on a regular basis.
- We ranked top 6%-20% on the 7th Corporate Governance Evaluation.
- We support various taxation strategies such as government enterprise innovation, research development, economic growth, etc.
- We established Information Security Committee and joined High-Tech Information Security Alliance organized by TWCERT/CC to form information security defending capability with the high-tech industry.
- We obtained TIPS Level A certification.
- We had diversified communication platforms and communication channels for conglomerating consensus among employees, and harmonious Labor/Management Relations.
- In 2021, there was no incident of occupational injury and death nor any case of occupational diseases.
- We entrusted qualified clearance and handling institution to carry out waste treatment in order to ensure the waste generated during the operation meets the handling procedures of environment, safety, and health.
- Gradually establish carbon inventory and verification in the scope of operation.



Investors

Corresponding Chapters

Sustainable Governance	Sustainable Innovation	Sustainable Environment
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Issues Concerned

- Economic Performance
- Risk Management
- Product R&D
- Corporate Governance
- Corporate Integrity
- Climate Issues

Shareholders' Meetings / Annually

Institutional Investor Conference / Semi-annually

Annual Report / Financial Report / Sustainability Report / Regular

MOPS / Irregular

IR Mailbox / Permanent

Company Website / Permanent

Key Results of Engagement in 2021

- To make sure our investors fully informed the Company's financial and business information, the Company has, on January 19th 2021, announced the unaudited consolidated revenue for 2020. The quarterly reports were approved by the Board of Directors seven days before the announcement deadline and released on the day.
- The 2021 earnings dividend rate reached 64.97%.
- We were listed as the component stock in "FTSE4Good TIP Taiwan ESG Index" and "WSE Corporate Governance 100 Index".
- In 2021, the proportion of electronic voting in the regular shareholders meeting accounted for 92.69% of the shares attended, and the proportion of electronic voting has increased year by year to encourage shareholder engagement and implement Shareholder Activism.



Banks

Corresponding Chapters

Sustainable Governance
Sustainable Environment

Annual Report / Financial Report / Sustainability Report / Regular

Cooperative Visiting Meetings / Irregular
MOPS / Irregular

Company Website / Permanent

Issues Concerned

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

Key Results of Engagement in 2021

- We established the Corporate Sustainability Committee in 2020 and Office for Sustainable Development in 2021 to assist the operation of the committee in order to carry out sound management of corporate social responsibilities. In the future, we will **promote a virtuous circle between corporate investment development and environmental sustainability through linking sustainability index with financial collaboration.**



Society

Corresponding Chapters

Diverse and Inclusive Society

Sustainability Report / Regular

Project Cooperation and Visits / Irregular

Employee Relations and Employee Welfare
Members Window / Permanent

Company Website / Permanent

Issues Concerned

- Charity Promotion
- Local Participation
- Industry-Academia Cooperation

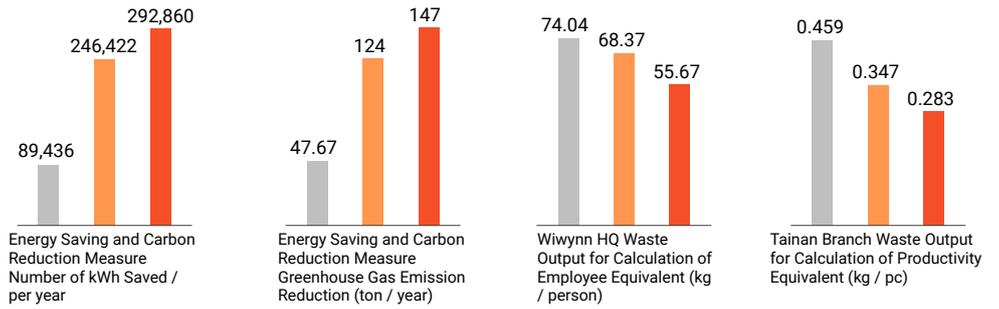
Key Results of Engagement in 2021

- We continue participating in charity scheme in 2021 and donated more than 1,000 magazine and monthly journal; it benefited 100 elementary schools in the remote area and more than 1,000 students.
- Cooperated with 3 charity organizations and made more than 2,000 charity purchases.
- We launched the intern students scheme in 2019. Through the intern project, we provided students a stage for leaning and developing. In 2021, the areas of internship covered R&D, business, quality engineering, legal affairs, and human resources to assist excellent intern students linking with the workplace.
- We donated 255 rice dumplings to Taiwan Fund for Children and Families, Keelung Branch to deliver our wishes for the festival.
- COVID-19 was in a severe situation in 2021. Directors in Wiwynn donated meals to medical and nursing personnel to cheer them up.
- We launched Ocean Hugs project. In 2021, Wiwynn CEO led employees to work with TOAF Tree Planting Team and planted 800 trees along the coast in Wujie Township, Yilan County to plant the hope to the coastal ecology and Taiwan coastal line protection.

Creation of Wiyynn's Sustainable Values

Environment

- Submit SBTi commitment
- Implement carbon reduction path
- Activate Ocean Hug



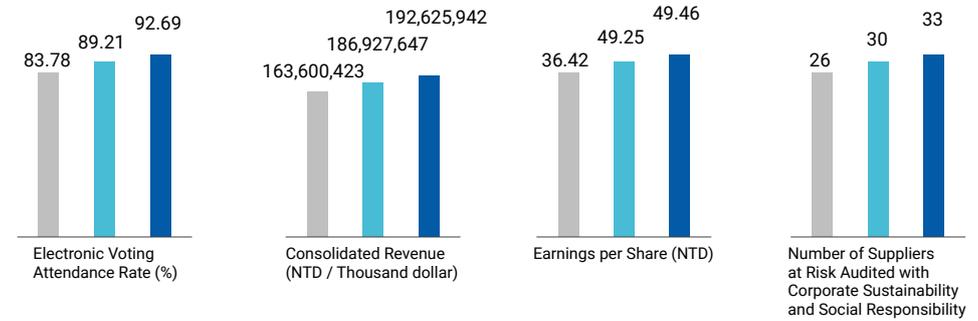
Society

- Number of vitality break in 2021 was 5 days
- 50 sessions of health promotion activities, achieving 92.6% satisfaction



Governance, Finance

- 9 directors, including 4 independent directors
- Female Vice Chairman, with female director accounting for 22%



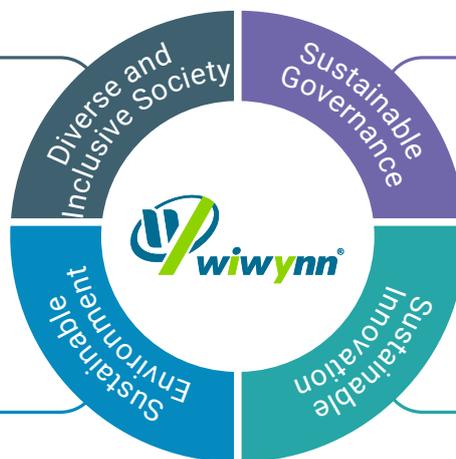
Implementation of UN Sustainable Development Goals (SDGs)



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



- Sustainable development to fulfill circular economy
- Promoting the realization of climate change solutions, responding to risks, seizing opportunities, and building operational resilience.
- Embracing ocean and sharing good with the ecology.



- Deep rooting 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.



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



Ensuring health and promoting welfare for employees at different age groups

Baby Bonus Proper Care

- Both male employees and female employees in our company are offered a baby bonus of NT\$60,000 for each birth. We encourage male employees using the leave of pregnancy checkup and paternity leave to accompany the spouse and engage to the pregnancy period as well as the birth-giving process to take care of the family life.
- “Expectant Mother Information Station” is established on the website of employee information portal to provide the services of lactation room application, pregnancy and child-rearing compendium, and consultation with health managers in order to take care of all the needs from employees.

Health Examination Classified Management

- All of our employees are given regular health examination. There were 310 employees requiring special health examination, and they all completed the special health examination in 2021.
- Classified management will be carried out based on the results of health examination. A total number of 132 employees needed follow-up and treatment for their health management. In 2022, we will instruct them complete health supervision one after another through doctor consultation service and health education in the factory.

Resident Doctor & EAP Assistance Program

- Resident doctor provides personal health consultation service, assists the improvement of working environment, and promote the physical and mental health for labors in the workplace. In 2021, there were 193 people receiving consultation. The content of consultation covers health management, consultation on the abnormal health examination report, employee's post-injury care, work resumption guidance and assessment, and physical and mental consultation.
- We introduced EAP program, established employee assistance hotline, and provided 24-hour employee assistance program. In 2021, there were 23 employees using consultation/ assistance system to seek help in interpersonal relationship, career planning, legal advice, and issues related to family and children.

Diverse and Inclusive Society

- Talent Attraction and Retention
- Occupational safety and health



Ensuring inclusive and fair quality education and allowing all people have lifelong learning opportunities

Job Rotation Polymath Development

- On-the-job trainings were fulfilled to enable employees to wield their strengths, and, job rotations were arranged according to their personal wishes to enhance job skills and induce internal talent flow. There were 47 internal transfer applications in 2021, including 11 cross-field transfers.

Global View and Competitiveness Cultivation

- In 2021, a total of 7 language courses were held with training hours of 429.84 in total (including face-to-face and online courses). Two English examinations were held annually, and there were 345 participants in 2021. 433 employees in the company passed the Wiwynn English standard, and 187 out of the 433 employees were certified as having the English proficiency equivalent to a TOEIC score at 800 or more.

Seven Training Systems Electronic Learning Platform

- In 2021, we provided average 27 hours of training for each full-time employee.

Sustainable Education Opening the Window to Knowledge

- We continued participating in the charity scheme in 2021. 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.

Sustainable Education Cultural inclusiveness

- Course of “Cultural Inclusiveness and Respect” was offered in our subsidiary in Mexico (WYMX) to promote sustainable culture and a harmonious workplace. There were 5,154 people participating in the training with total training hours of 2,577 hours.

Diverse and Inclusive Society

- Human Capital Development
- Employee care and human rights management
- Wiwynn ESG Development Map



Realizing gender equality and reinforcing power of all women and girls

Equal and Diverse Human Resources Policies

- In 2021, the ratio of male to female employees is 6:4, among which 22% of female employees take managerial roles. Each female employee has a fair promotion opportunity and a good career development.
- Wiwynn guarantees the work rights equal without disparity between genders, and there was no violation against Act of Gender Equality in Employment in 2021.

Diverse and Inclusive Society

- Talent Attraction and Retention



7 AFFORDABLE AND CLEAN ENERGY
Ensuring everyone can access to affordable, reliable, sustainable, and modern energy

Enhancing Energy Efficiency of Products

- High-efficiency heat cooling design can achieve the results of heat dissipation efficiency and high energy conservation with a performance of pPUE value lower than 1.03. It is better than that at 1.4 in the traditional cooling solution. After conversion, it is equivalent to a saving of 6kW electricity in each cooling cavity. That is, to run it continuously for one year, we can reduce 26.4 tons of carbon dioxide emission in the whole year.
- The design of power conversion efficiency optimization achieves above 97% of actual conversion efficiency. The result is better than customer standards.

Use of Renewable Energy

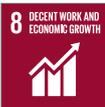
- Strengthening energy deployment. We have completed PPA contract with more than two providers. We aim for enhancing the use of renewable energy year by year.

Sustainable Innovation

- Sustainable Products

Sustainable Environment

- Climate change strategies and energy management



8 DECENT WORK AND ECONOMIC GROWTH
Promoting an inclusive and sustainable economic growth to ensure everyone can access to appropriate jobs

A Salary and Compensation System with Equality

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

Caring for the Socially Vulnerable Groups and Guaranteeing Job Opportunities

- In 2021, 11 people with disabilities were employed. Wiwynn will continue providing employment resources and assisting people with disabilities enter 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 2021, there were 15 intern students carrying out their internship in the areas of R&D, Sales & Account Management, Quality Engineering, Legal, and Human Resources.

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 2021, there was no misuse of child labor, and no violation of the Labor Standard Act.

Maternity Health Management

- In 2021, a total of 26 employees were listed as objects of maternity health protection, 6 of them have been, as advised by the doctor, to request the manager to coordinate in re-adjustment of their working hours or locations, and, through employee interviews for understanding their needs, we set up maternity motorcycles parking spaces, 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, 346 people were trained in 2021, and the training hours reached 346 hours.
- Maintenance of the validity of employee professional licenses has been made possible 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.

Diverse and Inclusive Society

- Talent Attraction and Retention
- Employee care and human rights management
- Occupational Safety and Health
- Wiwynn ESG Development Map



16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Creating a peaceful and inclusive society, providing access to justice to everyone, and establishing effective, responsible and inclusive institutions at all levels

Establishing a Just, Inclusive and Sustainable Corporate Culture

- Wiwynn, with education training, anti-corruption advocacy and internal and external whistleblowing system, join hands with suppliers to state integrity principles and establish Wiwynn's high morality culture. In 2021, 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 was over 33%.
- The members of each Employees Relations Promotion Committee are selected by representatives recommended by all employees. In 2021, 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" are affected for compliance. In 2021, no employee grievance due to discrimination has been received.

Sustainable Governance

- Ethical Management

Diverse and Inclusive Society

- Occupational safety and health
- Employee care and human rights management



Building disaster-resistant infrastructure, promoting inclusive and sustainable industry, and speeding up innovation

Encouraging Innovation

- To continue developing and optimizing new products and technologies used in various applications, Wiwynn's R&D expenditure in 2021 increased 12.85% from that in 2020.
- Utility patent account for 90% of the overall patent types.

Sustainable Innovation

- Innovations in product, service and R&D
- Intellectual Property Rights



Ensuring sustainable consumption and production models

Responsible Production

- Introduced recycled plastic materials to our products. More than 89% of plastic materials used in these products were replaced by recycled plastic materials.

Chemicals Management

- Annual check was carried out in the plants in Taiwan on 8 types of cleaning solvent agents and chemicals. None of them contain any ODS substance, including HCFCs, Halon, CCl4, 1,1,1- trichloroethane, HBFC, and methyl bromide.

Traceability Management Fulfilling Circular Economy

- In compliance with Green Design Guide and Waste Electrical and Electronic Equipment Directive ("WEEE" in short), low-pollution, easily disassembled and recyclable environmentally-friendly design has been adopted for proper waste sorting in order to enhance recycling and reuse rate.
- In terms of number of employees and productivity equivalent calculated from waster output in Wiwynn HQ and Tainan Branch, both figures reduced by 18.58% and 18.44% respectively compared to that in 2020.

Sustainable Environment

- Sustainable products
- Climate change strategies and energy management
- Waste management



Taking urgent action to deal with climate change and its impact

Climate Risks Adaptation Strategies

- Relevant information of climate change is was disclosed according to the framework suggested by TCFD to respond to the operational challenges and opportunities caused by climate change. Meanwhile, the data related to climate change were introduced to operation and investment decision in order to enhance the implementation of solution for climate change.
- To effectively respond to the influence and impact caused by climate change, we plan to aim for participating in SBTi in 2022 to fulfill carbon reduction path.

Sustainable Environment

- Climate change strategies and energy management



Conserving and sustainably using ocean and marine resources to ensure sustainable development



Protecting, maintaining, and promoting the sustainable utilization of ecology system on the territory. Sustainable forest management is the key to fight with desertification, terminate and reverse land degradation as well as stop the loss of biological diversity



Strengthening the implementation methods for sustainable development and activating global partnership of sustainable development

Ocean Hugs

- With a focus on embracing ocean, we launched Ocean Hugs activities. In 2021, Wiwynn CEO led employees to work with TOAF Tree Planting Team and started our journey of forest creation along the coast. Our first stop was in Wujie Township, Yilan County. In the future, we will continue developing Ocean Hugs Coastal Forest Creation Project to slow down the disappearance of land caused by the rise of seal level because of climate change. We will protect the coast line of Taiwan and share good with coastal ecology.

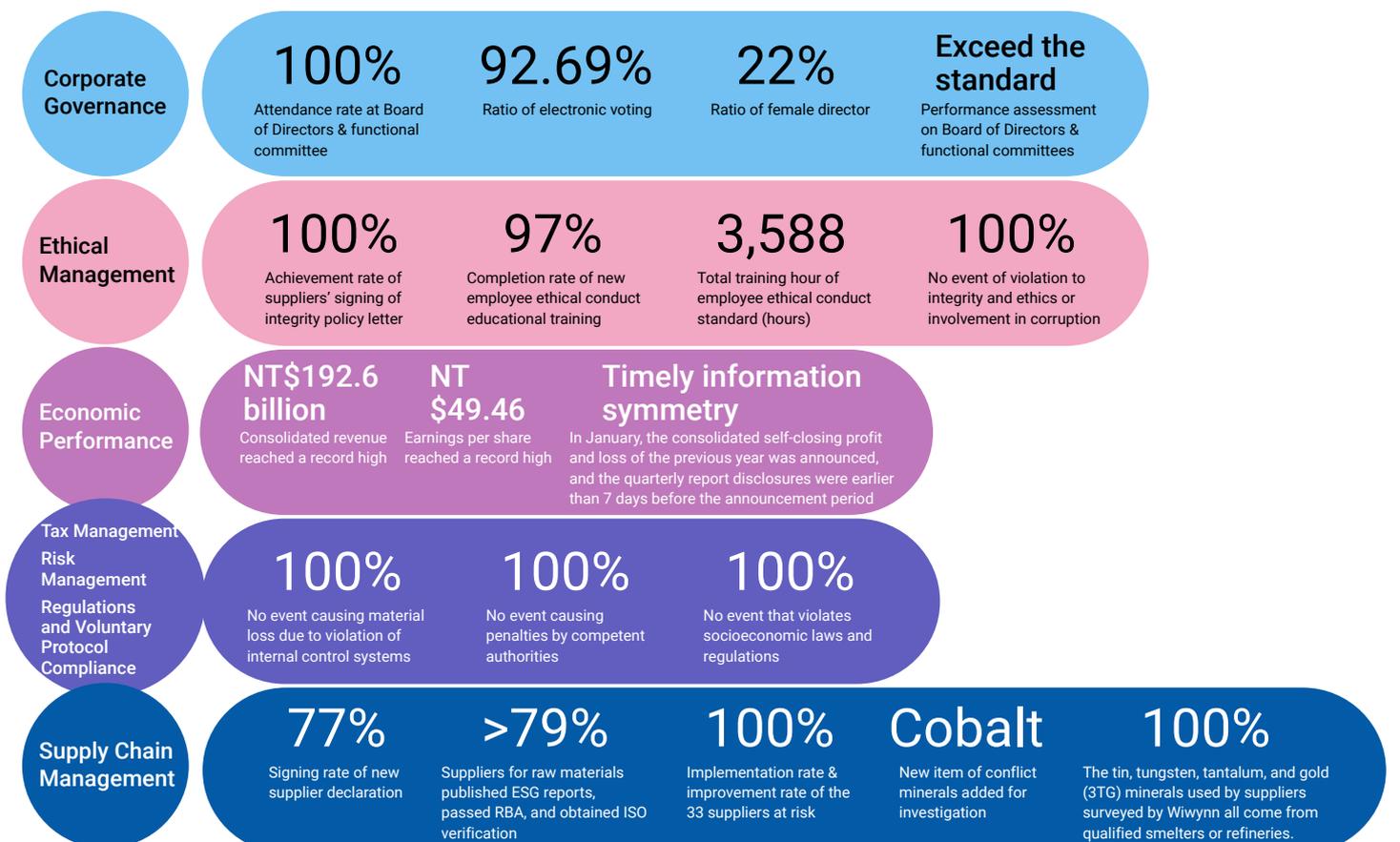
Sustainable Environment

- Special: Ocean Hugs and share good with the ecology

Sustainable Governance

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Materiality Performances



Short, Medium and Long-Term Materiality

Goal Achieved : ● Goal Yet to be Achieved : ●

	2021	2022 (short-term)	2025 (medium term)	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). <i>The performance evaluation done by the Board of Directors and Functional Committee both achieved the result of "exceeding standards".</i> 	Top 20%	Results of corporate governance evaluation.	Top 20%	Results of corporate governance evaluation.	Through continued cooperation with Corporate Governance Blueprints as stipulated by Competent Authorities, we keep deepening of our policies related to corporate governance.
Ethical Management	<ul style="list-style-type: none"> Continued requesting suppliers to sign "Suppliers Ethical Management Letter". <i>100% The achievement rate of new suppliers signing "Suppliers Ethical Management Letter" was 100%.</i> Implemented educational training and promotion. <i>The educational training on ethics received by all of the employees achieved 3,558 hours.</i> Directors and high management level issued a declaration on ethical management policy. <i>All the directors and high management level signed the Ethical Management Policy Statement.</i> 	1	Promoting Bribery Act and expanding the implementation base.	3	Promoting Bribery Act and expanding the implementation base.	Through continued cooperation with Corporate Governance Blueprints as stipulated by Competent Authorities, we keep deepening of our policies related to corporate governance.
Economic Performance	<ul style="list-style-type: none"> Earnings distribution in shares (dividends) achieved more than 60%. <i>Earnings dividend rate reached 64.97%.</i> 	1	Sustainability index links with financial cooperation to obtain financial offers (accumulated cases).	2	Sustainability index links with financial cooperation to obtain financial offers (accumulated cases).	Continuously creating long-term investment values.
Taxation Management	<ul style="list-style-type: none"> Supported various taxation policies related to enterprise innovation, R&D, and economic growth promoted by the government. <i>In 2021, we applied tax credit incentive to R&D according to Statute for Industrial Innovation (under the review of the competent authority).</i> 	100%	No significant loss (NT\$1 million) caused by the violation of internal control.	100%	No significant loss (NT\$1 million) caused by the violation of internal control.	Complementing tax planning following the Company's operation goals.
Risk Management	<ul style="list-style-type: none"> Risks identification and management to lower risks of violation. <i>There was no event causing material loss or penalties by competent authorities due to violation of internal control systems.</i> 	100%	No significant loss caused by the violation of internal control.(The loss exceeded NT\$1 million).	100%	No significant loss caused by the violation of internal control.(The loss exceeded NT\$1 million).	Continuing the evaluation on effects of risks monitoring and risk management strategies.
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). <i>No event of material violation against laws and regulations.</i> 	100%	No violation to the social and economic regulations. (The fine exceeded NT\$1 million).	100%	No violation to the social and economic regulations. (The fine exceeded NT\$1 million).	No event of material violation against laws and regulations.
Supply Chain Management	<ul style="list-style-type: none"> Audits on corporate sustainability and social responsibility on 33 suppliers at risk. <i>On-site audit was performed to 33 suppliers with an implementation rate and improvement rate of 100%.</i> 	>30%	Implementation ratio on the audit of suppliers at risk.	>50%	Implementation ratio on the audit of suppliers at risk.	Constructing a complete suppliers management system while supporting and encouraging suppliers to comply with RBA Code of Conducts.

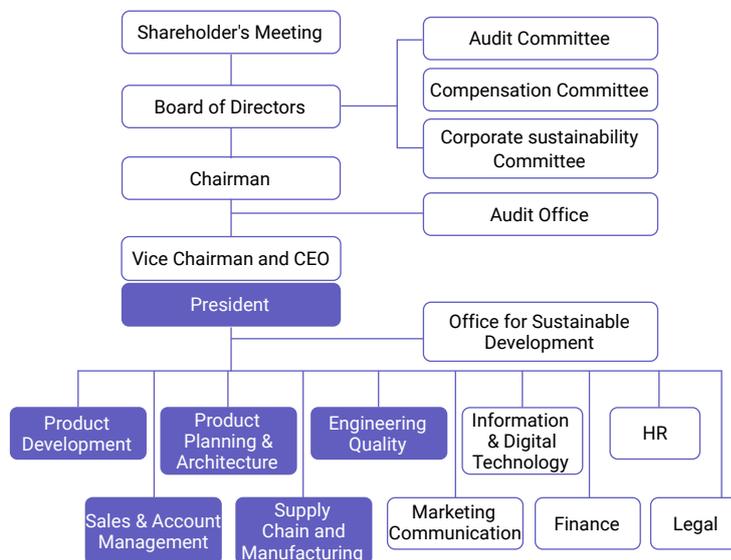
Corporate Governance

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, exercising the function of the Audit Committee, respecting stakeholders rights, and enhancing information transparency
Commitment	
Resources	Establishing Corporate Governance Manager, Compensation Committee, Audit Committee, and Corporate Sustainability Committee
Grievance Mechanism	On Wiwynn official website, the "Stakeholders' Section" contains communication channels for stakeholders, employees, suppliers, customers and shareholders
Evaluation Mechanism	TPEX Corporate Governance Evaluation, internal audit, Competent Authorities supervision and irregular audits

Wiwynn's Board of Directors is the highest governance unit in the Company and has the Audit Committee, Compensation Committee, and Corporate Sustainability committee to assist the Board of Directors in making decisions. The Board of Directors meetings are held at least once every quarter, and 6 meetings were held in 2021.

Corporate Governance Structure Members



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 Company can also take part in the nomination process of candidates followed by election by shareholders from the list of candidates announced by the Company. The term of a director is three years and is eligible for re-election.



Ratio of female directors reached 22%

There are nine directors (including 4 independent directors) in the current Board of Directors, and the ratio of female directors among them is 22%.

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 / Chairman of Corporate Sustainability Committee
Frank Lin	Male			v	Director / Wistron Corporation Representative
Sunlai Chang	Male			v	Director / President / Corporate Sustainability Committee Member
Steven Lu	Male		v		Director / Senior Vice President / Corporate Sustainability Committee Member
Charles Kao	Male			v	Independent Director / Audit Committee Member / Convener of Compensation Committee Member
Simon Dzeng	Male			v	Independent Director / Convener of Audit Committee
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](#) or Annual Report.

Training and Continuing Education of Directors

In 2021, each director had more than 6 hours of training hours.

Course Name	Total Hours of Education (hours)
Corporate Governance Blueprint 3.0 and Responsibilities of Directors	27
Risk Management Strategies for Business Operation and New Supervision by Public Opinions	27
The 13th Taipei Corporate Governance Forum	6
Corporate Governance and Securities Legal Regulations	3
2021 Cathay Sustainable Finance and Climate Change Summit Forum	3
Listed Companies' Ethical Management Regulations and Corporate Social Responsibility	3
Total	69

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

Functional Committees

	Audit Committee	Compensation Committee	Corporate Sustainability Committee
Foundation	In the special shareholders' meeting held on January 17 th , 2018, it passed the proposal of the establishment of the Audit Committee. The system was changed from supervisors to the Audit Committee system.	Compensation Committee was established on October 30, 2017.	Corporate Sustainability Committee was established on March 8 th , 2021.
Members	Convener: Simon Zeng/ Independent Director Member: Charles Kau/ Independent Director Member: Cathy Han/ Independent Director Member: Victor Cheng/ Independent Director	Convener: Charles Kau/ Independent Director Member: Cathy Han/ Independent Director Member: Victor Cheng/ Independent Director	Convener: Emily Hong/ CEO Member: Shulai Chang/ President Member: Steven Lu/ Senior Vice President Member: Cathy Han/ Independent Director

<p>Operation Conditions</p>	<p>At least one meeting will be held quarterly, and a total of 5 meetings were held in 2021. Please refer to Annual Report and MOPS for the attendance status of audit committee members.</p> <p>The internal audit manager, the accounting manager, and the certified accountant all attended the Audit Committee every quarter to report information related to internal audit, financial status, and update of legal rules.</p>	<p>Two meetings shall be convened annually. In 2021, three meetings were convened. For the attendance by Compensation Committee members, please refer to our Annual Report and MOPS.</p> <p>Chairman of the Company will be invited for attendance in each meeting. However, in case of the proposals having stakes to the Chairman, the Chairman shall be recused and may not participate in the discussion. In lieu of such attendance, other relevant personnel may be invited to present at such meeting and provide information as necessary.</p> <p>The remuneration of directors and managerial personnel in the Company is evaluated with their job duties, business performance, and personal performance. From 2020, ESG performance was included to the KPI of each competent authority to effectively link with the sustainable goal of corporate ESG.</p> <p>The performance assessment and remuneration reasonableness has been approved by Compensation Committee and Board of Directors before implementation. The system of remuneration will be reviewed at an appropriate time based on the actual situation of operation to seek the balance between the Company's sustainable operation and risk control.</p>	<p>At least two meeting will be concerned every year. In 2021, two meetings were held. Please refer to MOPS for the attendance of Corporate Sustainability Committee members.</p>
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Effective Performance of Capabilities, and Disclosure of Information Under Transparency

The directors' concurrent roles at another company, interest recusal 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 Financial Report Preparation Guidelines.

Corporate Governance Manager

The role is in charge of affairs related to corporate governance and assisting directors for the execution of business in order to fulfill the function of supervision as well as act as a bridge between Board of Directors and various business units and competent authorities.

In 2021, the Corporate Governance Manager completed 12 hours of courses, and the details are as below:

Course Name	Total Training Hours
The 13 th Taipei Corporate Governance Forum	3
Corporate Governance and Enterprise Sustainable Operation Seminar (the 17 th Session)	3
Corporate Governance Blueprint 3.0 and Responsibilities of Directors	3
Risk Management Strategies for Business Operation and New Supervision by Public Opinions	3
Total	12

Performance Evaluation

The performance evaluation of the Company's Board of Directors and Functional Committee is carried out once a year by the responsible agenda unit. Questionnaires and rating are developed based on the evaluation indices before making 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.

2021 Board of Directors and Functional Committee Performance Evaluation Results
<ul style="list-style-type: none"> Board of Directors Performance Evaluation Result: Exceeding Standards (achieved a score of 90 or above) Audit Committee Performance Evaluation Result: Exceeding Standards Compensation Committee Performance Evaluation Result: Exceeding Standards <p>Note: The establishment of Corporate Sustainability Committee is less than a year; therefore, it was not listed to the scope of performance evaluation in 2021.</p>

Ethical Management

Wiwynn engages in operations with the highest ethical standards and integrates good faith and ethical values into the Company's management strategies so that integrity DNA takes root within the Company. We carry the mission of being a quality enterprise to implement co-prosperity with the society.

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 a corporate culture of ethical management by business dealings under the principles of fairness, honesty, trust keeping and transparency
Resources	The Human Resources unit is the accountable 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 Company has announced the private line telephone and email for whistleblowing upon violations against integrity on the internal portal Stakeholders can make grievances through the integrity and whistleblowing mailbox at Ethic@wiwynn.com provided on the "Stakeholders' Section" of Wiwynn's official website
Evaluation Mechanism	Regularly (at least once a year) report to the Board of Directors and implement internal audit regularly

Integrity Principles	Fairness	Honesty	Keeping promises	Transparency
Code of Integrity Guidance and Guideline of Conducts	Ethical Corporate Management Best Practice Principles	Procedures for Ethical Management and Guidelines for Conducts	Codes of Ethical Conduct	

To fulfill the Ethical Management policy, the top manager of the Company's Human Resources unit formulates and supervises the implementation of the responsible Ethical Management policy and prevention plans. Through various specific actions, the core value of integrity and righteousness are promoted. It shall be reported to the Board of Directors at least once every year. The implementation status of 2021 Ethical Management Policy has been reported to the Board of Directors on January 18th, 2022, which stated there was no event of violation to integrity and ethics or involvement in corruption in 2021.

The Company has always remained politically neutral and the Company did not make any political donations in 2021.

Implementation Status of Ethical Management Policy in 2021

Suppliers Integrity Policy	Suppliers are important partners of Wiwynn's fulfillment of business ethics and compliance. Every year, new suppliers are required to sign the "Suppliers Ethical Management Letter". Suppliers must commit not to make direct or indirect appointments, bribes, improper gifts, entertainment, and other acts of conveyance of unjust interests. The 2021 "Suppliers Ethical Management Letter" issued a total of 236 pieces, and 236 pieces were effectively recovered with a 100% achievement rate.														
Education training	<p>In order to ensure employees fully understand the relevant regulations, the Company implements educational training on Codes of Ethical Conduct for new employees. In 2021, 618 new employees in Taiwan have completed the training, and 600 of them completed the training. The achievement rate was 97% (Note).</p> <p>Note: It was mainly due to the resignation of new employees.</p> <p>Status of educational training on Codes of Ethical Conduct in 2021</p> <table border="1" data-bbox="287 660 837 795"> <thead> <tr> <th>Region</th> <th>Number of people</th> <th>Hours</th> </tr> </thead> <tbody> <tr> <td>Taiwan</td> <td>2,036</td> <td>1,133</td> </tr> <tr> <td>Mexico</td> <td>4,850</td> <td>2,425</td> </tr> </tbody> </table>				Region	Number of people	Hours	Taiwan	2,036	1,133	Mexico	4,850	2,425		
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Anti-corruption advocacy	<p>In order to maintain the highest standards of ethical conduct, any form of bribery is absolutely forbidden. Before the three traditional holidays, all Wiwynn employees will receive information reiterated the regulations concerning the acceptance of gifts through internal mail or employee information portals.</p> <p>The Company did not receive any report related to corruption and bribery in 2021.</p> <p>Internal whistleblowing Channels:</p> <ul style="list-style-type: none"> We published "anti-corruption and anti-bribery" reporting hotline and email address on the TV wall in the Company. "Ethical Corporate Management Best Practice Principles" and "Codes of Ethical Conduct" have been announced at the employee information portal to deepen recognition among employees. 														
Anti-Corruption and Anti-Bribery whistleblowing system	<table border="1" data-bbox="319 1041 1492 1276"> <thead> <tr> <th colspan="2">Whistleblowing System and Protection Measures</th> </tr> </thead> <tbody> <tr> <td colspan="2">The Company drafted relevant regulations such as Codes 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 Matters, the acceptance procedures are properly recorded and tracked in accordance with the specifications. For well-intentioned whistleblowing or Participation investigators, the Company 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.</td> </tr> </tbody> </table> <p>External Whistleblowing Channels:</p> <ul style="list-style-type: none"> The Company has, over its "Stakeholders' Section" on the official website, made mailbox for integrity and business conducts ethics whistleblowing mailbox at Ethic@wiwynn.com. 				Whistleblowing System and Protection Measures		The Company drafted relevant regulations such as Codes 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 Matters, the acceptance procedures are properly recorded and tracked in accordance with the specifications. For well-intentioned whistleblowing or Participation investigators, the Company 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.								
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Risks Evaluation	<p>The Company conducts risks evaluation of ethics and good faith based on the RBA Responsible Business Alliance's self-evaluate questionnaire (SAQ). There was no major risk identified in 2021. We will continue implementation on risks mitigations and effective controlling of potential risks. In addition, to strengthen bribery prevention, we clearly defined the number of times that receives gifts or presents in any form from the same supplier and customer in 2021. It was submitted to the Board of Directors for approval and revision "Codes of Ethical Conduct" on January 18th, 2022.</p> <table border="1" data-bbox="287 1523 1500 1632"> <thead> <tr> <th colspan="2"></th> <th>Wiwynn HQ</th> <th>Tainan Branch</th> <th>WYMX</th> <th rowspan="2">Note: RBA will be introduced in 2022.</th> </tr> </thead> <tbody> <tr> <td>Implementation of location</td> <td>at each operating</td> <td>√</td> <td>√</td> <td>(Note)</td> </tr> </tbody> </table>						Wiwynn HQ	Tainan Branch	WYMX	Note: RBA will be introduced in 2022.	Implementation of location	at each operating	√	√	(Note)
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Economic Performance

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

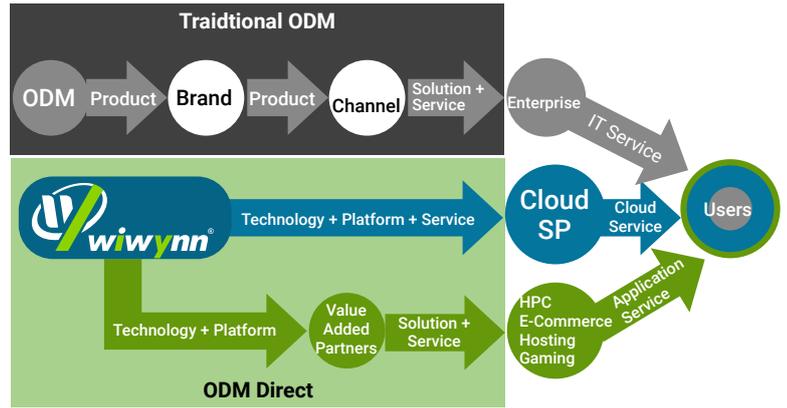
Policy	Stipulating operation plans, working hard to achieve operation goals, and creating business management with sustainable values that adds value to the enterprise
Commitment	
Resources	Management team with enriched and practical experiences and professional backgrounds
Grievance Mechanism	"Stakeholders' Section" on Wiwynn's official website provides stakeholders, including employees, suppliers, customers and shareholders, communications channels
Evaluation Mechanism	Various financial performances in annual financial reports

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

Management Strategies

The Company provides products of information equipment and system solutions to hyper-scale data centers. With our abundant experience in the industry and the excellent R&D team, we service world-class cloud service with innovative business models. Our Company has worked for open computing projects for a long time and actively participated in product design and forum of technology engineering to satisfy the demands of computing performance, storage volume, power efficiency, and cooling effectiveness from our data center customers. We have gradually achieved good performance. Other than the enhancement of our visibility, our product quality has received recognition from customers all over the world.

We believe the prospect of 5G era is promising. With the virtualization of network and new technology of deconstruction, the Company brings better extensibility, flexibility, reliability, and agility to 5G network. Meanwhile, we also speed up the development of product interoperability among manufacturers in the industrial ecological chain.



Financial Performance

The 2021 consolidated operating revenue of the Company was NT\$192,625,942 thousand, and it increased 3.05% compared with that in the previous year. The net profit after tax was NT\$8,648,012 thousand, and it increased 0.44% from last year; it was a record high. Under the impact of inflation and appreciation of NEW TAIWAN DOLLAR, the gross margin, operating margin, and net income margin reduced 0.1% annually to 8.1%, 5.9%, and 4.5% respectively. The basal earnings per share (EPS) was NT\$49.46.

Unit: NT\$ thousand

Items	Financial Performance in the Recent Two Years	
	2020	2021
Operating Revenue	186,927,647	192,625,942
Operating Cost	171,626,518	177,004,761
Operating Margin	15,301,129	15,621,181
Operating Expense	4,059,275	4,234,105
Operating Profit	11,241,854	11,387,076
Net Profit Before Tax	10,887,419	10,996,069
Income Tax Expense	2,277,762	2,348,057
Net Profit	8,609,657	8,648,012
Retained Earnings	14,186,029	17,235,258
Human Resources Expense	2,256,767	2,990,773
Employee Bonus	571,500	574,000
Cash Dividend	5,594,905	4,371,020
Stock Dividend	-	-
Contribution for Supporting Government	138,712	171,262
Community Investments	51,628	17,118

Items	Profitability in the Recent Two Years	
	2020	2021
Margin Rate (%)	8.19	8.11
Profit Margin (%)	4.61	4.49
Earnings before Taxes to Paid-in Capital(%)	622.70	628.92
Return on Assets (%)	17.21	12.81
Return on Equity(%)	38.49	33.34
Earnings per Share (EPS) (NTD)	49.25	49.46

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

Tax Strategy

"Legal Compliance"-following the local tax laws in various countries for tax declaration and payments.

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

"Risk Management" -Prudently evaluating tax risks and countermeasures.

"Integrity Communications" -Establishing mutual trust and integral communication with tax authorities.



» Tax Legal 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 according to the regular 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 specifications 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 influence of tax, and we increase the approval level to the top manager of the Company. The Company establishes a dedicated tax officer. The top manager of the financial unit is responsible for supervising related tax operations and tax risk management as well as reporting the relevant tax implementation status to the CEO and ensure the effective operation of taxation management mechanism.
- Business operation is evaluated for tax planning, including social responsibility and reputation of the group in various countries, risks control and sustainable values.
- When facing tax risks under major uncertainty and high complexity, we consult external professional advisors and obtain tax advice timely.
- We do not conduct transactions only for the purpose of tax avoidance.
- We do not transfer profits to the non-cooperative blacklist and tax haven countries (low tax rate countries) defined by the International Organization for Economic Cooperation and Development (OECD) and the European Commission (EU).
- We do not use illegal methods, like related parties to deal with transactions or set up a subsidiary in a tax haven, to retain our benefits in a low-tax area to reduce the tax obligation.

» 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 with the authority.
- In case there are differences or disputes on taxation opinions with stakeholders, we will seek advice from professional third-party consultants or consult local tax authorities for advice in a timely manner.

Taxation Related Information in the Most Recent Two Years

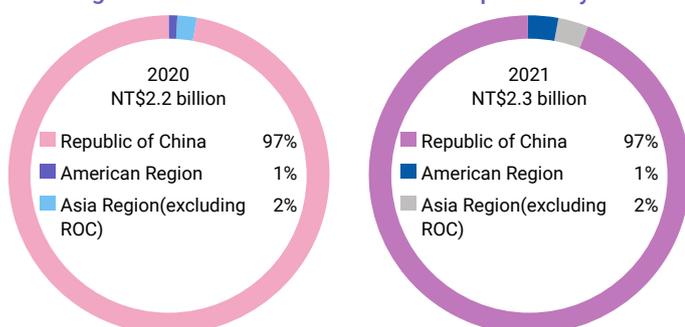
Unit: NT\$ Thousand

Item	2020	2021
Net income before tax	10,887,419	10,996,069
Income tax expense	2,277,762	2,348,057
Income tax rate	20.92%	21.35%
Paid income tax	1,658,747	2,708,854

Note: Please refer to Wiwynn Corporation's 2021 Consolidated Financial Report for relevant information.

Wiwynn's Operations HQ is established in Taiwan. The estimated income tax expense in 2021 was approximately NT\$2.3 billion. 94% income tax expense of which was attributable to the government of the Republic of China. We contribute to the local tax revenue while providing employment opportunities and boosting economic development.

Percentage of income tax contribution in the past two years



Government Subsidy in the Past Years (Taiwan)

Wiwynn Corporation supports various tax policies for enterprise innovation, research and development, and steady growth promoted by the government. We perform our best for the social responsibility of tax obligation and pursue sustainable development through stable operational tax planning based on the goal of the Company's operation.

Unit: NT\$ Thousand

Year	Item of Subsidy	Amount
2019	Statute for Industrial Innovation	53,397
2018	Tax Credit Incentive to Investments	40,000

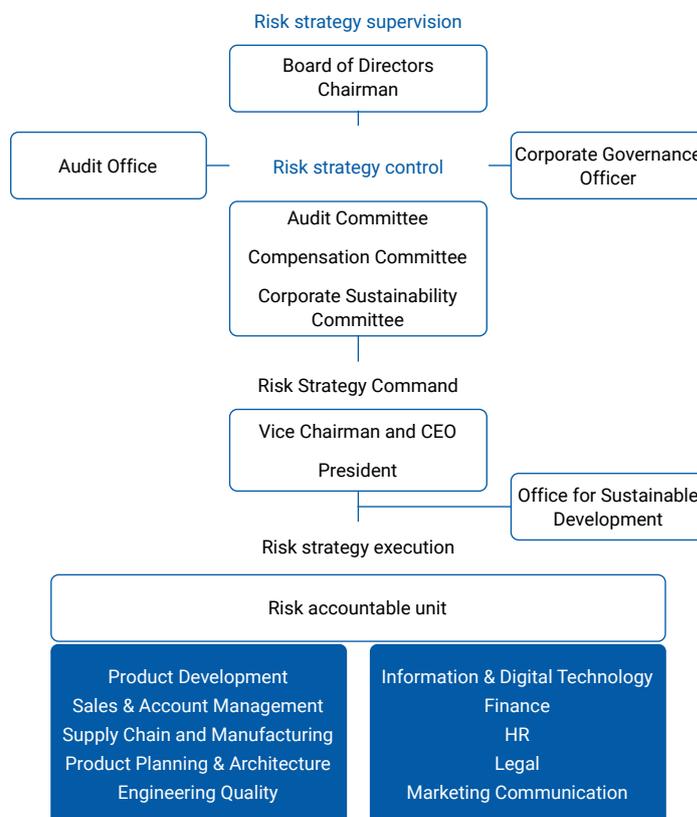
Note: The subsidy for 2020~2021 is still under approval.

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.

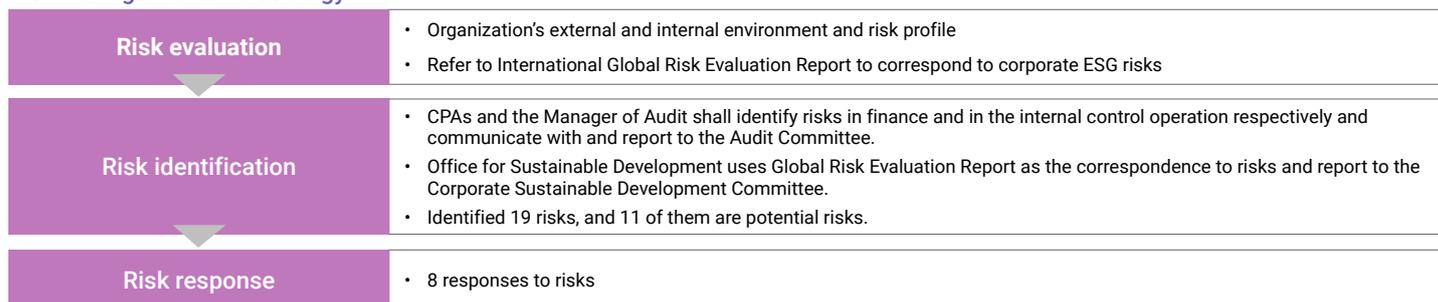
Policy	Effectively integrate internal and external resources, adopt appropriate countermeasures to avoid or reduce any possible losses, and achieve the optimization of internal capital allocation.
Commitment	
Resources	All accountable units and functional committees implement risk management
Evaluation 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 risk management, including establishing the direction and goal of corporate social responsibility and sustainable development, implementing social responsibility of corporate citizen, linking with international trends as well as responding to the risk evaluation and coping strategies addressed by stakeholders in the dimensions of environment, society, and corporate governance.
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.
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.
Corporate Governance Officer	Responsible for corporate governance related affairs and assist directors in executing their business to perform their supervisory and control functions.
Office for Sustainable Development	ESG management guidelines and the management of concrete promotional plans to assist the operation of Corporate Sustainable Development Committee.
Management Level	Responsible for supervising and following risk management strategies, regularly controlling and evaluating the effectiveness of risk management implementation.

Risk Management and Strategy



Category	Risk Factor	Management Strategies
Operation disruption	<ul style="list-style-type: none"> Major infectious disease Extreme climate Geopolitics 	<ul style="list-style-type: none"> Activating business continuity plans and implementing supervision and management. Initiating the supply chain investigation, the introduction of alternative materials (proposals), and short-chain deployment.
Climate and energy	<ul style="list-style-type: none"> Trend of net zero, climate science application, and renewable energy utilization 	<ul style="list-style-type: none"> Using TCFD as a framework to implement climate management. Aiming for participating in SBTi to implement carbon reduction path. Diversity evaluation and deployment of renewable energy.
Information security	<ul style="list-style-type: none"> Information security flaws, supply chain risks on IT infrastructure equipment 	<ul style="list-style-type: none"> Establishing an interdisciplinary information security committee. Joining high-tech information security alliance organized by TWCERT/CC to create information security joint defending capability with the high technology industry. Introducing the third-party information security rating mechanism to detect potential information security risks exposed externally timely. Setting up regulations for network access security management.
Inventory management	<ul style="list-style-type: none"> Inventory risk 	<ul style="list-style-type: none"> Timely inventory adjustment. Provision for allowance of obsolescence losses. Provision for proper allowance of valuation losses.
Intellectual property rights	<ul style="list-style-type: none"> Infringement or impairment of intellectual property rights 	<ul style="list-style-type: none"> Implementing Level A certification of TIPS system to perfect management mechanism and to carry out continuous improvement. Continuing strengthening protection of business secrets. Regularly conducting patent analysis, customer follow-up, patent deployment on technology that manufacturers in the same trade and the Company consider developing as well as continuing paying attention on the movement of competitors and establishing an experienced patent team to enhance the number of patent in a planned way.
Supervision system	<ul style="list-style-type: none"> The trend of corporate governance and regulatory compliance 	<ul style="list-style-type: none"> Paying attention on the changes of domestic and international laws at any time and updating relevant regulations and system accordingly. Implementing the execution of legal identification mechanism and adopting proper coping strategies.

Regulations and Voluntary Compliance

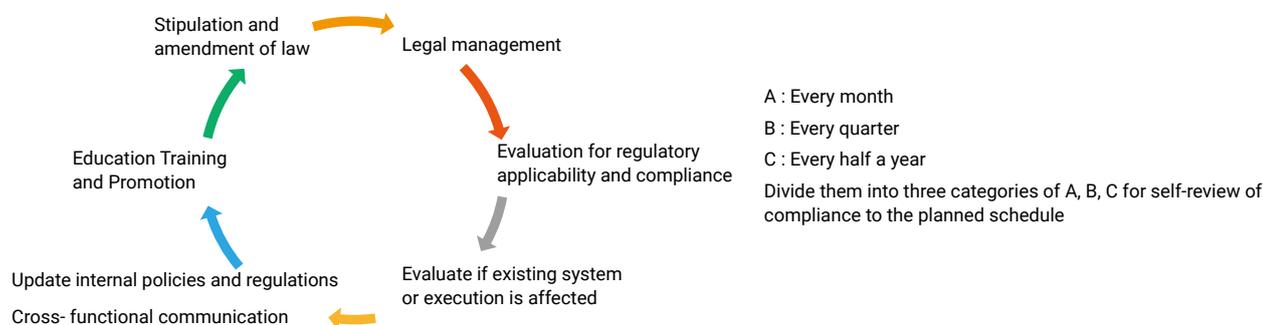
Wiwynn keeps the good reputation of the Corporation and deeply roots integrity and legal compliance culture.

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

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 paying attention on changes in domestic and overseas laws and regulations, revising relevant rules and regulations in a timely manner, continuing strengthening legal compliance management, and deepening the Group's legal compliance culture to ensure that all businesses comply with legal requirements. Legal compliance is also one of the key points of internal control. Every year, the handling unit performs an audit on legal compliance to review the effectiveness of legal compliance implementation, grasp the group's legal compliance risks, and the domestic and overseas supervision trends.

In addition to legal compliance, Wiwynn Corporation established the "Wiwynn Corporation RBA Management Committee" and issued the "Wiwynn Corporation Responsible Business Alliance Code of Conducts Commitment Letter" to promise the cooperation and compliance with RBA's behavior specifications, support and encourage the first-tier suppliers following the identical guidelines, and, do their best to employ RBA methods and tools appropriately in the spirit of meeting the common goals of the industry. We have introduced QC 080000: 2017 (Hazardous Substance Process Management Systems), ISO 14001: 2015 (Environmental Management Systems), ISO 45001: 2018 (Occupational Safety and Health Management Systems), ISO 50001: 2018 (Energy Management Systems), etc. Through systematic management, we are committed to being environmentally friendly, reducing the environmental hazards during the process of waste treatment process, lowering greenhouse gas emission, enhancing energy efficiency, and providing human rights protection and a healthy and safe working environment.

In 2021, Wiwynn Corporation received no punishment due to violation against environmental protection regulations; also, there was no legal action for anti-competitive behavior, antitrust and monopoly behavior, and no event violating socioeconomic laws and regulations.

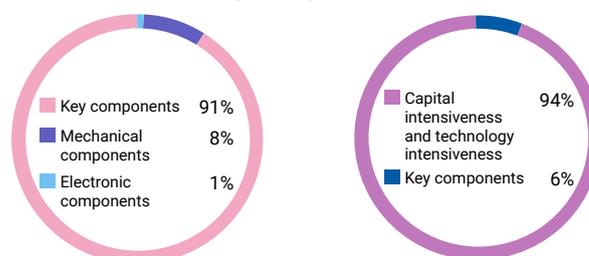
Supply Chain Management

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 ESG audit

Wiwynn Corporation provides various products and system solutions for hyper scale data centers and cloud infrastructure. The main suppliers provide product materials, including key components, electronic components, and mechanical components. It is estimated that there are more than 200 suppliers for raw materials, and the main regions are in Taiwan, China, Japan, Korea, America, and Europe. More than 300 suppliers for non-raw materials, and the main region is in Taiwan. The types of suppliers include manufacturers, agents and distributors, etc. The industry is characterized by capital intensiveness and technology intensiveness.

Ratio of purchasing amount in 2021



Supply Chain Management



Stage 1

Establish a supply chain of sustainable responsibility

Establishing relevant management procedures on new suppliers and existing suppliers

Stage 2

Manage the sustainable supply chain

- Supplier risk management
- Supplier performance rating
- Annual supplier meeting on key components (Supplier Business Review)
- Supplier ESG Audit
- Responsible mineral purchase

Stage 3

A sustainable supply chain that continues improving and advancing

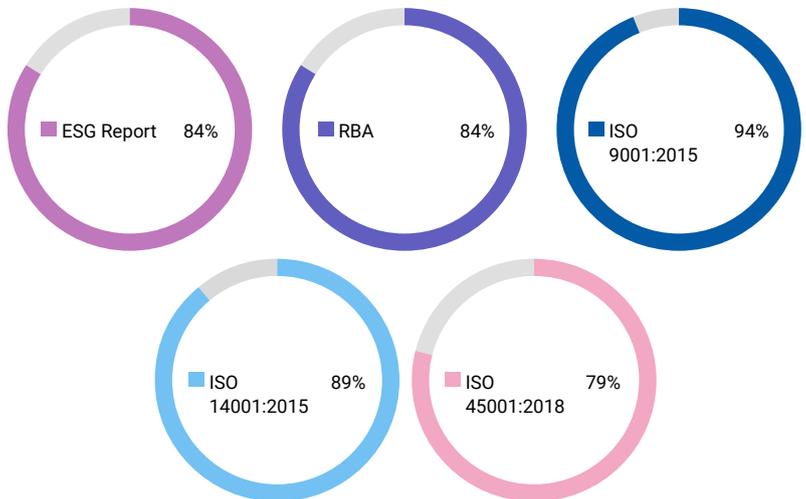
Delivering Wiwynn's ESG concepts through supplier conference and the regular/ irregular educational training provided to suppliers

01 Establish a Supply Chain of Sustainable Responsibility

Units of design, R&D, purchase, and quality management form "Supplier Evaluation Team" together to carry out evaluation on new suppliers according to supplier development and evaluation procedures specified in "Purchasing Management Procedures". The items of evaluation include quality, engineering design, environmental protection, and management of social responsibility.



State of raw material suppliers' publication of ESG reports and verification of international standards in 2021 by questionnaire survey



02 Management of Sustainable Supply Chain

Suppliers risk management

"Suppliers' Operation Risk Evaluation"- Through regular and irregular investigation on the operation and financial status of suppliers, we pay attention on high-risk groups to avoid unannounced bankruptcy impacting shipments or causing disputes.



"Suppliers' Critical Risk Investigation"- It conducts a comprehensive understanding on the special event, such as the impact of the material shortage, shutdown, and capital risk caused by the epidemic of COVID-19, as well as on suppliers at the regions of high risks. It investigates the coping ability of suppliers or communicates with proper responding methods with suppliers in order to adopt the most appropriate prevention measures and avoid the rights and interests of stakeholders being affected by the operational hazards.



"Global Supply Chain Redeployment"

In response to the epidemic of COVID-19 and trade conflicts, Wiwynn has started a global supply chain re-layout based on supply chain security and risk dispersion considerations from 2020. We increased the ratio of productivity in Mexico in 2021.

"Multiple regions" and "localization" will become the orientation of supply chain management that Wiwynn will continue promoting in the future. We encourage our key component suppliers to "decentralize" and carry out the global and regional capacity layout and configuration. Through continuous communications with customers, we hope to jointly promote more than 80% of the key component suppliers in the future to support the production strategies at the manufacturing location.

Besides, to activate the local economic activities in the manufacturing location and reduce carbon footprint, the ratio of raw material purchasing locally in America and Mexico was more than 50%. About 98% of the packaging materials were purchased locally in Taiwan.

Past	Future
Cost reduction Economies of scale Long supply chain distance Centralized production; labor intensive Maximal high productivity Export orientation; planned production	Risk dispersion Small-volume, large-variety; customization Short supply chain distance Decentralized production; automation Regional high productivity Close to the market; predictive production

Suppliers Performance Evaluation

After becoming a qualified Wiwynn supplier, online evaluation will be carried out on key suppliers every month. The evaluation content includes quality capability, delivery capability, service team capability, and cost leading capability.

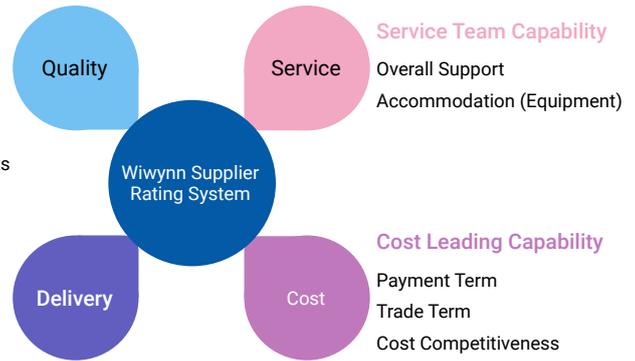
The result of evaluation will be an important accordance for purchasing strategies. After the procurement department discusses with relevant departments, a list of strategic suppliers for key components will be established. It will be updated every half a year. For those who are listed as our strategic suppliers, materials they supply will be used in priority or the purchase of their materials will be increased.

Quality Capability

- VLRR Vendor Lot Reject Rate
- IQC Quality Level
- Hazardous Substance Free
- SCAR Supplier Corrective Action Requests

Delivery and Supply Capability

- On-Time Delivery
- Lead Time
- DOA/RMA/TAT
- Defective product handling



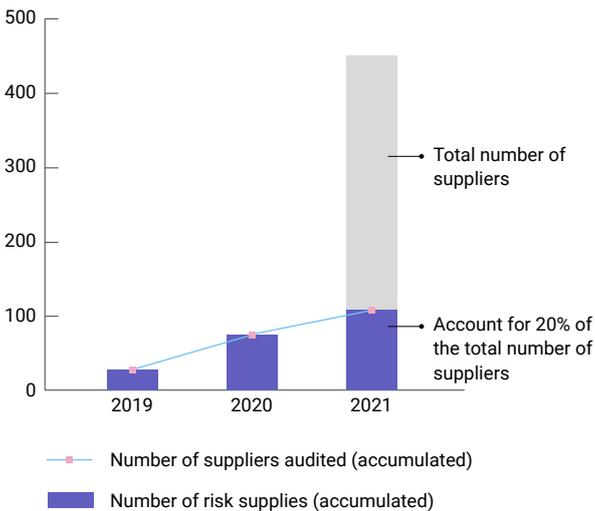
Annual Supplier Business Review (SBR) on Key Component Suppliers

Wiwynn regularly holds Supplier Business Review (SBR) with suppliers of key components. In addition to quality, cost, technology, delivery, and service factors, we continue including performance of Sustainability in ethical management, environmental protection, labor rights, safety and health, etc. as the important consideration for purchasing units to determine order allocation and continuous cooperation. We will give more resources to suppliers with good performance. With Wiwynn's influence, we drive the continuous improvement in the supply chain.

Suppliers' ESG Audit

Based on the Responsible Business Alliance (RBA) Code of Conducts and IECQ QC 080000, Wiwynn formulated Wiwynn Responsible Supplier Code of Conducts. It covers five major aspects, including hazardous substance management, labor, health and safety, environment, business ethics, and management systems. Every year, we will list annual risk suppliers based on the risk evaluation criteria in "country and regional risks", "ethical labor risks", "EHS process risks", "audit performance of last year", "media report disclosure", and "yearly transaction volume" to implement the audit plans in suppliers' corporate sustainability and social responsibility.

State of Risk Supplier ESG Audit in the Most Recent Three years



In 2021, we conducted on-site audit on 33 suppliers. Any unqualified supplier or those who were required improvements on defects found were requested to complete improvement within a specified time limit or cancelled their supplier qualification to ensure that all requirements could be fulfilled. The results of 2021 ESG audit revealed the main deficiencies were in the dimensions of human rights and safety & health. After communication to provide guidance, they have been improved.

State of deficiency disposition

Type	Human rights	Safety and health	Environment	Ethics
Priority	0	0	0	0
Major	2	4	0	0
Minor	14	19	2	1
Rate of closure	100%	100%	100%	100%

Note: Improvement proposal for the major defect must be submitted within 6 weeks and approved by the audit personnel. The issue must be closed within 180 working days. Minor defects must be completed and closed within 270 working days.

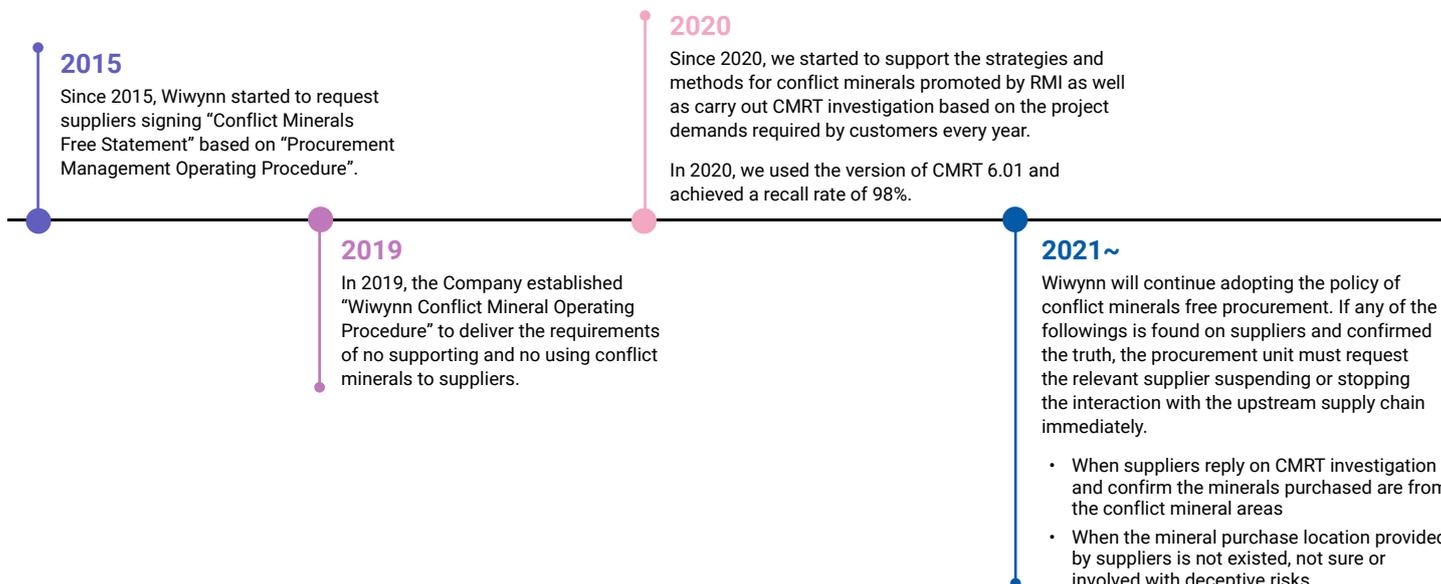
Deficiency and improvement status

Item	Negligence	Improvement Status
Human rights	<ul style="list-style-type: none"> The payment guideline for overtime pay is 1.33. It is lower than the regulation specified in Labor Standards Act. The principle of overtime pay is not specified clearly in the Employee Handbook. The rule for special leave fails to comply with the regulation specified in Labor Standards Act of 14 days for the third year or above. 	
Environment	<ul style="list-style-type: none"> The operating environment with noise exposure fails to have monitoring mechanism in place. 	
Occupational safety	<ul style="list-style-type: none"> Escape direction signs are not established. The provision of oral medicine violates Pharmaceutical Affairs Act. The design of welding mask is poor, and labors are exposed to the risk of breathing in the welding gas. A random check of the chemicals in the plant finds no relevant SDS. Firing equipment must not be placed near the production line. No first-aid personnel are arranged for night shift. No maternal protection related process or method is established. The direction of emergency exit is not easy to understand. Labors fail to wear ear plugs and are exposed in the risk of hearing loss. 	<p>We follow the process to issue the notice of defect and request it to be improved within a specified time.</p> <p>Auditing personnel have confirmed all the relevant defects were corrected. The improvement rate is 100%.</p>

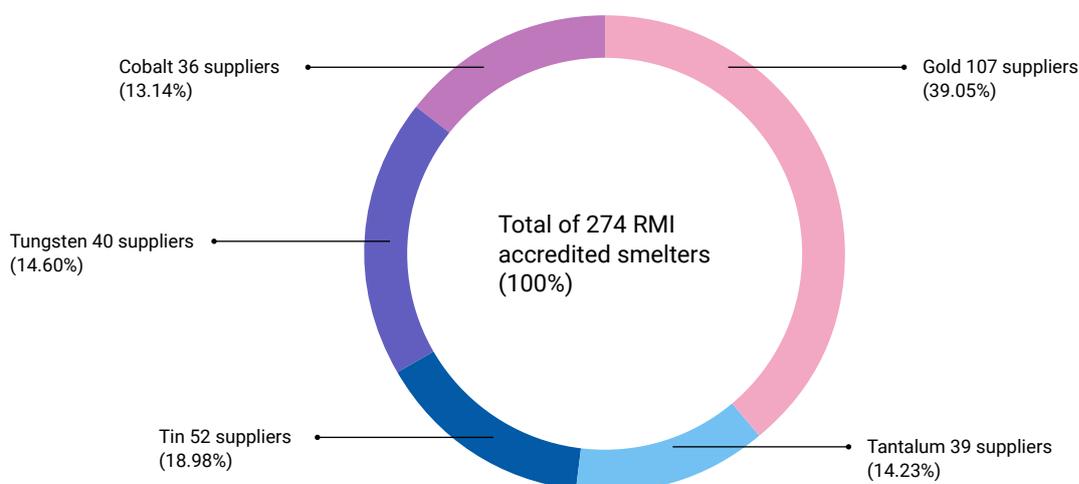
Responsible Mineral Procurement

Through "Wiwynn Conflict Mineral Operating Procedure", we deliver the requirements of no supporting and no using conflict minerals to our suppliers. The components used for the products they provide must not contain conflict minerals, and all the suppliers are requested to sign the Conflict Minerals Free Statement. Currently, more than 200 suppliers have completed signing and strictly abide by the statement. Any supplier who violates the requirement will be immediately disqualified. No suppliers lost their qualification due to violation in 2021.

History of responsible mineral procurement



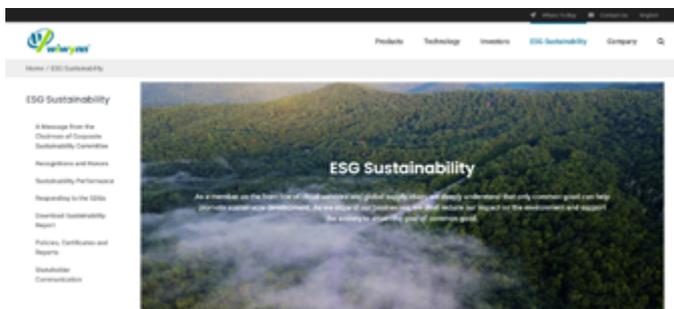
Moreover, we carry out due diligence based on the principle of "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas" announced by Organization for Economic Cooperation and Development (OECD). Through the Conflict Minerals Reporting Template (CMRT) in Responsible Minerals Initiative (RMI), we confirm the sources of gold (Au), tungsten (W), tantalum (Ta), and tin (Sn) are not from conflict or high-risk regions. In 2021, we added investigation of cobalt (Co) to identify it is from qualified metal production plants.



03 A sustainable supply chain that continues improving and advancing

We will continue delivering Wiwynn Technology ESG concept through suppliers' meetings, regular/irregular educational training or ESG questionnaires to work with our suppliers for creation of sustainability and shared good.

In November 2021, the Group held PC Partner Conference. There were more than 200 suppliers working with Wiwynn Corporation participated, and relevant experts were invited to share their knowledge for ESG issues at the conference.



Special: Digital Transformation



On September 29th, 2021, Wiyynn Corporation received “First Prize for Pioneer in the Manufacturing Industry” in the first Digital Transformation Awards jointly hosted by Harvard Business Review Taiwan and SAP which is the leading provider of business management system.

With innovative business model of ODM Direct, Wiyynn directly provides equipment of cloud computer room to hyperscale data centers. We maintain close working relationship with global tier 1 cloud service suppliers and ship our products to more than 300 data centers in the world.

As a member of the cloud industry, Wiyynn focuses on the strategy of “Cloud first, Zero enterprise data centers” since its establishment. We invest in the introduction of information systems and innovation technologies one after another, including full cloud enterprise application system, supply chain management of block chain, autonomous intelligent production, and hybrid cloud information security defending system. In addition, Wiyynn also takes the initiative in building up capabilities and culture of digitalization among all the employees. Through the activities of Hackathon and Digital Festival, we encourage employees to widely apply the technology of M365 Power Platform and Chat Bot. We use the creative robotic process automation (RPA) designed by employees to enhance working efficiency.



“To ensure a successful digital transformation, everyone in the company, from top down and from bottom up, must believe the power of digital empowerment”, highlighted by Emily Hong, the Vice Chairman & CEO in Wiyynn. “The participation of leaders plays an important role in delivering value and strategic direction. Other than offering tools, it is more essential to encourage and develop employees’ digital abilities and to create a digital culture through various activities. We believe it is more important to create an environment that encourages learning and application than to set up KPI in the beginning of digital transformation promotion. The success of digital transformation is based on the change of each employee’s thinking style.”

With the comprehensive digital transformation strategy of promoting technology innovation and cultural creation, it helps Wiyynn to enhance the efficiency of product R&D on one hand. On the other hand, it also creates a transparent supply chain to track and monitor product quality at any time and carry out rapid response to resolve problems that users encounter. Feedback can be provided to R&D Department as the reference of design as well as the capability of improving manufacturing process can be enhanced to further increase satisfaction of our data center customers. We continue moving towards the sustainable operation of industrial brand by innovation and transformation.

Sustainable Innovation

Innovations in Products, Services and R&D	33
Intellectual Property Rights	34
Customer Health and Safety	35
Customer Privacy and Information Security	36
Special: TIPS	38

Materiality Performances

Innovations in Products, Services and R&D

28.72%

The percentage of the number of R&D personnel increased than that in 2020

70.54%

The percentage of the R&D expenditures increased than that in 2020

Energy-Saving Technology

Two-phase immersion liquid cooling technology formally entered hyperscale data centers

Intellectual Property Rights

Level A

Obtained TIPS certification

22%

The percentage of the number of patent proposals increased in 2021

16.7%

The percentage of increased total number of approved in 2021

90%

The ratio of innovation type of patent among the total types of patent

855

The number of employees receiving training related to intellectual property rights

9.8%

The percentage of progress of test before and after the training

Customer Health and Safety

Zero

Grievances regarding customer health and safety

100%

No violation against health and safety

100%

No violation of product and service information labelling or violation caused by false selling behaviors

Customer Privacy and Information Security

Zero

Grievances of infringement of customer privacy and loss of customer data received or events of ransomware due to phishing

Information Security Committee

Established a cross-department and the highest level Information Security Committee

6 times

Information security advocacy events held

2,033 People

Completed new online course of information security, "The distance between us and information security" in Taiwan

5.3%

The percentage of erroneous click rate of phishing mails reduced compared to that in the previous year

2 times

Disaster drill held

Short, Medium and Long-Term Material Topic

Goal Achieved : ● Goal Yet to be Achieved : ●

	2021	2022 (short-term)	2025 (medium term)	Long term		
Innovations in Product, Service and R&D	<ul style="list-style-type: none"> Actively participated in the development of the new generation platform, the development of edge computing server application in 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 customers Completed various product technology applications (such as edge computing server in 5G application, AI computing, high-density storage, liquid cooling technology, and high-efficiency power supply technology) 	100%	Expanding AI products and developing new-generation platform and new technology as well as continuing optimizing the effectiveness of existing products	100%	Expanding AI products and developing new-generation platform and new technology as well as continuing optimizing the effectiveness of existing products	Continuing maintaining leading in technology and providing customers with complete cloud application solutions
Intellectual Property Rights	<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 The budget for application and maintenance of official patent cases was greater than 0.5% of independent R&D funds Drafted Wiwynn intellectual property management regulations We have established "Intellectual Property Management Handbook", "Regulations for Patent Management" and "Regulations for Trademark Management" Obtained TIPS patent and trademark certification We have obtained TIPS Level A certification All employee participated in the introductory training course of intellectual property rights and combined with pre- and post-training tests to track the effectiveness of the training We held three sessions of intellectual property rights training, and they were combined with tests before and after training to follow up the effectiveness. The performance was enhanced 10% 	Level A	Continuing obtaining TIPS Level A certification	Level A	Continuing obtaining TIPS Level A certification	In addition to the increase of valid patents every year, we introduce Taiwan Intellectual Property Management System (TIPS) in order to use intellectual property more effectively, promote the integration of core patent technology, and realize the higher value of intellectual property rights through investment and licensing
Customer Health and Safety	<ul style="list-style-type: none"> For the demand of telecom edge computing, we ensure product meets the NEBS level 3 certification requirements of network equipment construction system to guarantee the personal safety of equipment operators and protect related equipment to further confirm the reliability of the entire network equipment Two new models of edge computing servers were customized designed with the specification of telecommunications, and they all meet the level 3 standard of NEBS 	0	Customer complaint related to safety and health received or events that violated legal regulations for health and safety	0	Customer complaint related to safety and health received or events that violated legal regulations for health and safety	We continue evaluating the influence of the product or service on customers' safety and health and providing products and services that are safe and non-hazardous impact to customers
Customer Privacy and Information Security	<ul style="list-style-type: none"> Strengthening the operation of information security organization Joined "High-Tech Information Security Alliance" organized by TWCERT/CC Continuing strengthening information security awareness advocacy and education Completed training with new information security teaching materials. We hosted 6 sessions of whole-company information security promotions to enhance employees' awareness towards information security Continuing various information security drills and audits and passing external information security audits and certifications Completed 2 disaster drills, passed annual customer certification, and completed 2021 AEO internal audit Strengthening information security protection and monitoring mechanism as well as the security of software In 2021, we implemented the third-party information security rating mechanism. The score of security rated we achieved was higher than the average score in the industry 	0	Number of complaint on invading customers' privacy and losing customers' information	0	Number of complaint on invading customers' privacy and losing customers' information	We complement the information security protection mechanism and safeguard the rights and interests of stakeholders

Innovations in Products, Services and R&D

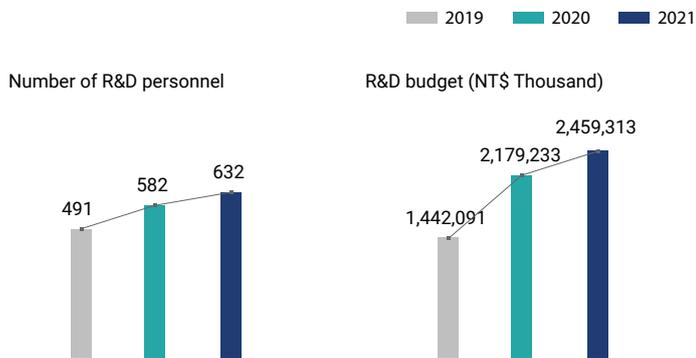
Wiwynn upholds the R&D spirit of innovative technology to provide customers with the most optimized cloud technology services, the most complete cloud application solutions and better product competitiveness.

Policy	Unleash the Power of Digitalization, Ignite the Innovation of Sustainability
Commitment	Provide the Best TCO, Workload and Energy Optimized IT Solutions from Edge to Cloud
Resources	We established Rack Integration LAB, rack-level large-scale constant temperature and humidity laboratory, wind tunnel and verification laboratory
Grievance Mechanism	<ul style="list-style-type: none"> The technical advice or issue feedback is handled by the top supervisor of the Product R&D Department, or the managers of the R&D sections or divisions under the supervision Patent related affairs are handled by the managers at legal or patent department in the Company
Evaluation Mechanism	Product roadmap meeting, cooperation with open communities, customer feedback, and internal audit

Wiwynn's Vision: "Unleash the Power of Digitalization, Ignite the Innovation of Sustainability"

Wiwynn's Mission: "Provide the Best TCO, Workload and Energy Optimized IT Solutions from Edge to Cloud"

Wiwynn uses innovation technology to provide product and system solutions for hyperscale data centers and cloud infrastructure. We also actively participate in the development and cooperation with new-generation platforms. In consideration of the application in all aspects required by data centers and cloud technology, we invest huge amount of R&D resources in the development of edge computing servers and application in 5G, AI computing, high-density storage, liquid cooling technology, and high-efficiency power supply technology in order to provide the best solutions to customers.



Core technology



High-energy efficiency



High-speed transmission



Thermal solutions



Reliable availability

Product Development and Application

Application of edge computing server in 5G

Wiwynn's latest 3U edge computing service with a specification of OCP openEDGE is a server node design that accommodates 5 x 1U half width and single CPU socket. Each node can be inserted with 1 acceleration card of PCIe 3.0 x16 and 1 network interface card of OCP NIC 3.0. The five server nodes in the cabinet can be flexibly deployed different nodes to handle diverse demands of workload, like 5G virtual wireless access network (vRAN) and multi-access edge computing (MEC).



Wiwynn's 2U short-rack edge computing server that is designed exclusively for telecom rack and intensive computing is with the functions of high expandability and acceleration (such as edge computing/ AI training/ AI reasoning, edge storage). Its modular design based on standard PCIe specification can flexibly provide applications to different scenarios. It is especially good for communication service providers (CSP).



AI computing

AI computing is developing rapidly and extended to the applications of machine learning (ML), deep learning (DL), and high-performance computing (HPC). Among them, the most advanced and most efficient application procedure is to have several OCP accelerator modules (OAM) that are connected and operated in high-speed bandwidth in the system.

To solve the excessive signal loss caused by the operation of high-speed bandwidth, Wiwynn's brand-new 4U high-speed server integrates the two main modules, CPU Server & Accelerator, as the solution and uses a drawer design to increase the convenience of operation and maintenance in order to further fulfill flexible high-speed peering bandwidth among OAM.



High-density storage

Wiwynn's new generation high-density storage is a 40U system to support 72 hard disk drives and 1 or 2 sets storage servers. Based on demands, it has diverse configuration. Carrying on the convenience of maintenance from the previous model, it requires no tool for disassembly and only needs to open the drawer to implement maintenance. Besides, it supports hot-plugging fan and backup cooling system.



Liquid cooling technology

Currently, the new-generation AI computing server carries 8 700-watt OAM (OCP Accelerator Modules). Corresponding to it, Wiyynn adopts rack-mounted two-phase liquid cooling solution to satisfy the cooling demand of high watt as well as the effect of energy saving. In addition, it uses independent rack-mounted cooling back door without additional deployment of cooling water path in the data center to provide a cooling capacity of 50 kilowatt on a single rack. Therefore, Wiyynn's liquid cooling rack can provide high cooling capacity without changing existing facility to achieve rapid deployment.

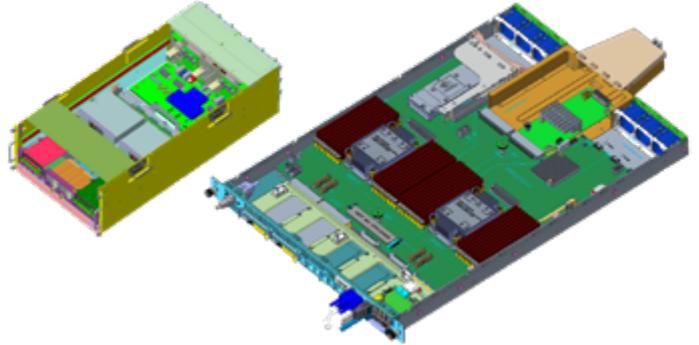


Wiyynn's two-phase immersion cooling solution has been deployed to the hyperscale data center possessed by our end user in the United States. We continue developing new generation two-phase immersion cooling cavity to provide users a cooling solution that is more energy saving and more friendly. It strengthens the software integration with data centers with more user-friendly graphical interface and better cavity environmental control system. It can support several servers of different models from different generations at the same time.



High-efficiency power supply technology

To respond to the trend of enhancement of server power density, Wiyynn focuses on the development of 48V power supply system. We introduce the new generation



54/48V converting 12V power solution in one 1U and one 4U server to connect 54/48V power supply system from the back panel as well as optimize its power conversion design.

Optimization of development process

Optimization of development process

Automation of cable pin define check

During the process of design, the confirmation of pin define for various power cables and signal lines is time-consuming and with high repeatability. Therefore, we use WiMap automatic program that is our independent development to carry out comparison and confirmation. It can hugely shorten the time used for confirmation and eliminate human errors and further enhance R&D efficiency and design quality.

WiMap- Process of checking the wire pin design

Input	WiMap	Output
<ul style="list-style-type: none"> Information of circuit board design (netlist & list of components) Design comparison table Corresponding material number of the wire or component 	<ul style="list-style-type: none"> Computer auto-check 	<ul style="list-style-type: none"> Wimap checking report Display whether the design is successful or failed Display the feedback from electronic and mechanical engineers

Intellectual Property Rights

Wiyynn combines its operation and R&D strategy layout to maintain the leading position and competitiveness in enterprise innovation through the management of intellectual property rights.

Policy	Through managing R&D activities, we start to establish the acquisition, maintenance, and application of intellectual property rights step by step. With loss control, dispute prevention, and integration of operations, we finally create the maximum value of intellectual property rights
Commitment	
Resources	Preparation of incentives, application and maintenance budgets as well as establishment and development of engineer log system
Grievance Mechanism	The Legal Department is responsible for handling disputes related to intellectual property
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 potential risks. Besides, we take early prevention through the intellectual property management system

Encouraging innovation and R&D
Strengthening our own IP Portfolio

Enhancing employees' concept and risk awareness on intellectual property

Strengthening competitiveness through investment and licensing cooperation

From strengthening defense capabilities to gradual activation From strengthening defending capabilities to gradually activating intellectual assets, Wiwynn encourages innovation and R&D, strengthens intellectual property portfolio (IP Portfolio), and enhances employees' concept and risk awareness towards intellectual property. We ensure our competitiveness through investment, cooperation and authorization. In 2021, we obtained Level A certification awarded by Taiwan Intellectual Property Management System (TIPS) to optimize the management of intellectual property rights. To establish an intellectual property development strategy that integrates the Company's operational goals and R&D resources, we report the annual implementation and the result of intellectual property rights to the Board of Directors at least once every year. The latest date of reporting to the Board of Directors was on January 18th, 2022.

Trademark protection measures

- Global layout: The registration of Wiwynn trademark has spread to nine key regions in the world.
- Regular maintenance: We review the status of registered trademarks and evaluate the necessity of continued maintenance depending on the Company's future planning and development to carry out early layout of the trademark registration.

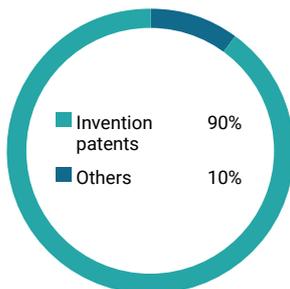
Copyright protection measures

- Copyright ownership: In the employment contract provided by the Company, it is stipulated that the work completed by employees during the employment period shall belong to the Company. Development projects that cooperate with customers will also agree on the ownership of the software copyright in advance.
- Legal use: We formulate "Software Management Regulation" and perform software detection irregularly. If any employee uses unauthorized software, we will request it to be removed immediately to avoid unnecessary legal investigations or litigation.

IP rights protection measures

- Incentive system: Budgeting the incentive for invention and creation to encourage innovation and R&D.
- System construction: Planning the establishment of new patent management system to manage all the proposals and patents in the Company more effectively.
- Review meeting: Adjusting the pattern of review meeting for patent to speed up patent applications. In 2021, the number of patent proposals we submitted increased 22% compared to that in 2020.
- Regular maintenance: We regularly review and maintain the validity of patents to adjust the resources configuration to the optimum.

In 2021, the number of patents granted to the Company all over the world had increased 16.7% compared to that in 2020.



- Risk Management: We regularly conduct patent analysis, track patent deployment on the technology that customers, peers in the same trade and the Company consider developing. We continue paying attention to the dynamics of competitors and establishing an experienced patent team to enhance the number of patent cases systematically.

Trade Secret

Customers Trade secrets protection measures

- Confidentiality obligation: In the employee's employment contract and resignation affidavit letter, we clearly stipulate that the technology and information known to or obtained by employees due

to the position shall be kept strictly confidential during the period of employment, before the employment and after the resignation. Without authorization, it shall not be disclosed. Since October 1st, 2020, the legal affairs unit started to implement resignation interviews. They carried out one-on-one interviews with resigning employees to ensure employees understand their confidentiality obligations and have returned confidential information related to the Company.

- Information security management: All the computer equipment in the Company has been introduced full-disk BitLocker encryption. USB storage control device was activated in 2021 to strengthen the protection on business secrets.
- 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 affairs unit. After the approval of access, the contract or legal document must be used in accordance with the scope of application and be kept confidential. It is not allowed to reproduce or disclose to a third party.

To cooperate with the electronation of business process in 2021, a method of information management by different levels was reestablished based on the actual situation to provide appropriate internal regulations for each department to follow.

- Access control: Access control cards must be swiped in and out at the control areas as well as kept the access records. Visitors need to register at the counter and only access to the public areas. Each functional laboratory has access control with authority permissions. Non-laboratory related personnel are not allowed to enter, and it is forbidden to take pictures or photography in the laboratory in order to protect the confidentiality of the operation and avoid theft of information.

Seminars related to intellectual property rights

- "Introduction to the Company's Intellectual Property Strategies and Intellectual Property Rights" is an online educational training course. It enhances employees' protection and awareness on intellectual property through explanation that is clear and easy to understand as well as the case study. There were 745 people participating in the course. It uses tests before and after the course to follow up the effectiveness of the training. The average score before the course was 79.98 while the average score after the course was 87.82; the progress was the average score of 7.84.
- We hosted the educational training of "Enterprises' Business Secret Management" for members in TIPS Promotional Committee and all of the tier 1 managers. There were 93 people participating in the training.
- We delivered "TIPS Regulations and Educational Training for Audit" for members in the TIPS Promotional Team. There were 17 people participating in the training.

Customer Health and Safety

Wiwynn attaches great importance to the safety of products used by customers. We avoid using substances that contain risks or hazards to the human body and the environment on our products in order to ensure the health and safety of customers and enhance the customer's confidence and affirmation on products provided by the Company.

Policy	The policy in quality and hazardous substance free is "delivering zero-defect and competitive green products and services to customers on time"
Commitment	
Resources	We prepared budget for application to international safety certification to implement ISO9001 Quality Management Systems, IECQ QC 080000 Hazardous Substance Process Management Systems, and Green Product Management System (GPM)
Grievance Mechanism	Sales representative of the product is the main contact person for product quality and safety, and the Product Manager assists handling any issue related

Evaluation Mechanism

- The feedback from customers shall be handled in accordance with ISO9001 Quality Management Systems, and monthly meeting on product quality shall be held for follow-up and improvement.
- Through QBR (Quarterly Business Review), we are able to understand customer satisfaction
- The third-party verification of ISO9001 and QC080000, internal audits, and irregular audits from customers

The policy in quality and hazardous substance free is “delivering zero-defect and competitive green products and services to customers on time”.

Wiwynn attaches great importance to the safety and health impact when customers use our products. We continue evaluating and improving at different stages in product development, certification, and user experience among customers. Besides, we demonstrate it on the presentation of product quality to enhance product safety and reliability.

In 2021, we did not receive any grievances from customers regarding safety and health, and our products and services did not involve with any violation against laws and regulations for health and safety.

The information labels on products and services are handled in accordance with relevant laws and regulations. Customers can obtain product information from the product, user manual, or the Company's official website. In 2021, there was no product and service information label that violates laws and regulations or violates laws and ordinances due to false sales.



Product development and design

Paying attention on the feedback from customers

In the early stage of product development and design, we actively inquire product operators for anything related to the operational mode and pay attention to the feedback from product operators, such as issues like electricity safety and power configuration in the working environment in order to integrate them into product design as soon as possible.



Certification

Product safety regulations and verification mechanism, materials due diligence investigation

For the safety of product operators, we pass the relevant verification mechanism based on the international specifications or the safety certification required by different countries. In addition, to reduce the impact of hazardous materials to human health, we carry out due diligence on the materials and implement hazardous substance test on the materials received effectively.

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

Telecom edging computing products that meets

Wiwynn follows telecom specifications to develop two customized models of new edge computing servers, and they both meet NEBS Level 3 standard. It is to guarantee the safety of equipment operators and protect relevant equipment as well as ensure the reliability of the whole network in the environment with stricter edge computing.



Use and service

Mechanism design optimization, tool-less

In order to increase the convenience and safety of customer operation, we design an electronic device with front IO, hot plugging, and extraction structure. It requires no tool for disassembly, and the maintenance on each device can be done by just pulling the drawer open to alleviate the occupational injury caused to product

operators over a long time. We provide instructions and handbook for product assembly and troubleshooting to help customers understands the correct operation method of the product and the strengthen operation safety.

Customer satisfaction

Wiwynn carries out regular customer satisfaction investigation and assessment through Annual Customer Satisfaction Survey, Quarterly Assessment, and Customer Audit to ensure the demands from customers handled satisfactorily and properly. In the most recent three fiscal years, the recall rate of survey achieves more than 95%. The performance of assessment achieves the level of satisfactory or above.



Wiwynn analyzes the results of various satisfaction indexes. The management level authorizes higher managers to establish improvement guidelines and strategies from top down as well as coordinate relevant internal units for implementation and tracking the effectiveness of improvement in order to continue self-improvement and enhance customer satisfaction.

Customer Privacy and Information Security

Wiwynn abides by the privacy policy, fulfills the obligation of confidentiality for the information obtained in the operation 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 operation information
Commitment	Providing safe and stable information services to protect customer privacy
Resources	Introducing Office 365 cloud services and various protection systems
Grievance Mechanism	In case of an infringement of privacy or grievances, customers can directly report to their business contact persons or their supervisors. Besides, they can also submit complaints through the phone and email provided on " Stakeholders' Section " at Wiwynn's official website
Evaluation Mechanism	Internal audit, irregular information security audit by customers

Slogan for information security

Think twice before clicking and sharing; ensure information security in proper care.

- All the business operation information or customer data during the execution of business belong to the Company or customers. The regulation of confidentiality must be complied with to perform the responsibility of protection.
- The information used for business execution belong to the Company or customers. It shall be used properly and kept confidential.
- Without authorization, it is forbidden to photocopy or disclose the Company's operation information/ customer business/ personal data or other relevant confidential information externally.

As the best partner of cloud technology services demanded by customers, Wiwynn provides a professional and secure service environment. Through the information security management mechanism, we fulfill the confidentiality, integrity, accuracy and availability of operation information.

In 2021, no grievances of infringement of customer privacy and loss of customer data was received, and there was no event of computer kidnapping due to phishing.

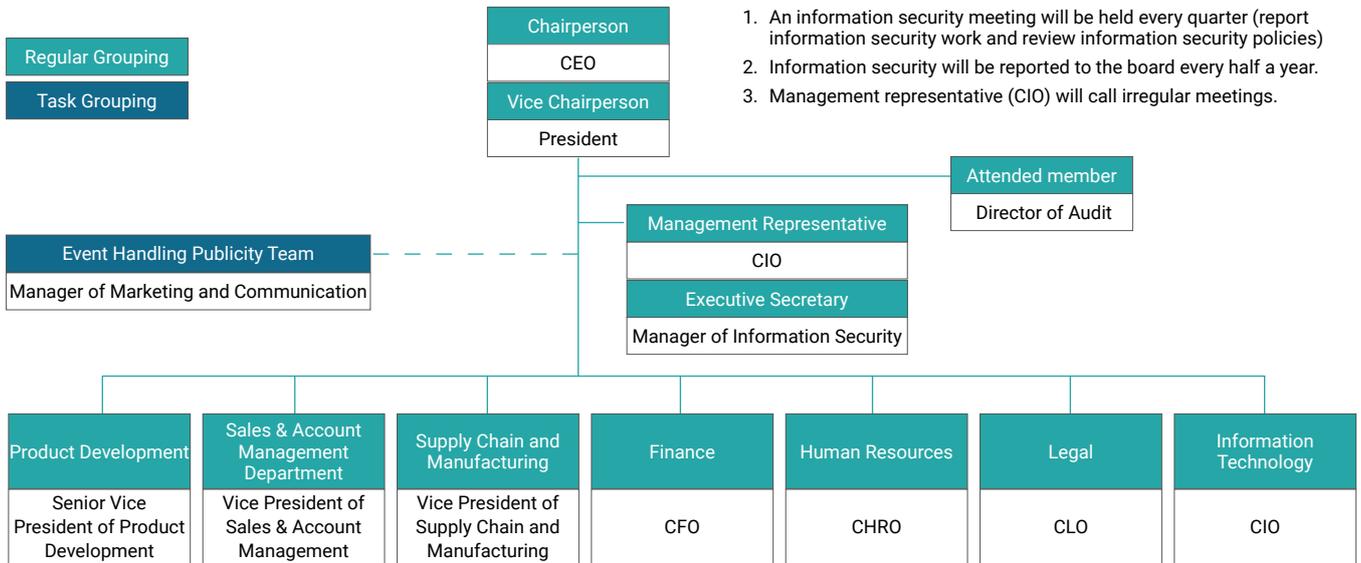
Information Security Policy

Information Operations Management Procedure	Employee Information Security Code	Information Rating Management Regulations	Information Resources Security Management Policy	Software Management Specifications
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To respond to the demand of current information rating management, we revised Information Rating Management Regulations in 2021 to support TIPS certification by Taiwan Intellectual Property Management System and strengthen confidentiality management.

Information Security Organization Operations

We established an interdisciplinary highest information security committee to focus on the main tasks of monitoring current situation, strengthening management, and responding rapidly. It will report to the Board of Directors every half a year, and the date of first submission to the board was on February 25th, 2022. Moreover, to obtain more information and defending experience sharing, we joined the High-Tech Information Security Alliance organized by TWCERT/CC in 2021 to create information security joint defending capability with the high technology industry.



1. An information security meeting will be held every quarter (report information security work and review information security policies)
2. Information security will be reported to the board every half a year.
3. Management representative (CIO) will call irregular meetings.

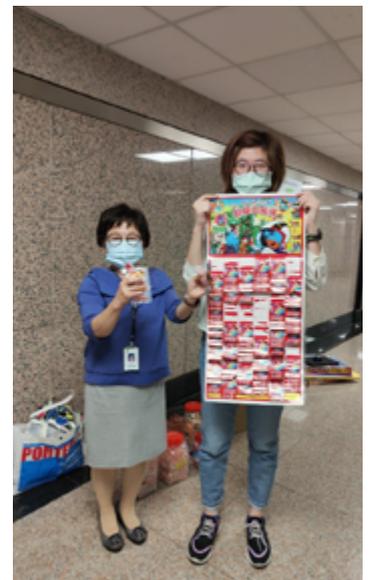
Information Security Advocacy and Education

In 2021, we held 6 sessions of information security advocacy through e-mail announcements, internal website portals, Company TV walls, and information security questionnaire over the whole year. We also offered employees online courses to enhance their information security awareness.

Region	Name of the course	Participant (people)
Taiwan	"Distance Between Us and Information Security"	2,033
	Network Information Security Related Course	7,774
Mexico	Information Security Awareness	1,590
	Information Storage Security	2,094

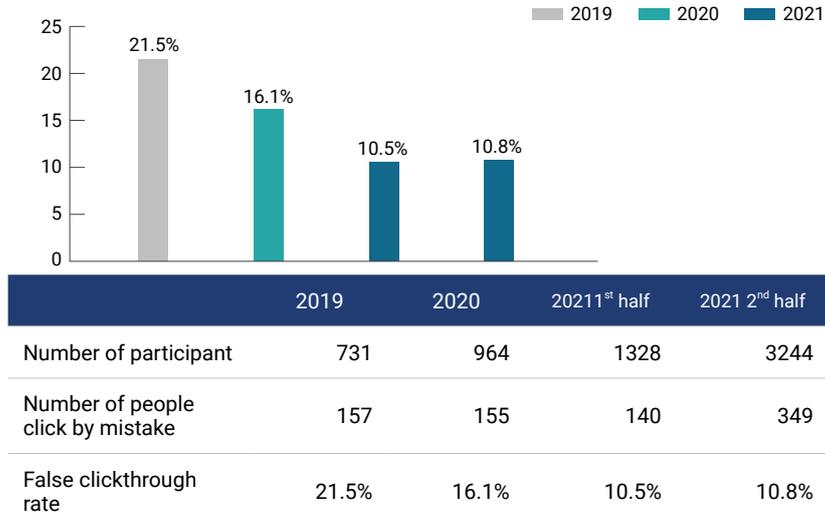
(In 2021, we hosted an information security advocacy week and delivered notice of information security protection through push notification.)

(In 2021, we conducted an information security questionnaire survey, "Information Security Grocery Store", to provide our employees the knowledge of information security through educational entertainment.)



Social Engineering Drill helps the reduction of clickthrough rate on phishing emails

Two social engineering drills were carried out on Wiwynn’s employees in different regions all over the world in 2021. The clickthrough rate on the simulated phishing emails among employees was 10.5% in the first half year of 2021 and 10.8% in the second year. Compared to the previous year, it reduced more than 5.3%.



(Note: The statistics in the second half of 2021 includes the subsidiary in Mexico.)

Continue various information security drills and audits and pass the external information security audit and certification

- In order to strengthen the information security response ability, minimize the damage of information security accidents, we conduct disaster drills for different information security hazards. In 2021, two disaster drills were implemented, which were ERP and disaster recovery drills for its surrounding systems as well as manufacturing systems and data recovery exercises to continue reserves the ability to quickly return to normal operations.
- To ensure the software used by employees is legal. We carried out the detection of illegal software installation twice in 2021. If any employee uses unauthorized software, we will immediately request it to be removed to avoid unnecessary legal investigations or litigation.
- Passed annual customer certification and completed AEO internal audit in 2021.

Strengthen information security protection and monitoring mechanism as well as the security of software used

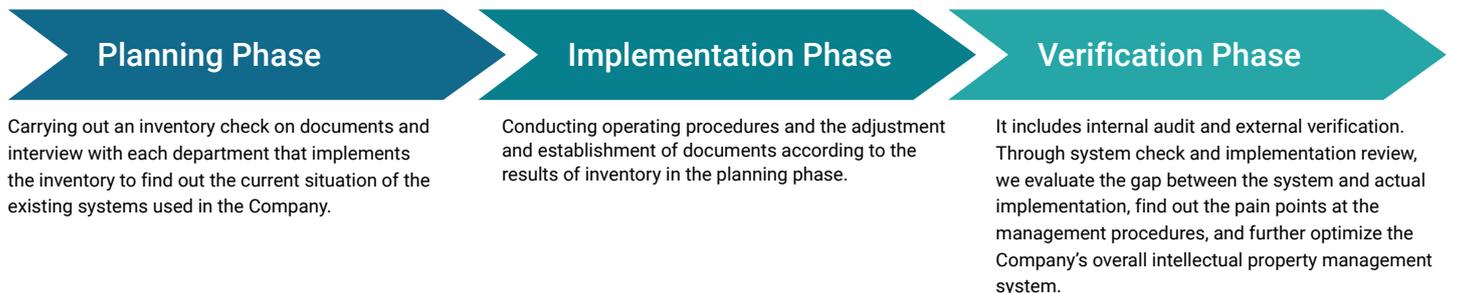
- Other than continue the existing monthly internal vulnerability scanning and repairing, we introduced the third-party information security rating mechanism in 2021 to strengthen our defending capability on the external attack and detect the potential information security risk that might be exposed externally in time. The average score from January to December achieved 96.33, and it was above the average performance in the industry.
- Implement USB external storage device control system, and USB storage device was forbidden to be used.
- To strengthen the information security in the manufacturing plant, we completed the installation of computer protection mechanism for the network section of production line. Moreover, network management system was introduced to the network system in the plant and for production line.

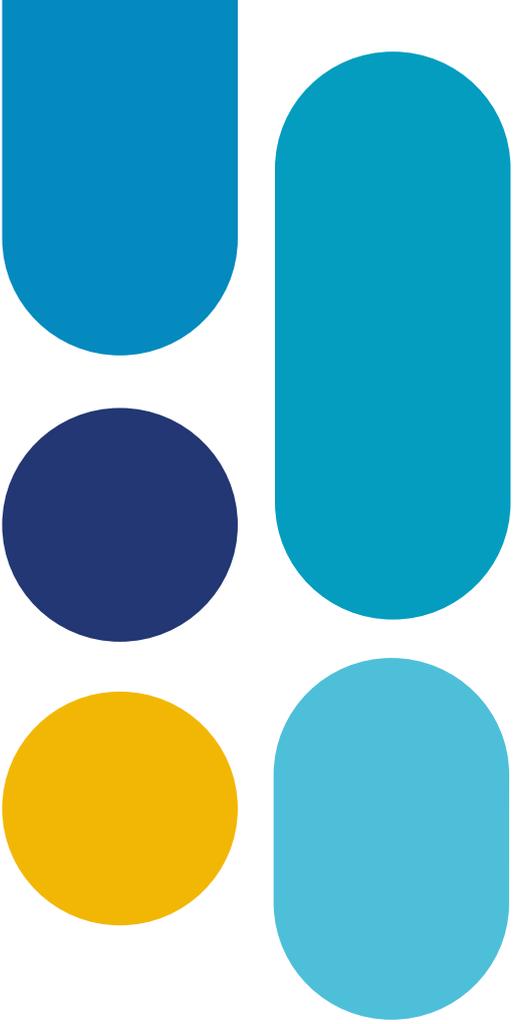
Special: TIPS

As the main supplier for the global cloud server industry, Wiwynn always treats technology and talents as the important assets of the Company. We also agree the protection of intellectual property rights is one of the core values for the Company’s sustainable operation. Therefore, Wiwynn formally implemented Taiwan Intellectual Property Management System (TIPS) in 2021 and chose “trademark” and “patent” as the items for certification in the first year. We continue improving the Company’s regulations related to intellectual property management, including establishing intellectual property management handbook and operating procedures for patent and trademark management. Besides, we revised information rating management methods to strengthen the protection to the Company’s confidential information. Finally, we successfully passed TIPS Level A verification on December 31st, 2021.



(January 24th, 2022: TIPS Certificate Awarding Ceremony)





Sustainable Environment

Climate Change Strategies and Energy Management	41
Sustainable Products	45
Waste Management	47
Special: Ocean Hugs and shared good with the ecology	49

Materiality Performances

Climate Change Strategies and Energy Management	CDP 3 Items 18.84% Continue to actively participate in the items of climate change in carbon disclosure project (CDP) Added "Category 3- indirect greenhouse gas emission caused by transportation" Volume of energy saved compared to that in 2020 (kWh/year)				
	100% Material management meets international regulations and customer requirements	100% No violation on hazardous substance free requirements or customer complaints caused by violation against customer requirements	>97% Power transformation efficiency achieved a result greater than customer standards	3R Product design meets #R requirements. Reuse and Recycled rate=80% Recovery rate=85%	89% The replacement rate of plastic materials used in products by recycled plastic materials
	100% No punishment by the competent authority caused by violation to environmental protection rules and regulations	>18.44% Waste output by the number of employees and by productivity equivalence were both reduced from the previous year (%)			

Short, Medium and Long-Term Material Topic

Goal Achieved : ● Goal Yet to be Achieved : ●

	2021	2022 (short-term)	2025 (medium term)	Long term	
Climate Change Strategies and Energy Management	<ul style="list-style-type: none"> We formulated energy-saving incentives and enhanced energy-saving plans <i>It is estimated the measures of energy saving and carbon reduction can save the power utilization of 292,860 kWh every year</i> We improved the utilization of renewable energy and evaluated the diversity of renewable energy sources <i>Completed power purchase contract with 2 renewable energy providers</i> We strengthened upstream carbon reduction management and worked with the supply chain to identify opportunities for improvement <i>Implemented supplier carbon emission questionnaire survey to establish management data</i> 	SBTi	Achieve a path to carbon reduction	>2 types	<p>Increase the sources of renewable energy use</p> <p>Achieving goals of carbon reduction and renewable energy utilization</p>
Sustainable Products	<ul style="list-style-type: none"> Maintained 100% compliance with relevant regulations and customer specifications for hazard-free materials in products as well as passed IECQ QC080000 external certification <i>No violation against the prohibition of hazardous substances or complaints caused by violation of customer requirements</i> Continued developing energy-saving and carbon reduction products and technology as well as implemented the developed power supply (such as 48V) and thermal technology (such as optimized CFM/Watt), which were with better efficiency, to achieve the goal of low PUE and high energy-saving <i>The high-efficiency thermal design achieved the performance of high cooling efficiency and high energy saving. Its pPUE value was lower than 1.03. The design of optimized power conversion efficiency achieved more than 97% of actual conversion efficiency</i> Followed WEEE specification to design products that are easy to be disassembled and recyclable to meet 3R standards, such as the use of recycled plastic materials and recyclable packaging <i>Around 40% of our products were introduced recycled plastic materials. Among them, more than 89% plastic materials were replaced by recycled plastic materials</i> 	>50%	Implemented recycled plastic materials to products	>80%	<p>Implemented recycled plastic materials to products</p> <p>We continue implementing product life cycle evaluation, and strive to improve the hazard caused by our products to the environment</p>
Waste Management	<ul style="list-style-type: none"> Achieved the waste recycle rate above 90% <i>The recycle rate failed to achieve 90% in 2021 due to new materials used in the manufacturing process. We will strengthen matching technology and channel for clearance to enhance recycling and reutilization rate. Please refer to the chapter of "Waste Management"</i> Waste output in Wiwynn HQ, compared to employee number equivalent unit, the target was less than 80kg/person (year) <i>We achieved the equivalent waste output of 55.67 kg/ person (year)</i> The waste output in Tainan Branch compared to the production capacity unit equivalence (pieces of ejection), the target was less than 0.5kg/piece <i>We achieved the equivalent waste output of 0.283 kg/ piece</i> Conducted audits to the outsourced waste clearance and handling agencies at least once a year <i>The result of audit met the regulations and the requirements specified in the contract</i> Garbage reduction and sorting advocacy among employees <i>There were 385 people participating in the educational training of tracing for reduction and recycling</i> 	100%	The handling procedures for wastes meet requirements related to the environment, safety, and health. No punishment by the competent authority due to the violation of environmental protection regulations	100%	<p>The handling procedures for wastes meet requirements related to the environment, safety, and health. No punishment by the competent authority due to the violation of environmental protection regulations</p> <p>Tracing the sources for reduction and enhancing the recycling and utilization rate of waste</p>

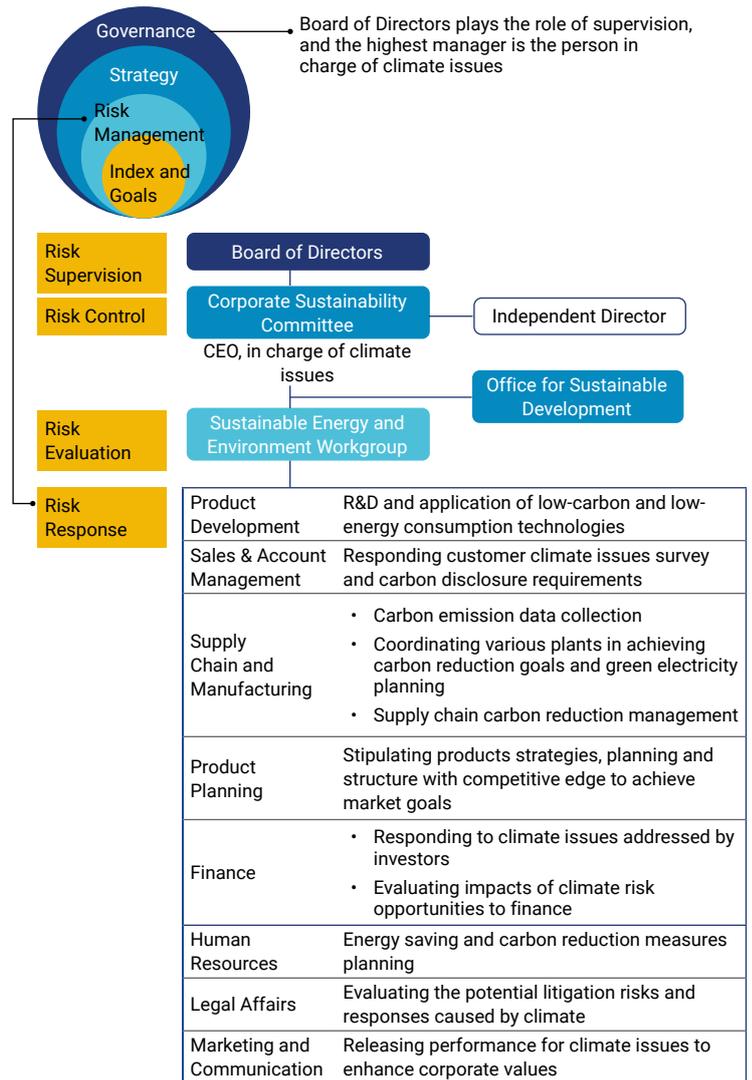
Climate Change Strategies and Energy Management

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 implementation of climate change solutions
Commitment	Lowering greenhouse gas emission to enhance efficiency of energy utilization
Resources	Established "sustainable energy and environment workgroup" and introduced management systems such as ISO 14064-1: 2018 (Green House Gases Inventory Management Systems) and ISO 50001: 2018 (Energy Management Systems)
Evaluation Mechanism	Board of Directors, Corporate Sustainability Committee

In recent years, under the influence of climate change, the concept of using earth energy and resources has changed, and it has also brought operational challenges to various economies. In order to make sure the transparency of the information related climate-related risks and opportunities, Wiwynn started to disclose relevant information of climate change on the Corporate Social Responsibility Report in 2019 according to the TCFD framework. We will continue to respond to the operational challenges and opportunities brought by the climate change through the implementation of various plans. Meanwhile, we introduce climate change-related information into operation and investment decisions to enhance the realization of the solutions for climate change. We also commit to reducing the greenhouse gas emission to fulfill our corporate social responsibility.

Management Organization Structure for the Management of Climate Related Issues



Highest Governance Unit for Climate Issues

Wiwynn "Corporate Sustainability Committee" is the highest governance unit for issues related to climate. It is led by the highest the management, CEO, as the chairperson, President Sunlai Chang and Senior Vice President Steven Lu are members, and Independent Director Cathy Han is assigned to take the responsibility of supervision. At least two meetings are convened every year, and the most recent one was convened on January 3rd, 2022.

Climate Issues Evaluation and Management

"Sustainable Energy and Environment Workgroup" was established under "Corporate Sustainability Committee" to be responsible for the collection of climate issues, risks and opportunities evaluation, as well as communicating with each unit to track subsequent handling status of climate strategies and action plans. The workgroup shall report to the CEO once every quarter, and the "Office for Sustainable Development" delivers a summary report to the "Corporate Sustainability Committee".

Climate-related Risks Integrate to Overall Risk Management System

Based on evaluation and suggestions of "Sustainable Energy and Environment Workgroup", "Corporate Sustainability Committee" follows the Company's operational plans and formulates climate strategies and guidelines to control climate risks. The risks related to climate change are also included into the process of corporate risk management. CEO of the Company will report to the Board of Directors at least once every year. and it will be adjusted based on suggestions provided by the Board of Directors. The most recent report to the Board of Directors was made on January 18th, 2022.

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

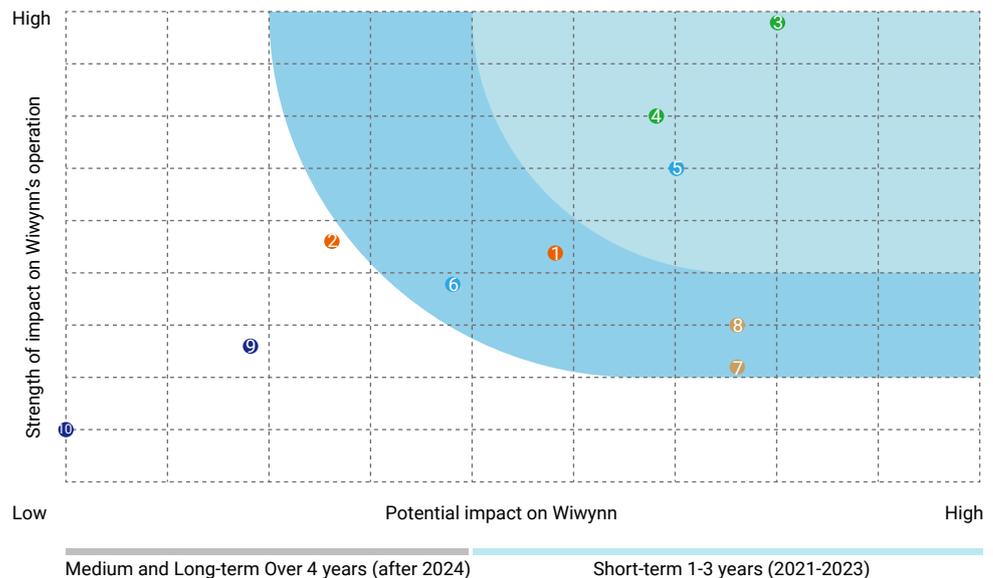
In accordance with the framework of the Task Force on Climate-Related Financial Disclosures (TCFD) guidelines, Wiwynn has evaluated the risks and opportunities in five aspects as well as the potential impacts to the Company's finance.

	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 Energy-saving measures to make the utilization of resources more effective 	<p>Increasing legal compliance cost and operating cost</p> <p>Resources efficiency is enhanced, electricity expense is reduced, and expenses are lowered</p>

Technological Transformation	<ul style="list-style-type: none"> Product technology transformation Transformation of technology used for production and manufacturing 	Increasing R&D expenditure, development cost, and capital expenditure
	<ul style="list-style-type: none"> Providing products and services more catered to market needs 	Satisfying customers' needs for energy-saving products to increase revenue
Changes in Supply Chain Requirements	<ul style="list-style-type: none"> Trends in renewable energy use Supply chain carbon reduction management 	Increasing energy cost and operating cost
	<ul style="list-style-type: none"> Joining the green electricity supply chain Using renewable energy to reduce the risks of fossil fuels price surge in the future 	Increasing opportunities to cooperate with large international manufacturers to create income
	<ul style="list-style-type: none"> Stakeholders' concerns on enterprises' ESG management ability Carbon emission disclosure 	Increasing management expenses and operating costs
ESG Performance	<ul style="list-style-type: none"> Shaping a benign brand image Increasing customer breadth and depth 	Enhancing investors' willingness in long-term investments while lowering the probability of drastic fluctuation in stock value
	<ul style="list-style-type: none"> Extreme climate causes harm and influences enterprise operation Global warming, sea level rising, and instable rainfall 	Jeopardizing employee safety, , influencing corporate labor cost, increasing management expense, and reducing productivity cause property loss and the increase in capital expenditure
Entity Risks	<ul style="list-style-type: none"> Disaster drill or evaluation, supply chain management/ recovery to strengthen operational resilience 	Strengthening climate resilience, lowering chances of operation disruption and potential losses

Through risks matrix, we evaluate the impact on Wiwynn and formulate strategies and action plans.

- Domestic and Overseas Regulations and Policies**
 - 1 Greenhouse gas emission cost
 - 2 Carbon trading market
- Technological Transformation**
 - 3 Product technology transformation
 - 4 Manufacturing technology transformation
- Changes in Demand of Supply Change**
 - 5 Trend of renewable energy utilization
 - 6 Supply chain carbon reduction management
- ESG Performance**
 - 7 Stakeholders' concern on enterprises' ability of ESG management
 - 8 Carbon emission disclosure
- Physical Risk**
 - 9 Impact on enterprises' operation caused by extreme weather
 - 10 Global warming, sea level rising, and instable rainfall



Sustainable Climate Strategies

- Carbon reduction goal: by 2030, the greenhouse gas emission strength will reduce by 30% compared to that in 2020. (a calculation by equivalent production units)
- Renewable energy utilization commitment: by 2030, the volume of renewable energy utilization will reach 30%.

Sustainable Climate Action Plans

Corresponding Risks/ Opportunities	Action Plan	Implementation Result in 2021	Implementation Direction in 2022
5 6 7	Adding inventory items of category 3 to category 6 and establishing emission data as the accordance for management	Added three inventory items specified on "category 3: direct greenhouse gas emission caused by transportation".	Establishing inventory data for category 3 to category 6 and submitting SBTi carbon reduction commitment.
2 4 5 6	Formulating energy-saving incentives and adding energy-saving plans	Completed the procedure of energy-saving incentives. In 2021, it was estimated the energy-saving and carbon reduction measures saved around NT\$1 million electricity expenditure.	Implementing the energy management system in Wiwynn HQ to promote the implementation of energy-saving proposals.
3 4 6 7	Enhancing the utilization of renewable energy and evaluating the diversity of the sources of energy	Completed contract of renewable energy purchase with two suppliers.	Expanding the source of wind power generation and enhancing the demand of solar photovoltaic energy.
1 4 5 6 7 8	Strengthening upstream carbon reduction management and working with supply chain to find out improvement opportunities	Completed supplier carbon emission questionnaire survey and established management data.	Strengthening upstream carbon reduction management as well as encouraging supply chain to establish inventory mechanism and carbon reduction measures.

9 10	Establishing supplier" responding and investigating mechanism to climate change	Strengthening upstream carbon reduction management as well as encouraging supply chain to establish inventory mechanism and carbon reduction measures.
9 10	Specifically evaluating the potential damage caused by climate disaster and establishing business continuity plans	Establishing business continuity plans.

Greenhouse Gas Emission and Energy Management



Wiwynn deems "environment" as a part of the corporate sustainable development and integrates green conceptions into daily operation. We have implemented ISO 14001: 2015 (Environmental Management Systems) and IECQ QC 080000: 2017(Hazardous Substance Process Management Systems). In 2020, we continued implementing ISO 14064-1: 2018 (Green House Gases Inventory Management systems) and ISO 50001: 2018 (Energy Management Systems) to establish database for greenhouse gas inventory as the accordance for internal environmental management.

Greenhouse Gas Emission

Owing to the expanded operation scale of the Company, we included our subsidiary in Mexico, WYMX, into the border of disclosure in 2021. To establish complete inventory data step by step, we added the scope of category 3 into the inventory to include the emission generated during upstream and downstream transportation and goods delivery as well as the emission from the domestic business trip. While the revenue and operating output are growing, we seek the opportunities of reducing greenhouse gas emission.

Annual Greenhouse Gas Emission Statistics

Unit: Tons of CO₂e

	2019	2020	2021	
	Taiwan	Taiwan	Taiwan	Mexico
Type 1	34	44	49	312
Type 2	3,689	5,913	7,107	7,679
Type 3	494	48	13,523	-
Type 4	353	1,281	1,328	-
Type 5	○	○	○	-
Type 6	○	○	○	-

Note:
1. The inventory scope is calculated based on operation control. (1) Taiwan includes Wiyynn HQ and Tainan Branch; Tainan Branch commenced its operation from the second half year in 2019. (2) Mexico includes our subsidiary, WYMX; WYMX expanded its operating function and become a subsidiary that has the production capacity in July 2021. The statistics started from the second half year in 2021.
The inventory and audit status of ISO14064-1:2018

Region		Audit status
Taiwan	Wiyynn HQ	From 2020
	Tainan Branch (including Tainan Plant)	From 2021
Mexico	WYMX	It is estimated to have complete data in 2022 for the audit in 2023.

2. ○ No inventory was carried out based on the significance evaluation specified in ISO14064-1:2018.

Energy Management

The total volume of energy utilization is 111,391GJ, and the increase compared to the previous year is because of the continuous expansion of operating scale. In 2021, we included the subsidiary in Mexico, WYMX, into the disclosure border. The main source of energy used is purchased electricity, and the consumption is 106,916GJ, accounting for 95.98% of the total energy consumption.

Annual Energy Consumption Statistics

Unit : Giga-Joule ; GJ

	2019	2020	2021	
	Taiwan	Taiwan	Taiwan	Mexico
Externally Purchased Electricity	24,419	41,312	50,955	55,961
Petroleum	149	233	205	11
Diesel fuel	0	0	0	49
Natural gas	0	0	0	3,046
Liquefied petroleum gas	0	0	0	1,164
Total Energy Consumption	24,568	41,545	51,160	60,231

Note:
1. The inventory scope is calculated based on operation control. (1) Taiwan includes Wiyynn HQ and Tainan Branch; Tainan Branch commenced its operation from the second half year in 2019. (2) Mexico includes our subsidiary, WYMX; WYMX expanded its operating function and become a subsidiary that has the production capacity in July 2021. The statistics started from the second half year in 2021.
2. Energy unit conversion: 1 kWh=3.6 x 10⁶ joules (J); 1 M³ natural gas= 8,000 kcal; 1 liter petroleum= 7,800 kcal. 1 liter liquefied petroleum gas= 6,635 kcal; 1 liter diesel fuel=8,400 kcal.
3. The energy utilization volume has be converted to GJ; 1 kcal=4186.80J; 1GJ=10⁹ J.

Energy Saving and Carbon Reduction Measures

It was estimated that a 292,860 kWh of electricity could be saved every year through the energy saving and carbon reduction measures implemented in 2021. It also reduced around NT\$1 million electricity expense at the same time, which was equivalent to reducing emission of 147.02 tons CO₂e. It shows an enhanced carbon reduction effects compared to energy-saving effect in 2020. Wiwynn will continue enhancing equipment efficiency to ensure effective utilization of energy.

Energy-Saving Measure	Energy-Saving Estimates	Number of kWh Saved(kWh/year)	Greenhouse Gas Emission Decreased (ton CO ₂ e/year)
Replacement of old lighting fixtures in Wiwynn HQ	<p>The old lighting fixture has a consumption of 61W each while the new lighting fixture records a 36W electricity consumption each. In average, each lamp reduces around 25W.</p> <p>In 2021, a total of 269 fixtures were replaced, saving 269*25W =6,725W</p> <p>6,725*12 hours*240 days/1,000=19,368 kWh</p> <p>19,368 kWh *0.502kg CO₂e/kWh =9,723 kg CO₂e=9.723 tons CO₂e</p>	19,368	9.72
Installed environmental control system in Wiwynn HQ	<p>The power for lighting is set to be off for one hour during the lunch break through the environmental control system. The total electricity consumption for lighting in WYHQ is 59,040W.</p> <p>59,040 * 1 hour * 240 days/ 1,000= 14,170 kWh.</p> <p>14,170 kWh*0.502 kg CO₂e/kWh= 7,113 kg CO₂e =7.113 tons CO₂e</p>	14,170	7.11
Setup of hibernate mode on the water dispenser in Wiwynn HQ	<p>The water dispenser is set to hibernate mode from 0:00~07:00 every day. It consumes electricity of 0.1895 kW every hour.</p> <p>0.1895 * 7 hours * 10 sets of water dispenser * 365 days= 4,842 kWh.</p> <p>4,841 kWh * 0.502 kg CO₂e/kWh= 2,431 kg CO₂e= 2.430 tons CO₂e</p>	4,841	2.43
Reduced MAU motor operating frequency to 30HZ when the production is suspended at Tainan Plant during holidays to reduce the electricity consumed by motor	<p>The actual measurement of current on MAU motor after the reduction of frequency is (5.4A before adjustment-3.2A after adjustment)*380V*1.732/1000 * 2 motors= 2.9 kWh.</p> <p>2.9 kWh * 24 hours * 8 days/ month * 9 months/ year= 5,011 kWh/ year</p> <p>5,011 kWh * 0.502 kg CO₂e/kWh= 2,516 kg CO₂e= 2.52 tons CO₂e</p>	5,011	2.52
MAU air outlet in Tainan Plant reduce the temperature from 18°C to 15°C to lower the electricity consumption by heater	<p>Measured MAU heater current (Before adjustment 58A-after adjustment 39.1A)*380V*1.732/1000*2 units=24.9 kWh</p> <p>24.9 kWh*24 hours*365 days=217,526 kWh/ year</p> <p>217,526 kWh *0.502 kg CO₂e/kWh =109,198 kg CO₂e=109.2 tons CO₂e</p>	217,526	109.20
Exhaust in Tainan Plant is set to reduce frequency conversion during holidays to save energy	<p>Measured MAU heater current reduced from 40HZ → 30HZ on holidays (27.856A-11A)*380V*1.732/1000=11.09 kWh</p> <p>Monthly consumption saving= 11.09 kWh*24 hours*10 days=2,622 kWh</p> <p>Yearly consumption saving= 2,662 kWh *12 months= 31,944 kWh</p> <p>31,944 kWh *0.502 kg CO₂e/kWh =16,036 kg CO₂e=16.04 tons CO₂e</p>	31,944	16.04
Total		292,860	147.02

	2019	2020	2021
Number of kWh Saved (kWh/year)	89,436	246,422	292,860
Greenhouse Gas Emission Reduced (ton CO ₂ e/year)	47.67	124	147.02

Water Resources Management

Household water is used for operation, and the source is from tap water, rainwater reclamation, and underground water, which do not have material influences on the natural water source. The wastewater produced is only limited to general domestic wastewater. The water consumption increased from last year because the expansion of business scale. In 2021, our subsidiary in Mexico, WYMX, was included to the disclosure border. The total water consumption was 124,233M3. We will continue promoting our water saving policy.

Unit : M³

	2019	2020	2021	
	Taiwan	Taiwan	Taiwan	Mexico
Water Consumption (tap water)	21,440	41,664	46,446	25,854
Water Consumption (rainwater reclamation)	600	90	619	0
Water Consumption (underground water)	0	0	0	51,314
Total Water Consumption	22,040	41,754	47,065	77,168
Intensity of Water Consumption	19.45 M³	24.34 M³	24.50 M³	27.52 M³

Note: The inventory scope is calculated based on operation control. (1) Taiwan includes Wiwynn HQ and Tainan Branch; Tainan Branch commenced its operation from the second half year in 2019. (2) Mexico includes our subsidiary, WYMX; WYMX expanded its operating function and become a subsidiary that has the production capacity in July 2021. The statistics started from the second half year in 2021.

Management of Other Gas Emission

ODS(Note 1)	VOCs(Note 2)	NOx	SOx	POP	HAP	PM
0	13.16 tons/ year	0	0	0	0	0

Note 1: Montreal Protocol on Substances that Deplete the Ozone Layer lists ozone depleting substances (ODS) as the control for hazardous substance and strictly requests no such substance shall be contained in the materials delivered by the supply chain. Annual audit in Wiwynn's manufacturing plant in Taiwan was carried out, including 8 types of cleaning solvents and chemicals. No ODS substance, like chlorofluorocarbons (HCFCs), halon, carbon tetrachloride (CCl4), 1,1,1-trichloroethane, hydrobromofluorocarbons (HBFC), and methyl bromide.

Note 2: It does not reach the legal permitted value. It is declared and monitored every month according to Air Pollution Control Act, meeting legal requirements and environmental protection regulations.

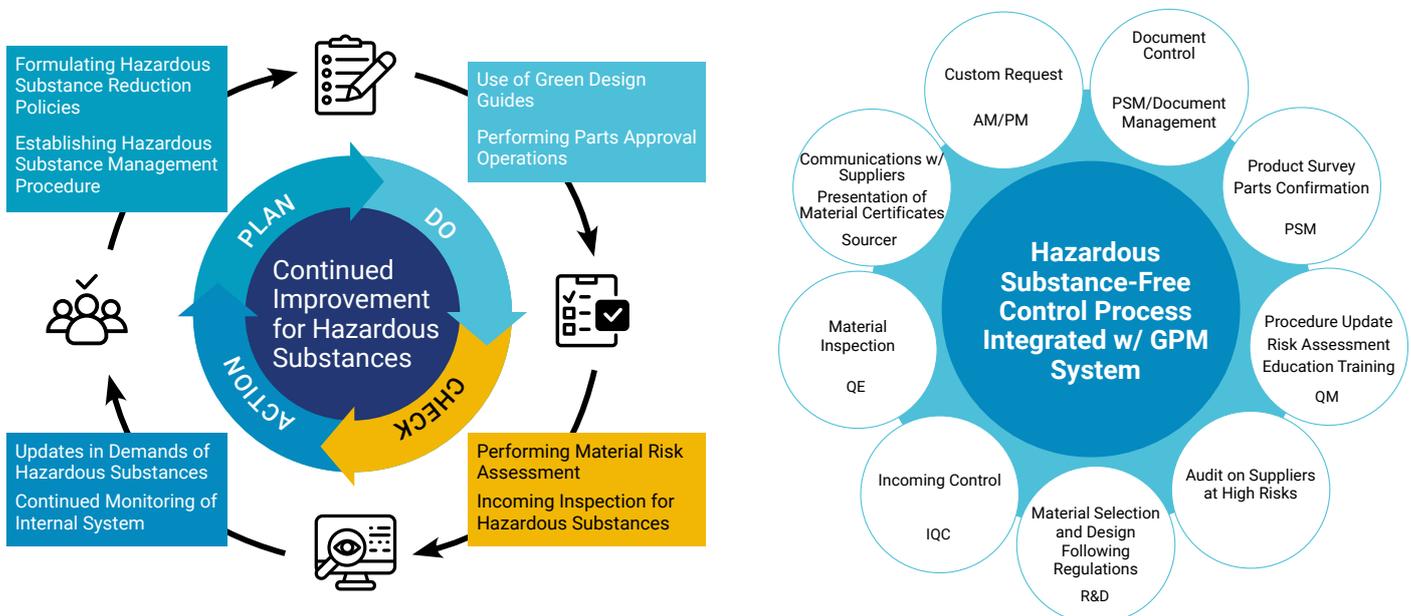
Sustainable Products

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

Policy	Realizing product design with better energy efficiency and providing green products that meet the substance requirements for environmental management.
Commitment	
Resources	Introduced IECQ QC 080000 Hazardous Substance Process Management Systems, ISO 14001 Environmental Management Systems, Green Product Management System (GPM), and Product Lifecycle Management System (PLM).
Grievance Mechanism	Stakeholders can make grievances through the phone and email address provided at " Stakeholders' Section " of Wiwynn's official website.
Evaluation Mechanism	IECQ QC 080000 and ISO 14001 third-party verification, internal and customer irregular audits.

Wiwynn upholds the spirit of sustainable innovation in technology and the design concept of sustainable products on our products. We consider all aspects of the product life cycle from design, production, transportation to recycling to reduce the impact of products on the ecology and environment. Besides, Wiwynn follows international environmental protection laws and regulations and customer requirements and provides customers green products that are safe, low-pollution, recyclable, and energy-saving.

Hazardous Material Control

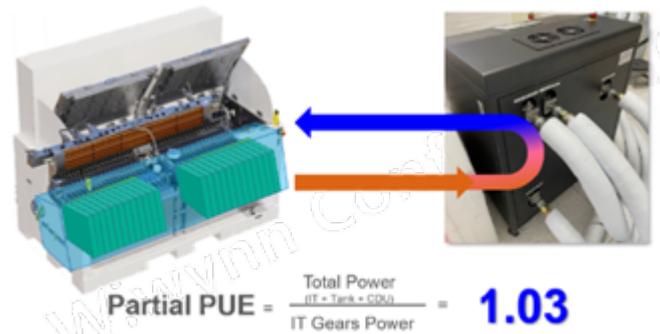


Wiwynn Hazardous Material Control and Monitoring Contents

Hazardous Material Control Scope	Control/Monitoring Type	Control/Monitoring Contents
Product (incl. Sub-Materials)	Materials as Restricted by EU RoHS Directive	Controlling banned and restricted materials following EU RoHS Directive 2011/65/EU and its extended directive (EU) 2015/863
	Wiwynn Control Materials	Referring to the item and customer control requirements of the International Electrotechnical Commission's material declaration standard IEC62474
	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 material exemption requirements, we introduce halogen-free or low-halogen specifications for specific products
	EU REACH Substances of Very High Concern	Controlled in accordance with the European Chemical Agency ECHA announcement of substances 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

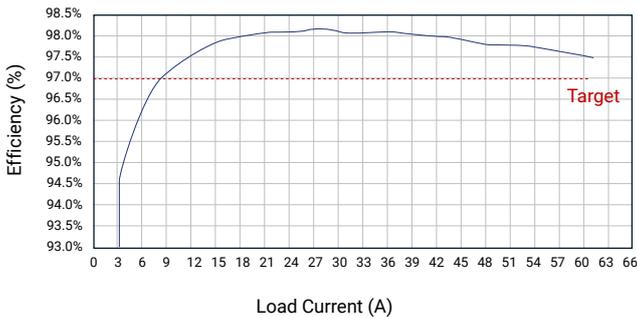
Energy-Saving Product Design

After the optimization of the new-generation two-phase immersive cooling cavity, its actual performance of cooling power usage effectiveness (PUE) is lower than 1.03. The performance is significantly better than traditional air-cooling proposal in 1.4.

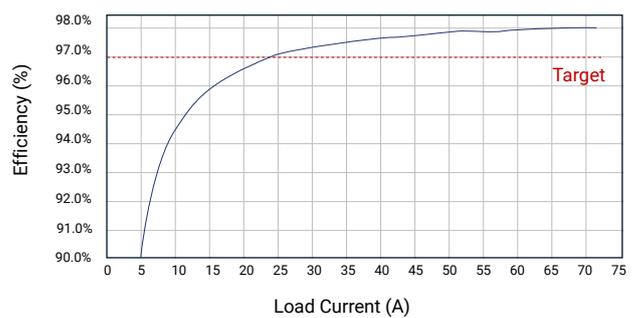


New-generation 54/48V converting to 12V power solution links to 54/48V power supply system on the back panel to optimize power conversion design. The actual conversion efficiency is over 97%, better than the standards of customer requirements.

Power Conversion Efficiency Diagram for 48V to 12V



Power Conversion Efficiency Diagram for 54V to 12V



Easily disassembled, Recyclable, and Recoverable

- Following Waste Electrical and Electronic Equipment Directive ("WEEE" in short), we design products that are easy to disassemble and recycle. The products developed in 2021 have undergone the WEEE-3R evaluation and verification following operation process, and the product design meets 3R requirements (Reuse and Recycled rate=80%, Recovery rate=85%). All the products are marked the WEEE recycling label, and it is forbidden to dispose waste electronic and electrical equipment products carelessly.
- In the product design stage, Green Design Guide is adopted. With the infrastructure of ISO 9001 Quality Management Systems, the introduction of renewable materials will be gradually increased. In 2021, there were around 40% of products using recyclable plastics. More than 89% of among replaced the plastic materials with recyclable ones. We will continue introducing other products and implement circular economy through responsible production to create positive effects to environment.

Implementation of Recyclable Plastic Products in 2021

Unit: Kilograms

Volume of plastic materials used in the products	Volume of recyclable plastic materials used in the products
3,624.8	3,233.7

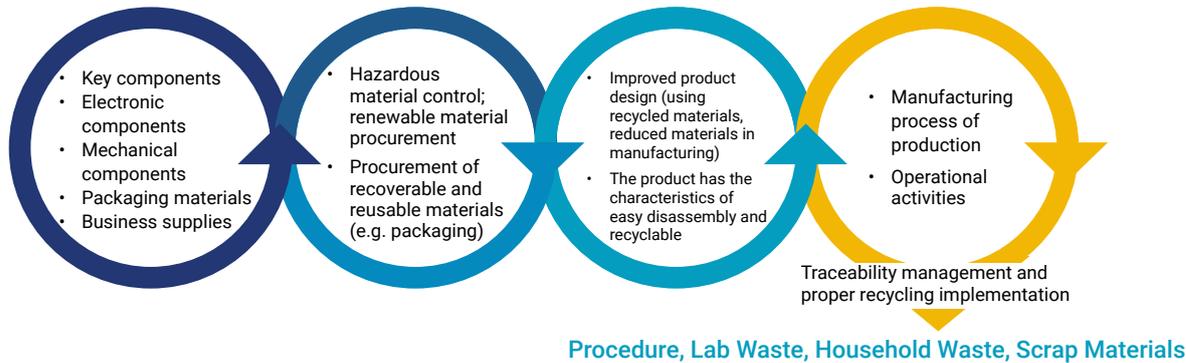
Waste Management

Wiwynn is committed to creating common good between corporate operations and the environment as well as continue strengthening sustainable actions to fulfill circular economy.

Policy	Promising to compliance with environmental safety and health regulations, fulfill waste recycling, and continue improving environmental safety and health performance to reduce environmental pollution.
Commitment	
Resources	Introduced ISO 14001: 2015 Environmental Management Systems and entrusted qualified third parties to deal with clearance and treatment.
Grievance Mechanism	Employees can make grievances to the environmental safety department in the Company via face-to-face, telephone, email or other methods. Stakeholders can make grievances through the phone and email address provided at "Stakeholders' Section" of Wiwynn's official website.
Evaluation Mechanism	ISO 14001 third-party verification, annual performance examination, regular audit and guidance to clearance and treatment institutes.



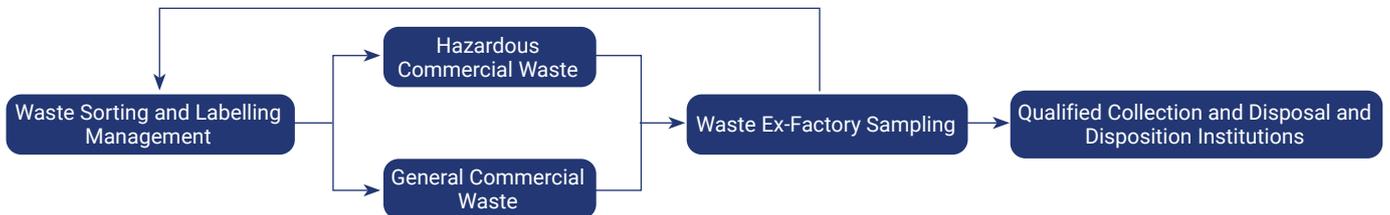
The Company uses innovative technology to provide solutions for various products and systems to hyperscale data centers and cloud infrastructure. The raw materials put into production operation mainly include key components, electronic components, mechanical components. In order to reduce the harm to the environment during production and operation as well as by the end of product life cycle, Wiwynn focuses on the procurement, product design and manufacturing and follow the regulations specified in Green Design Guide and Waste Electrical and Electronic Equipment Directive (WEEE) to implement environmentally friendly design that is low-pollution, easy disassembly, and recyclable. In addition, through daily operation advocacy on waste reduction, we implement proper waste sorting to enhance recycling and reutilization rate and devote to reduce impacts to the environment. In 2021, a minor defect was addressed by the ISO 14001 third-party audit for improvement, and it has been completed in the same year.



Waste Treatment Procedure

In order to effectively manage the waste generated in the production and operation process, a qualified clearance and processing organization is assigned to carry out the waste treatment procedure and declare the relevant data in accordance with the Waste Disposal Act to ensure that the waste generated under the Company's operation meets the environmental, safe and hygienic treatment procedures. In 2021, there was no event that of punishment by the competent authority due to the violation of rules and regulations for environmental protection.

Clearance, processing organizations, and processing personnel must have waste treatment licenses and qualified certificates of Class A technology personnel to handle the relevant matters according to the contract signed. If there is a violation of laws and regulations, the contract will be terminated immediately. In 2021, the clearance and processing institutions were audited according to relevant procedures and no defects were found.



Statistics of Waste

Total volume of waste was 479.513 tons, of which 309.034 tons were recyclable, and the recycling rate was 64.45%. To effectively enhance resources recycling rate, we will gradually increase the waste recoverable channels and strength recycling system to continue the improvement of environment performance.

Unit: ton

Waste Composition	Waste Generation	Disposal and Transfer of Waste	Direct Treatment of Waste
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Wiwynn HQ	Household Trash	24.610	0.000	24.610
	Paper	4.062	4.062	0.000
	Plastic Bottles	0.399	0.399	0.000
	Cans	0.223	0.223	0.000
	Retort pouch	0.153	0.153	0.000
	Glass	0.084	0.084	0.000
	Kitchen Waste	1.309	1.309	0.000
	Plastic Parts	0.613	0.613	0.000
	Steel Parts	12.484	12.484	0.000
	Blended Metal	3.474	3.474	0.000
	Motherboard	1.798	1.798	0.000
	Subtotal	49.209	24.599	24.610
Tainan Branch	Plastic Waste	58.371	58.371	0.000
	Wastepaper	87.454	87.454	0.000
	Scrap Iron	0.505	0.505	0.000
	Scrap Aluminum	0.000	0.000	0.000
	Waste Wood	123.860	123.860	0.000
	Organic solvent waste liquid w/ flash point less than 60°C -	8.000	0.000	8.000
	Mixture of other flammable businesses waste	4.560	0.000	4.560
	Other mixed metal waste treated by physical treatment method	0.905	0.000	0.905
	Metal-containing printed circuit board waste and its dust	50.099	12.525	37.574
	Emptied bottles containing organic solvent waste liquid w/ flash point less than 60°C -	1.200	1.200	0.000
	General waste chemical substance mixture	0.520	0.520	0.000
	Subtotal	430.304	284.435	145.869
Waste Total Volume	479.513	309.034	170.479	

Unit : ton

	On-Site	Off-Site	Total Volume
Hazardous Waste			
Reuse Preparation	0	0	0
Regeneration and Utilization	0	14.245	14.245
Other Recycling Operation	0	0	0
Total Volume	0	14.245	14.245
Non-Hazardous Waste			
Reuse Preparation	0	1.309	1.309
Regeneration and Utilization	0	293.480	293.480
Other Recycling Operation	0	0	0
Total Volume	0	294.789	294.789
Preventing Waste Generation			
Sorting waste properly allows the waste become the resources in the circular economy to reduce impacts to the environment and enhance resources recoverable rate.			

	On-Site	Off-Site	Total Volume
Hazardous Waste			
Incineration (incl. Energy Recovery)	0	0	0

Incineration (not incl. Energy Recovery)	0	145.869	145.869
Landfill	0	0	0
Other Disposals	0	0	0
Total Volume	0	145.869	145.869
Non-Hazardous Waste			
Incineration (incl. Energy Recovery)	0	0	0
Incineration (not incl. Energy Recovery)	0	24.610	24.610
Landfill	0	0	0
Other Disposals	0	0	0
Total Volume	0	24.610	24.610

In case the waste output is calculated in equivalents to the number of employees or productivity, both figures have been decreased compared to the previous year.

	2020	2021	Comparison
Wiwynn HQ (Note1)	68.37kg/person(year)	55.67kg/person(year)	-18.58%
Tainan Branch (Note2)	0.347kg/piece	0.283kg/piece	-18.44%

Note:

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

Educational Training

To implement traceability for reduction and proper waste sorting for the enhancement of resource recycling and reutilization rate, Wiwynn HQ carried out educational promotion to all the new employees in 2021. There were 363 people completed the training of a total 72.6 hours. Tainan Branch offered training to 22 seeded employees to complete 22 hours of educational training on waste education.

Special: Ocean Hugs and shared good with the ecology



Wiwynn activates Ocean Hugs in 2021 to focus on ocean for the realization of corporate social responsibility and the implementation of circular economy with responsible production and consumption. We deposit sands and create forests to protect the coastal lines in order to share good with ecological sustainability.



Global warming, sea level rising, and ocean acidification caused by the climate change plus the threat of marine litters force the living beings in the ocean facing survival crisis. Taiwan is surrounded by sea, and we, who live in the island country, should share good with ocean. Wiwynn Corporation carries the concept of sharing good with ocean and activated Ocean Hugs in 2021 to gradually promote circular economy and sharing good with the ecology. We also continue rooting the awareness among all the employees in Wiwynn to make it our corporate culture in order to achieve shared good between economic development and environmental sustainability.

Circular Economy

Wiwynn implements circular economy through responsible production. Currently, there are 40% of our products introduced recyclable plastic materials. 89% of them replaced the plastic materials with recyclable plastics. In the future, we will continue obtaining technology and mutual agreement with upstream and downstream suppliers to enhance the technology of plastics reduction and reutilization on products and their packaging materials. We cherish natural resources with the concept of "recycling and reutilization to make good used of materials" to fulfil our corporate social responsibility.



Sharing Good with the Ecology

On November 11th, 2021, Wiwynn CEO led employees working with TOAF Tree Planting Foundation to start our first step of forest creation along coastal line at Wujie Township in Yilan County. 33 managers in Wiwynn planted 800 saplings in person to establish natural and firm connecting net through the intertwined tree roots in order to slow down the disappearance of territory caused by the rise of sea level because of climate change, protect the coastal line in Taiwan, and guard the diversity of onshore and offshore living beings. When the trees create shade, it will be able to block out the impact of northeast monsoon, sea salt, and blowing sand to the inner land as well as protect life quality of the residents in the community. Planting trees to create forests is a mature technology for carbon negative while creating forests along the coast will generate positive environmental effectiveness. In the future, it is the direction of Ocean Hugs that is continued promoting by Wiwynn.



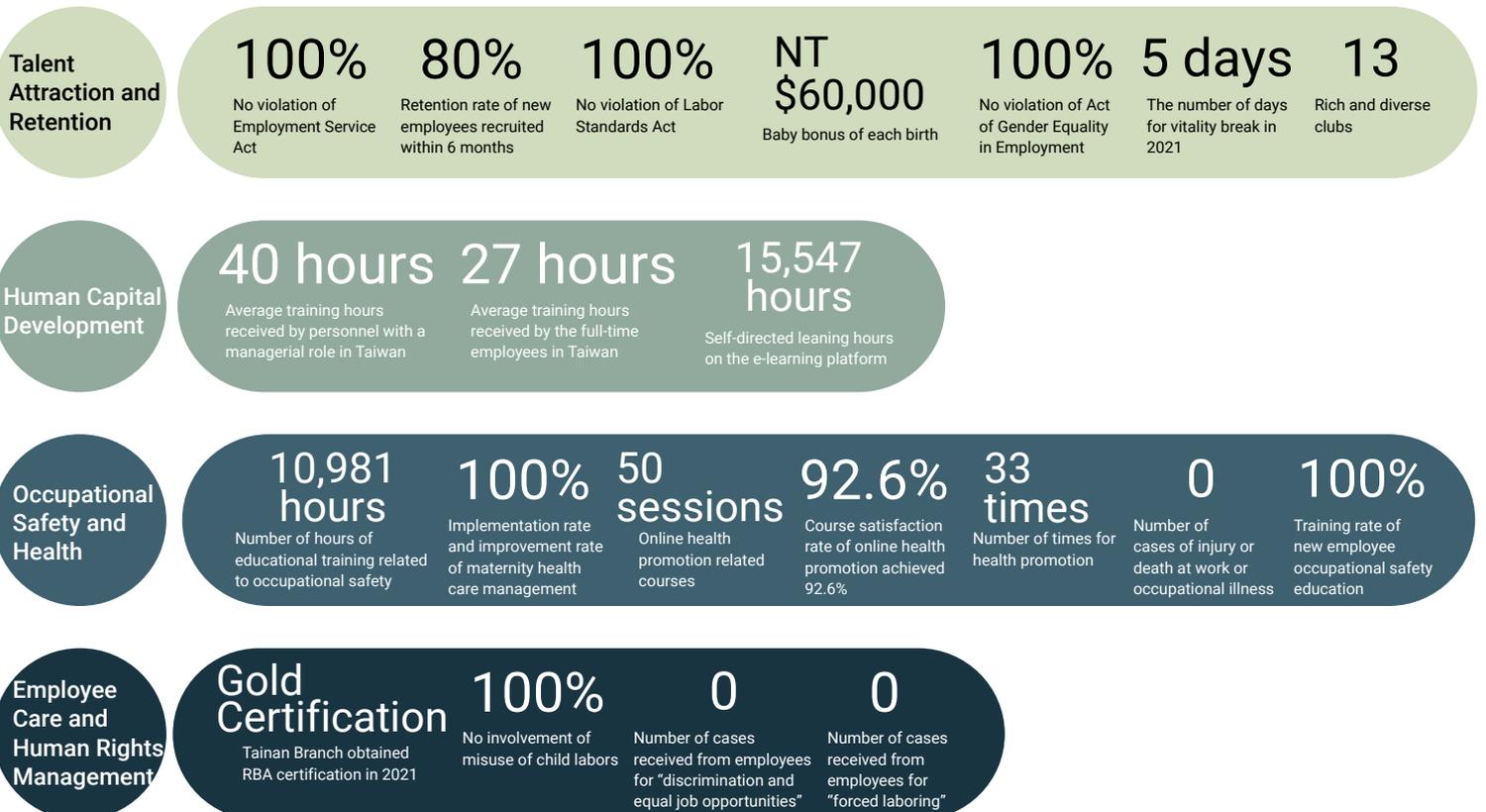
Rooted Corporate Culture

Wiwynn understands the awareness towards corporate responsibility and eco-friendly environment shall be rooted like saplings to become corporate culture in our Company. In March 2022, we invited Ms. Cheng Li-Yi from TOAF Tree Planting Foundation to deliver a speech at Wiwynn, making sure more colleagues realize "creating forests along the coast is not a issue of whether it is difficult but whether it is something we shall do", Founder of TOAF. In the future, we will promote more relevant seminars and activities. From awareness to action, we want to extend the virtuous circle from Wiwynn to our partners, exercise the corporate influence, and accumulate the changes to a powerful strength.

Diverse and Inclusive Society

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Materiality Performances



Short, Medium and Long-Term Material Topic

Goal Achieved : ● Goal Yet to be Achieved : ●

	2021	2022 (short-term)	2025 (medium term)	Long term	
Talent Attraction and Retention	<ul style="list-style-type: none"> Retention rate of new employees recruited within 6 months achieves 80% or above We achieved 80% retention rate of new employees recruited within 6 months New Employee Satisfaction Survey Result exceeding 4.5 The average score of new employee satisfaction was 4 (full score 5). We will continue strengthening and understanding new employees' adaptation to the environment, work content, and interpersonal relationship as well as providing necessary assistance Building a friendly working environment for employees with disabilities We refurbished the environment used by colleagues with disabilities and installed safety measures, like handrail in the toilet, to offer a workplace with no safety concern 	>=80%	The retention rate of new employees within 6 months	>=80%	The retention rate of new employees within 6 months We continuously enhance the strategies and capabilities of attracting excellent employees, reduce turnover rate, and increase retention rate and employee satisfaction
Human Capital Development	<ul style="list-style-type: none"> Each employee receives, in average, more than 20 hours of training The average training hours of full-time employees in Taiwan achieved 27 hours 	>=20 hours	Average training hours for each employee	>=20 hours	Average training hours for each employee We strengthen talent cultivation as well as improve employee organization commitment and work performance
Occupational Safety and Health	<ul style="list-style-type: none"> Occupational injuries ratio per thousandth is below 2.5‰ The occupational injuries ratio per thousandth in Taiwan was lower than 2.5‰ OSH training rate for new employees reaches 100% OSH training rate for new employees reached 100% Average annual OSH certificate possession reaches a compliance rate of 100% The average annual OSH certificate possession reached a compliance rate of 100% The measured value and legal standard value for operation environment achieve a compliance rate over 95% The measured value and legal standard value for operation environment achieved a compliance rate of 100% Occupational Safety and Health Committee continues fulfilling labor communications and participation. The attendance rate of employee representatives achieves more than 1/3, and at least 1 meeting is held every quarter In 2021, there were 4 meeting held by Occupational Safety and Health Committee The attendance rate of employee representatives achieved above 1/3 At least 12 health promotion events shall be held with an employee satisfaction rate over 80% There were 50 sessions of health promotion related activities held (WaCare), and the employee satisfaction achieved 92.6% Actively audit more than 10 suppliers and contractors for safe operation management Please refer to the chapter of "Supply Chain Management" 	0	Number of cases of occupational diseases and death caused by occupational accidents	0	Number of cases of occupational diseases and death caused by occupational accidents We continue improving environmental safety and health performance, reducing occupational disasters, and providing a safe and hygienic working environment to protect the physical and mental health of employees
Employee Care and Human Rights Management	<ul style="list-style-type: none"> At least 4 meetings shall be held by Employees Relations Promotion Committee in 2021 There were 4 meetings held in 2021 	100%	Human rights due diligence investigation and improvement	100%	Human rights due diligence investigation and improvement We continue complying with labor regulations and the International Human Rights Code and safeguarding labor rights to create a win-win situation for both labor and management

Talent Attraction and Retention

Wiwynn attracts outstanding talents with competitive salary and welfare as well as diverse equality policies. We treat employees as the most important partners, care employees' physical and mental health, and establish a healthy and happy workplace culture.

Policy	Happy Wiwynn, a diverse and inclusive friendly workplace
Commitment	Complying with labor regulations and formulating personnel management rules in accordance with relevant laws and regulations as well as meeting legal regulations for labor conditions from employment, appointment, welfare to retirement
Resources	The Human Resources Department in the Company contains the functions of recruitment, training, salary & compensation, and employee relations; dedicated personnel are assigned for the promotion of policies
Grievance Mechanism	The Company provides the employee grievance hotline and email address on the internal portal and has a grievance handling method available to clearly define processing procedures and incentives & punishments. Stakeholders can make grievances through the phone and email address provided at " Stakeholders' Section " of Wiwynn's official website.
Evaluation Mechanism	Compensation Committee, New Employee Symposium, Employees Relations Promotion Committee, Employee Welfare Committee, and implementation of regular internal audits

Equal and Diverse Human Resource Policies

Wiwynn respects every employee, guarantees gender equality in work rights, performs diversified employment, abides by the "Labor Standard Act", "Act of Gender Equality in Employment", and "Employment Service Act" as well as prohibits employment discrimination to ensure candidates in different gender, age, or even the people with disabilities get fair employment opportunities.

The total number of employees at Wiwynn in 2021 was 4,725 people (excluding non-employee contract workers; including 7 cleaning staff in Wiwynn HQ and 48 production line operators in Tainan Branch). The total number of employees increased compared to that in 2020 because of the continuous business expansion, and we included the subsidiary in Mexico into the scope of the report. We classify the employees according to business location, job category, and employment type. The ratio of male to female employees was 6:4, and the percentage of female employees holding managerial roles was up to 22%. It shows female employees have a fair promotion opportunity and good career development in Wiwynn. The Company also continues focusing on gender equality as well as the recruitment and retention of female employees.



In order to provide employment opportunities for people with disabilities, Wiwynn actively cooperates with relevant units to carry out the recruitment of talents with disabilities through various channels. The number of employees with disabilities in 2021 was 11, and Wiwynn will continue providing employment resources to assist people with disabilities enter the workplace smoothly. In addition, we carried out renovation on the environment used by colleagues with disability in 2021 to create a friendly working environment for them. We installed safety facilities, like handrail in the washroom, to provide them a workplace with no concern in safety.

Wiwynn provides equal employment opportunities, and there was no violation against Employment Service Act in 2021.

Unit: People

2021		Official		Contracted		Age		
		Male	Female	Male	Female	Under 30	31-50	Over 51
Wiwynn HQ	Indirect employee	574	340	14	7	436	470	29
	Direct employee	373	411	0	0	299	485	0
Tainan Branch	Indirect employee	140	62	0	0	75	120	7
	Direct employee	925	707	0	0	954	580	98
WYMX	Indirect employee	887	285	0	0	633	462	77
	Sub-Total	2,899	1,805	14	7	2,397	2,117	211
Total			4,704		21	2,397	2,117	211

Recruitment and Retention of Excellent Talents

Actively invest resources to recruit excellent and potential talents as well as attract and retain proper talents to create a wonderful future.

Diversified Recruitment Channels/ Recruiting diverse professional talents

In the competitive technology industry, excellent talents are the essential condition for Wiwynn to offer high-quality products and services as well as maintain corporate innovative energy. Therefore, we continue developing diverse recruitment channels for talent demands in different professions. This year, we participated in many campuses recruitment and received popular response to add new blood to Wiwynn. Other than campus recruitment activities, Wiwynn also directly carried out on-site interview at the employment matchmaking conference held by Institute for Information Industry to precisely recruit the talents we need and enhance matchmaking rate.



In addition, to recruit overseas talents, we also participated the "Overseas Chinese and Foreign Students in Taiwan Employment Matchmaking Meeting" hosted by Ministry of Economic Affairs and Taiwan External Trade Development Council as the bridge for overseas market expansion.

Literacy of Human Resources

To recruit outstanding talents, all Wiwynn managers are given the training of talent selection and interview skills. Wiwynn adopts Behavioral Event Interview (BEI in short) and uses systematic interview tools to evaluate suitable candidates. Wiwynn's new employees have undergone strict selection standards and passed English and professional tests as well as the evaluation through face-to-face interview. The recruitment of talents in each operation location is mostly local residents. In Taiwan, the proportion of local residents in the management level is 100%, and the proportion of general employees being local residents is 94.70%. Among the direct employees, there are 90 foreign workers. Wiwynn follows RBA "zero payment" policy and pays for the related recruitment fees to protect the rights and interests of foreign workers from being exploited.

In Mexico, the general employees are mostly local residents, accounting for 98.88%.

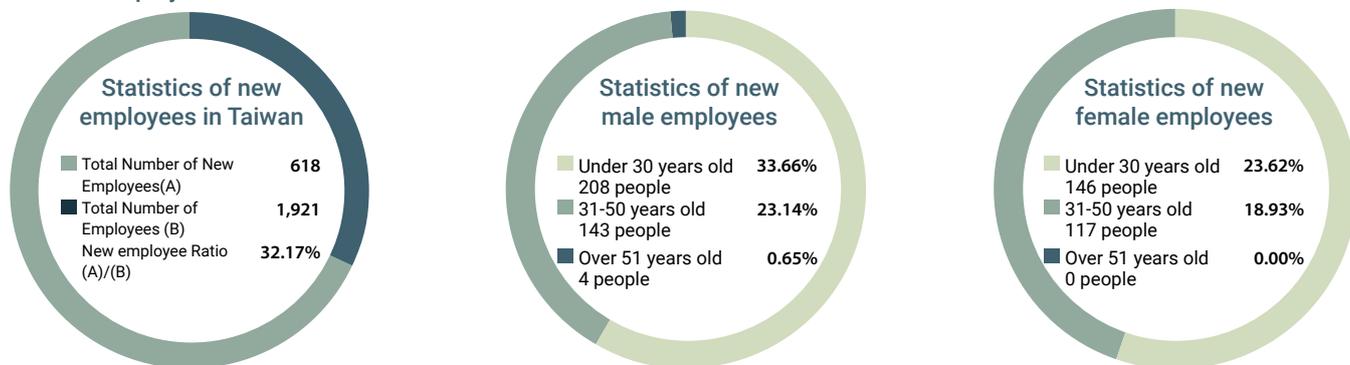
Proportion of Local Residents Hired				
Region/ type of employees	Local	Non-Local	Proportion of Local Residents (%)	
Taiwan	Management Level	109	0	100.00%
	General Employee (IDL)	1,022	6	99.42%
	General Employee (DL)	694	90	88.52%
Mexico	Management Level	31	14	68.89%
	General Employee (IDL)	1,100	27	97.60%
	General Employee (DL)	1,628	4	99.75%

Note: "Management Level" refers to managers in hierarchy of department or above.

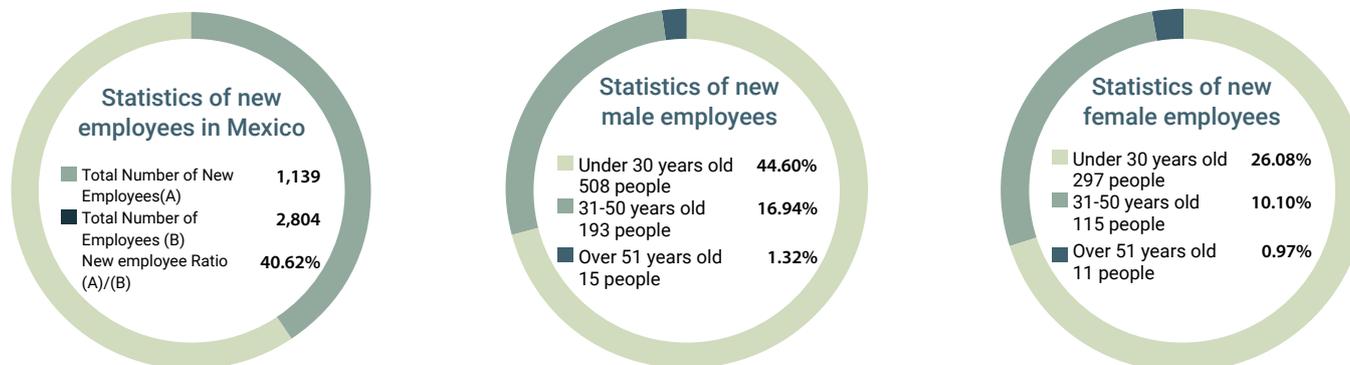
Statistics of New Employees

In 2021, a total of 618 new employees were recruited in Taiwan, achieving a new employee rate of 32.17%. To care the adaptation among new employees towards the environment, work content, and interaction with other colleagues, we carried out a questionnaire survey three months after they reported to work. The average score of the new employee satisfaction rate was 4 (out of 5) and the retention rate of new employees within 6 months was 80 % (excluding contractors).

Statistics of Employee Demission



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



Note: Our subsidiary in Mexico, WYMX, expanded its operation and human resources. In July 2021, it became a subsidiary that has the capacity of manufacturing. The statistics were included from the second half year in 2021.

The Indirect employee turnover rate accounts for the number of employees in Taiwan was 8.64%. Compared to the other companies in the same trade, it is relatively more stable and healthier. The Company will continue understanding the reason why employees resigned through demission interview to facilitate improvements and further lower the turnover rate and enhance retention rate.

For employees who are not resigned voluntarily, the Company will pay for relevant fees and deal with redundancy notification according to Labor Standards Act and Employment Service Act. The calculation of severance pay is based on the seniority of old retirement scheme or new scheme that is suitable to the relevant employees. We will also issue involuntary separation certificate for them to apply for unemployment compensation from public employment service institutions. In 2021, there was no violation against Labor Standards Act.

Statistics of Employee Demission in Taiwan

		Male (people)	Account for employees demission (%)	Female (people)	Account for employees demission (%)	
Wiwynn HQ	Indirect employee (IDL)	Below 30 years old	36	10.78	24	7.19
		31-50 years old	39	11.68	32	9.58
		Above 51 years old	4	1.20	1	0.30
		Sub-Total	79	23.65	57	17.07
		Tainan Branch	Direct employee (DL)	Below 30 years old	33	9.88
31-50 years old	67			20.06	43	12.87
Above 51 years old	0			0.00	0	0.00
Sub-Total	100			29.94	68	20.36
Tainan Branch	Indirect employee (IDL)			Below 30 years old	10	2.99
		31-50 years old	10	2.99	8	2.40
		Above 51 years old	0	0.00	1	0.30
		Sub-Total	20	5.99	10	2.99

Note: The number of demission does not include employees in short-term contract and with redundancy.

Statistics of Employee Demission in Mexico

		Male (people)	Account for employees demission (%)	Female (people)	Account for employees demission (%)
Direct employee (DL)	Below 30 years old	263	36.48%	133	18.45%
	31-50 years old	115	15.95%	56	7.77%
	Above 51 years old	6	0.83%	9	1.25%
	Sub-Total	384	53.26%	198	27.46%
Indirect employee (IDL)	Below 30 years old	85	11.79%	11	1.53%
	31-50 years old	33	4.58%	7	0.97%
	Above 51 years old	3	0.42%	0	0.00%
	Sub-Total	121	16.78%	18	2.50%

Concern and Care for Employees

Wiwynn attaches great importance to the balance between work and family life of employees. To encourage fertility, we formulated the "Incentives for Employee Birth Giving". Regardless of gender, the employee is granted NT\$60,000 for each birth. In addition, we encourage male employees to take pregnancy checkup leave and paternity leave to accompany his partner throughout the expectation and birth delivery to balance work with the family life. Besides, the "Warm Charging Station for Expectant Mothers" is available on the employee portal website, which provides items such as the application of breastfeeding room, pregnancy and parenting guides, and health manager consultations to give employees proper care for their various needs.

	<p>Birth Giving Incentive</p> <p>In 2021, a total of 80 employees applied for such incentive, with an accumulated amount of NT\$305,000 granted.</p>		<p>Application for Parental Leave without Pay</p> <p>In 2021, a total of 28 employees applied for parental leave without pay. The reinstatement rate of parental leave without pay of the year was 83.33%, and the retention rate from such leave was 66.67%. The main reason for the non-reinstated employees was the need to continue the cares to the family, and they decided to give up such reinstatement. For the reinstated employees, the Company also arranges reinstatement-related matters in advance, including education training in the department, to assist the employees to quickly reconnect to the job and return to the workplace smoothly.</p>
<p>Wiwynn protects the work rights under gender equality and there was no event of violation against Act of Gender Equality in Employment in 2021.</p>			



Breastfeeding Room

Our caring and comfortable breastfeeding environment contains equipment like water boiler, sterilizer, refrigerator, etc.

Statistics on Parental Leave without Pay in Taiwan

	Male		Female		Subtotal
	No. of employees	Proportion (%)	No. of employees	Proportion (%)	
Number of Qualified Applicants in 2021 (A)	52	67.53%	25	32.47%	77
Actual Number of Applicants in 2021 (B)	5	17.86%	23	82.14%	28
Number of Employees to be Reinstated in 2021 (C)	1	8.33%	11	91.67%	12
Actual Number of Employees Reinstated in 2021 (D)	1	10.00%	9	90.00%	10
Actual Number of Employees Reinstated in 2010 (E)	3	100.00%	0	0.00%	3
Number of Employees having worked for 1 continuous year after Reinstatement in 2020 (F)	2	100.00%	0	0.00%	2
Application Rate (B)/(A)					36.36%
Reinstatement Rate (D/C)					83.33%
Retention rate (F/E)					66.67%

Statistics on Parental Leave without Pay in Mexico

	Male		Female		Subtotal
	No. of employees	Proportion (%)	No. of Employees	Proportion (%)	
Number of Qualified Applicants in 2021 (A)					
Actual Number of Applicants in 2021 (B)	81	73.64%	29	26.36%	110
Number of Employees to be Reinstated in 2021 (C)	81	73.64%	29	26.36%	110
Actual Number of Employees Reinstated in 2021 (D)					
Actual Number of Employees Reinstated in 2010 (E)					
Number of Employees having worked for 1 continuous year after Reinstatement in 2020 (F)					
Application Rate (B)/(A)	(Note)				
Reinstatement Rate (D/C)					
Retention rate (F/E)					

Note: Our subsidiary in Mexico, WYMX, expanded its operation and human resources. In July 2021, it became a subsidiary that has the capacity of manufacturing. The statistics were included from the second half year in 2021.

Competitive and Fair Salary and Compensation System



Wiwynn provides a competitive overall salary and compensation system, which complies with relevant labor laws and regulations, including minimum wages, overtime hours. To motivate employees to link with the profitability of the organization, we establish a performance reward system. The salary of employees depends on their academic background and work experience, job title, performance and market conditions and will not be treated differently due to gender, race, religion, political stance, and marital status. We enhance employee satisfaction and job performance through our fair salary management procedure.

- We regular examine the internal salary management system and conduct external salary level surveys to offer competitive salary and welfare.
- We implement performance evaluation based on employee's professional knowledge, skills, responsibilities and work performance to provide reasonable salary rewards.
- Annual salary adjustments and promotions are made based on market status to encourage the performance of our employees.
- All the male and female employees are applicable to the same salary system without any difference due to gender.
- To ensure the proper care and protection on the dispatched workers, the Company specified in the dispatchment contract that the salary and labor conditions for the dispatched workers must meet the legal regulations and must not be lower than the legal basic wages.

Salary at Different Regions

Ratio of standard salary of grassroots employees of to the local minimal salary	Taiwan		Mexico	
	Male	Female	Male	Female
Direct Employee	1.08	1.08	1.0309	1.0309
Indirect Employee	1.21	1.21	1.0309	1.0309

Note: It is calculated by Standard Salary of Grassroots Personnel/ Legal Basic Salary.

Salary ratio of employees in different levels	Taiwan		Mexico	
	Male	Female	Male	Female
Supervisors at the level of managers	1.16	1.00	1.11	1.00
Direct Employee	1.11	1.00	1.08	1.00
Indirect Employee	1.07	1.00	0.88	1.00

Note: The R&D personnel account for a majority of supervisors at the level of managers and indirect employees. Male employees have higher industrial experience and seniority than that of female employees; therefore, their salary ratio is higher.

Number of non-managerial full-time employees, their average salary and salary median as well as the differences with those in 2020:

Unit: person; thousand dollars

	2020	2021	Difference
Number of Employees	1,359	1,654	295
Total Employee Salary	1,577,715	1,914,983	337,268
Employee Salary "Average"	1,161	1,158	-3
Employee Salary "Median"	881	978	97

Generous and Sound Welfare System

Wiwynn has developed a welfare system superior to the regulations, including the enviable vitality holidays, various subsidies and incentive measures as well as diversified club activities to booster employee cohesiveness and achieve a life of balance among work, body and soul!

The spirit of a Wiwynn is to "Work Smart, Play Hard" - showing efficiency at work, knowing enjoyment in daily lives, and having a fun life.



Various Welfare Measure

Grant and Incentive Measure

In 2021, the cumulative disbursement of birth giving grants was NT\$130,000, along with travel subsidy in NT\$5,139,913 (we adjusted it to the subsidy of meal delivery due to the epidemic to reduce employees' risk of exposure), birthday bonus in NT\$848,000 and pressure-releasing subsidy (movie tickets giveaway) in NT\$432,000.

During the beginning of the epidemic, the employee birthday celebration held once every two months was changed to giving employees a gift box of charity to avoid going into crowds. Other than helping charity groups, we bring our best wishes to employees.



After the epidemic is slowing down, we offer birthday snacks for them to enjoy.



On May 15th, 2021, we entered Level 3 alert of epidemic, the Company worked with a delivery company and sent rice dumplings to those who worked from home in a dedicated car to make sure employees enjoyed the atmosphere of the festival and had a lovely holiday under the situation of epidemic. Meanwhile, we also donated 255 dumplings to Fund for Children and Families in Keelung to pass on the warmth from us.



Vitality Holiday

Since 2017, Wiwynn started to offer an extra 4-day vitality holidays every year (it was 5 days in 2021), 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 holidays.)

Clubs and Group Activities

Currently there are 13 clubs covering a diversity of types related to sports, arts, and life, such as softball, badminton, movie appreciation, camping, and competitive games.



Movie Appreciation Club





LOHAS Club



Cycling Club



Competitive Games Club

Wine Tasting Club

Energy Cup



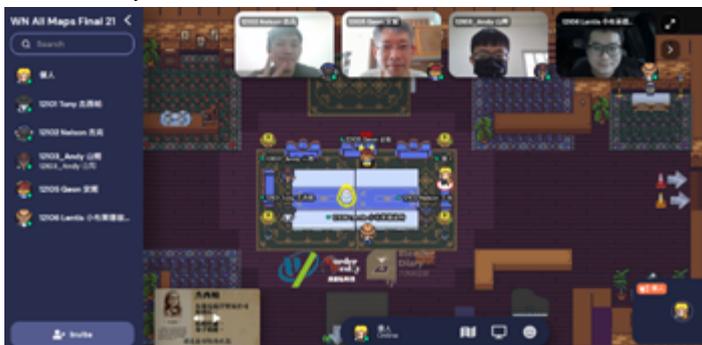
Pokemon Club



Team Day

Every year, the Company arranges half day or one day for team competition grouped among employees. By completing different competition events through teamwork and cooperation, members are brought closer and developed cohesion in the group. In 2021, it was carried out online due to the epidemic.

Online Team Day



Even though it was online activities, it was able to test the teamwork. The teams on the top three were awarded prize money.



In 2021, colleagues from Wiyynn participated in the Energy Club hosted by the group. We won a bronze medal in badminton and champion on both table tennis and volleyball.

Group Insurance and Retirement System

Wiyynn takes care of the employees and their families. In addition to full subsidization of the employee's group insurance (including the employee's own life insurance, accident and medical insurance), the employee's family members can also take the group insurance provided by the Company at a more favorable premium.

To improve the life guarantees of employees after retirement and to strengthen relations between labor and the employer, we established Pension Regulations in accordance with the "Labor Standards Act" and the "Labor Pension Regulations". The employee pension is allocated on a monthly basis according to relevant laws and regulations.

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

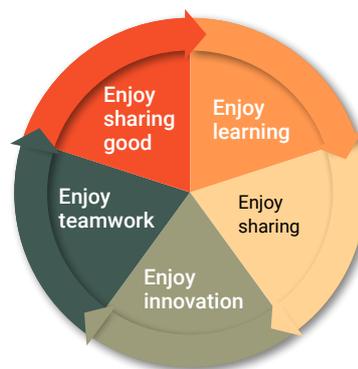
Note: Cumulative allocation as of end of 2021 can be referred to the 2021 Wiyynn Financial Reports.

Human Capital Development

Wiyynn develops human capital under the concept of "knowing people's subordinates and assigning them the right work at the right place to ensure talent cultivation and retention". Employees grow and develop together with the organization to achieve the maximal corporate effectiveness.

Policy	Enhancing human quality, strengthening core functions, and increasing work performance
Commitment	Regardless of gender, race, class, nationality, sexual orientation, age, and marital status, each employee has equal opportunities for studying and development
Resources	Introduced seven training systems and e-learning platform
Grievance Mechanism	The Company provides employee grievance channels on the portal website. Employees can use the dedicated hotline or email to submit the grievance to the top manager of the Human Resources Department in the Company
Evaluation Mechanism	Performance appraisal, reward system, and promotion meetings

Wiyynn's human capital development strategy is "enhancing human quality, strengthening core functions, and increasing work performance". It links with organizational goals and development, implements comprehensive performance, reserves human capital energy, and strengthens organizational efficiency and operation to achieve corporate sustainable management and development.



Enhancing Human Resources Literacy	<ul style="list-style-type: none"> Make good use of digital resources to enrich e-learning platform Job rotation to support interdisciplinary development Cultivating talents with international view Inheritance of knowledge and experience
Strengthening Core Competency	<ul style="list-style-type: none"> Seven training systems for core competency training
Enhancing Work Performance	<ul style="list-style-type: none"> Top-down organizational performance Rewarding system to encourage employee performance

Enhancing Human Resources Literacy

Make good use of digital resources to enrich e-learning platform
 Online training system was launched in 2020. We devote to the development of e-courses to make sure the learning will not be interrupted by time, region, and epidemic as well as the achievement of the goal for self-learning. In 2021, there were 1,310 people participated in the online courses, and the total training achieved 15,546.77 hours.

Job rotation to support interdisciplinary development
 We encourage and respect employees to learn job skills and communication skills from different angles as well as cooperate with the development of the organization to arrange and plan personal career development. There were 47

internal transfers in 2021, including 11 employees for cross-department transfers. Wiyynn actively fulfills on-the-job training to enable employees to give full play to their strengths. We arrange job rotation according to personal wishes to promote the flow of internal talents.

Cultivating talents with international view

Wiyynn dedicates to the development of international talents. To enhance working skills and create a learning and developing opportunity for employees, we offer abundant resources for English learning as well as set up goal of English proficiency test for them based on different job description and positions to increase their international literacy and develop them into elites in the world.

- In order to improve the foreign language skills of our employees, a total of 7 language courses were held in 2021. With the impact of the epidemic, online courses were used to replace part of face-to-face courses, including TOEIC pre-exam boosting class and Commonwealth Innovative Academy Ivy English courses. There were 69 people received the training, and the total training hours were 429.84 hours. We also launched 3-minute video of popular English one after another, and it was watched by 193 people and received enthusiastic response.
- We launched the Wiyynn English Corner on the employee portal to introduce practical phrases used in the articles for current affairs or analyses. From 2020 to the end of 2021, an accumulated 52 pieces of information had been posted on Wiyynn English Corner to help employees enhance their English skills.
- Two regular English tests are held every year, and employees can confirm their learning results through the tests. The number of participants in the 2021 English test was 345. There were 443 people who have passed the Wiyynn English standard with a passing rate of 68%, of which 187 employees achieved the performance equivalent to the proficiency of TOEIC score of 800 or more.

Inheritance of Knowledge and Experience

To make Wiyynn's core values, professional knowledge, experience and skills preserved, communicated and developed in the Company, various training courses held in the Company and internal training courses run by each department are delivered by the managers to pass on knowledge and experience internally.

Strengthening Core Competency

Seven training systems for core competency training

Wiyynn attaches great importance to diversified training of talents with various functions. Through the seven training systems, we provide trainings in professional competency and core managerial capabilities. Employees may enhance professional and management capabilities through on-the-job training as well as internal and external resources of training courses.



New Employee Training System

We plan complete training on new employees to deliver the Company's vision, system, and regulations in full. Other than the Company introduction and guided tour of environment on the enrolment date,

new employees also need to complete the required general online courses designed exclusively for new employees within one month, including codes of ethical conduct, hazardous material training, corporate sustainability and social responsibility, legal knowledge, and occupational safety and information security advocacy. Besides, we also provide a mechanism of consultant to help new employees quickly blend into the big Wiyynn family. The completion rate of the 2021 new employee training courses was 97.9%.

Profession Training System

- Based on professional competency, each unit sets up courses and conducts on-the-job educational training, such as business presentation training and advanced contract training.
- R&D personnel training



Due to the demand during epidemic, we caught up with the trend of cloud O2O (Online to Offline) training model. We developed around 250 R&D related courses and carried out training though online learning platform. With the interaction of learning between offline managers and employees, we created new learning model to make every day a learning day over 24 hours and 365 days.

Management Training System

Without being affected by the epidemic, we introduce online courses for colleagues with managerial roles. In 2021, the online management courses include cross-department communication and conflict as well as subordinate training and supervision.



Internal Speaker Training System

Internal speakers pass on their knowledge and experience to colleagues to motivate their engagement and learning motivation. As of the end of 2021, we have trained several internal speakers to deliver training courses related to language and general education, language, general education and other training courses.



Quality Training System

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



ESH and Energy Management Training System

Each unit has personnel obtained certificates related to occupational safety and health and first-aid personnel. They also participated in refresher courses regularly to enhance employees' knowledge and skills in environment, safety, and health as well as increase the awareness and attention on occupational safety in each unit.

General Training System



- To enhance employee competence and work efficiency, we scheduled Office series courses, strategic presentation skills, interpersonal communication, and practical English courses in 2021.
- We continue promoting MOT Critical Moment Course, which is highly valued and recognized shared culture in the Company. Managers were served as the training instructors to pass on the know-how of using the four steps of exploration, proposal, action, and confirmation to create values to customers, the Company, us and further enhance business performance. This course is a compulsory general education course for all employees in Wiwynn.

Training results

The face-to-face courses reduced in 2021 due to the impact of COVID-19. Therefore, we introduced diverse online learning courses for our employees to continue learning and use it in the real practice timely. In 2021, each managerial role received an average of 40 hours of training or above in Taiwan while the average training hours of indirect personnel exceeded 32 hours and full-time employees exceeded 27 hours. The average training cost on each employee exceeded NT\$1,600.

Our Company integrated global learning resources and included the subsidiary in Mexico, WYMX, into the training system in July 2021. Through collaboration, we create comprehensive effects, ensure employees fulfill knowledge sharing and inheritance, continue advancing working effectiveness, and gather more upwards energy of enhancement.

Unit: Employees; hours

Average Training Hours for Each Employee in Taiwan			
		Male	Female
Managerial Roles	Number of Participants (A)	88	26
	Total Training Hours (B)	3,625.27	1024.13
	Average Hours of Training (B)/(A)	41.20	39.39
Direct Personnel	Number of Participants (A)	375	409
	Total Training Hours (B)	7,868.24	7,632.64
	Average Hours of Training (B)/(A)	20.98	18.66
Indirect Personnel	Number of Participants (A)	827	471
	Total Training Hours (B)	27,230.78	15,414.53
	Average Hours of Training (B)/(A)	32.93	32.73

Unit: Employees; hours

Average Training Hours for Each Employee in Mexico			
		Male	Female
Managerial Roles	Number of Participants (A)	79	40
	Total Training Hours (B)	1631.00	672.25
	Average Hours of Training (B)/(A)	20.65	16.81
Direct Personnel	Number of Participants (A)	4,389	3,155
	Total Training Hours (B)	18,869.43	13,216.52
	Average Hours of Training (B)/(A)	4.30	4.19
Indirect Personnel	Number of Participants (A)	3,210	1,133
	Total Training Hours (B)	19,412.88	7,113.15
	Average Hours of Training (B)/(A)	6.05	6.28

Note: Our subsidiary in Mexico, WYMX, expanded its operation and human resources. In July 2021, it became a subsidiary that has the capacity of manufacturing. The statistics were included from the second half year in 2021.

Unit: employees; NT\$

Average Training Cost for Each Employee in Taiwan			
		Male	Female
Number of Participants (A)		1,202	880
Total Training Cost (B)		2,045,293	1,286,166
Average Training Cost(B)/(A)		1,702	1,462

Enhancing Work Performance

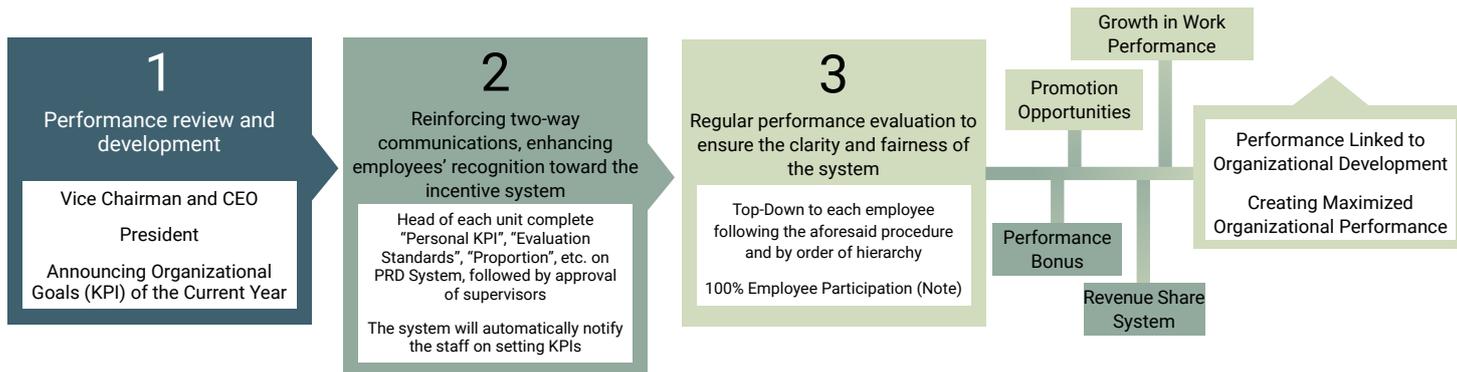
Organization Performance Top-Down

In order to link individual performance with organizational development and achieve annual organizational goals, we establish KPI for the unit and for each individual based on the goal set by the Company each year and decentralize it from top-down to each employees. When setting annual KPIs, supervisors carry out two-way communication with employees on the employee's core expertise and phasal career development to enhance employees' recognition towards the performance system. A performance evaluation will be conducted every half a year. After the employees' self-evaluation, they can obtain supervisor's suggestions and feedback through the face-to-face communications or via inquiry on the system to ensure the performance evaluation is clear and fair.

Incentive System Boosting Employee Performance

Through linkage between the performance evaluation and incentive systems, such as performance bonus, employee dividend and promotion system, we expect to boost personal work performance, to assist employee in career development, and to maximize organizational effectiveness.

Note: Except employees whose employment is under three months when the performance evaluation is carried out, the rest of employees shall all participate in the performance evaluation.



Occupational Safety and Health

Wiwynn adheres to the beliefs of work safety assurance, safety culture promotion, healthy workplace construction, and shared good with corporate partners to devote to perfecting every management procedure in order to reduce the incidence of occupational injuries and to protect the safety and health of Wiwynn's partners.

Policy	Compliance with regulations, continuous improvement, and occupational disaster reduction
Commitment	We commit in complying with ESH regulations and other requirements by stakeholders while fulfilling communications and engagement of workers to continue improving safety and health performance as well as reducing the occurrence of occupational hazards
Resources	Introducing ISO 45001: 2018 Occupational Safety and Health Management Systems, assigning accountable personnel for ESH and health management promotions, and promoting digitization of ESH management operation contents
Grievance Mechanism	Health Management Hotline, Labor/Management Meeting and Occupational Safety and Health Committee
Evaluation Mechanism	Management Systems Promotion Committee, ISO 45001 third-party verification, irregular customer audits

Work Safety Assurance	Safety Culture Promotion	Healthy Workplace Construction	Shared Good with Corporate Partners
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Workers performing activities under the control of the Company:

- Taiwan: 1,921 employees (95.10%) and 99 non-employees (4.90%)
- Mexico: 2,804 employees (100.00%) and 0 non-employee (0.00%)

Creating a Safe Workplace

To create a safe working environment, managers at each level in the Company support the ESH management unit to promote affairs related to the safety and health promotion. We also encourage employees at each unit for participation. Among them, Tainan Branch obtained excellent performance of green light on occupational safety signal at Tainan Science Industrial Park in two consecutive year between 2020 and 2021. Our colleague, Chang Yen-Cheng, in the Safety and Health Office was awarded Occupational Safety and Health Outstanding Personnel in 2021.



Occupational Safety and Health Committee

The highest management level in the Company takes the post of the chairperson to deal with all the relevant affairs. At least one meeting shall be held every quarter. The duty includes establishing workers' health and safety management plans, promoting strategies and goals, and implementing the realization of plans and improvement measures.

In addition, to effectively implement the communication with workers and their engagement, the attendance rate of labor representative in the Occupational Safety and Health Committee is more than 33%. Members include occupational safety and health management personnel, health administrators, and labor representatives to ensure workers understand their rights and interests in whether there is any hazard in the working environment. Besides, our Company values the health of our workers and provides a safe working environment. If there is any situation that might cause injury or disease and involved with the demand of leaving the work, it can be reflected to other colleagues or the manager. Our Company protects workers away from punishment caused by it according to law. In 2021, we received no complaint about occupational safety.

	Wiwynn HQ	Tainan Branch	WYMX
Number of Members (people)	9	12	20
Number of Labor Representatives (people)	3	4	10
Proportion of Labor	33%	33%	50%

Resources Sufficiency

To maintain the validity of ESH management systems, the Company deploys professionals complying with the specifications of relevant laws and regulations. In 2021, a total of 219 occupational safety related certificates were obtained by our employees in Taiwan. We will continue retaining the validity of their professional certificates through retraining and dispatched training as well as strictly forbade any personnel carrying out relevant operation before completing the training, e.g. ionizing radiation operations, to maintain employee safety in the workplace.

Status of Educational Training

The Company organizes various occupational safety training courses based on training targets and encourages employees to participate in educational trainings hosted by governmental organs to enhance OSH concept and emergency care knowledge of our employees. In 2021, participants taking part in occupational safety education trainings reached 6,887 employees; the total training hours were 10,981 hours.

	Name of the course	Object	Number of people	Hours
Internal course	Occupational safety and health educational training	All employees, new employees	5,605	8,401
	Fire safety and practical exercise	Fire safety group, all employees	1,031	2,062
	First aid and operational practice	Health administrator, occupational safety and health personnel, emergency responding group	151	261
	Traffic safety training	High-risk employees, seeded staff in the department	57	114
	Radiation equipment operation	Operating personnel	29	87
External course	Disaster reduction advanced seminar, earthquake protection, fire prevention, fire safety responding command, electrical and mechanical safety, occupational safety practice and promotion workshop, workplace bullying prevention	Dedicated personnel	14	56



(Occupational Safety and Health Educational Training)



(Fire Safety Seminar)



(First-Aid Course, CPR+AED Practice)



(Motorcycle Safety- Riding Educational Training)



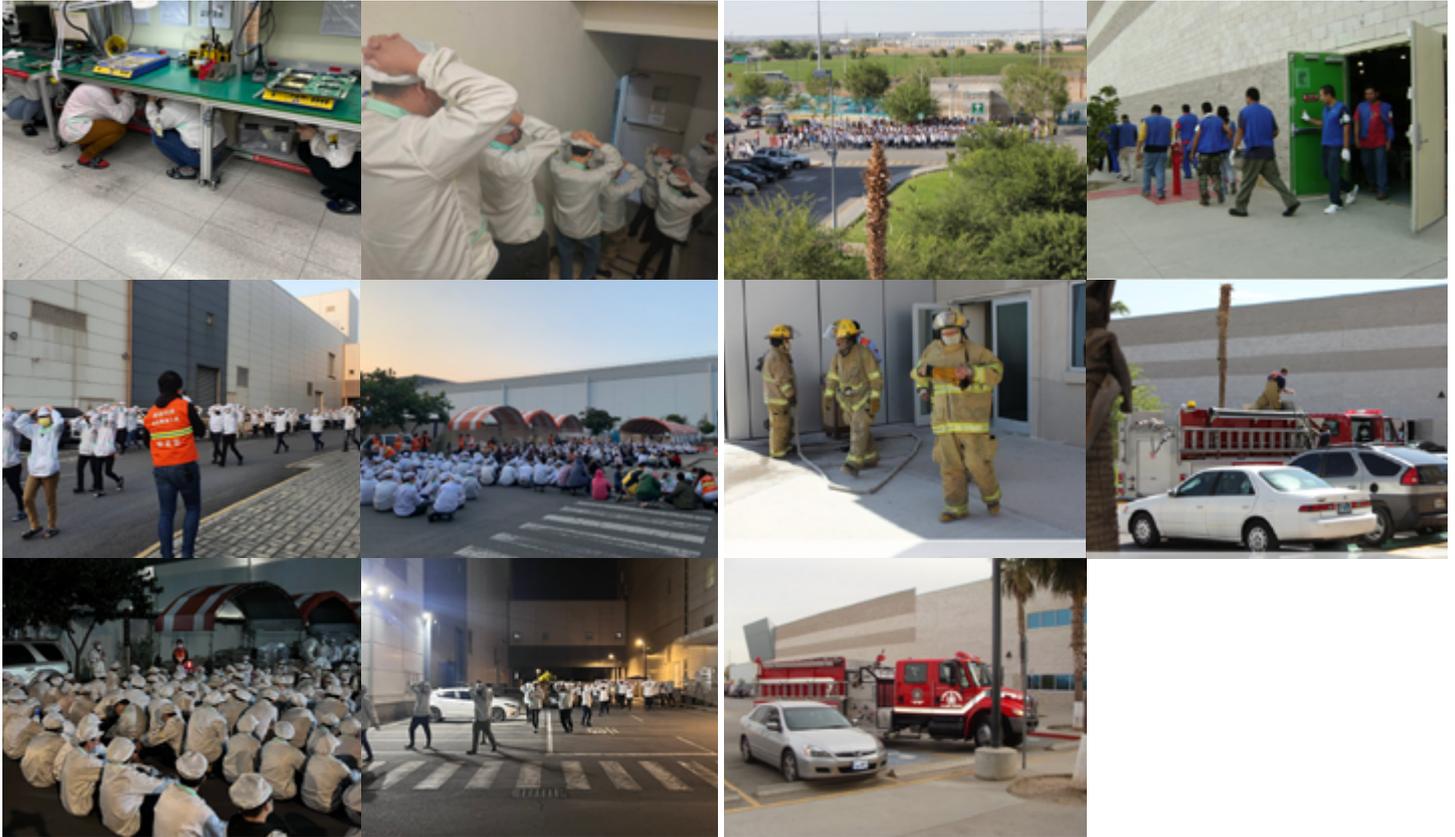
(First-Aid Personnel Training)



(Emergency Responding Personnel Training and Exercise)

Disaster Drills

To enable employees to enhance their self-response capabilities in disasters and strengthen their knowledge of disaster prevention, in 2021, a disaster drill was carried out at our manufacturing plants in Tainan and in Mexico.



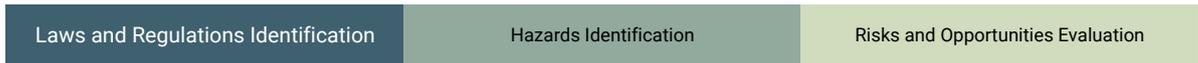
(Implementation of disaster drill in Tainan Branch)

(Implementation of disaster drill in WYMX)

Procedure Validity

To prevent occupational disasters and ensure the safety and health of workers, Wiwynn has established standardized safety and health management procedures and implemented ISO45001: 2018 management systems and passed third-party verification. Currently, there are 30 documents for management procedures at all levels, and a total of 4 management procedures were revised in 2021 to continue ensuring the implementation of the management procedure conforming to the current situation and containing completeness and validity. In 2021, a minor defect and six rectification opportunities were proposed in an external audit, and they had all been improved 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 continue improvement 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 26 applicable laws and regulations have been registered. We will continue confirming the internal operation procedure complies with the statutory specifications, providing necessary safety and health equipment and measures, and reducing the probability of occurrence of occupational hazards.

Hazards Identification

In 2021, hazard identification was carried out to 831 operations based on routine and non-routine operations as well as internal and external events. Risk evaluation was implemented from the aspects of influence on personnel injury and illness as well as the integrity and validity of protective facilities. Among them, 1 operation was with unacceptable risk. After immediate discussion and implementation of responding measure, it was reduced an acceptable risk.

Risks and Opportunities Evaluation

We evaluate the risks and opportunities that might have potential impacts on OSH management systems, determine the level of risk through the evaluation procedure. Based on the risk matrix, we list cases with high risks for improvement and establish corresponding goals and measures. We manage the status of goal achievement through regular discussion.

2021 Risks and Opportunities Evaluation and Achievement Status

Risks Evaluation for Determining Risk Level	115 opportunities and risks have been identified
Stipulation of Goals and Measures Following Risks Matrix	List cases with high risks for improvement and establish management goals and indicators 10 items of management goals and 105 items of management indicators were established
Regular Reflection on Goals Achievement	Setting goal achievement progress table Improvement measures are expected to be completed by Q1 2022

Occupational Injury and Illness Management and Prevention

To reduce losses caused by occupational disasters and to prevent the recurrence of similar incidents, the incident handling and investigation management procedures are drawn up to implement the correction procedures based on the investigation results of the incidents. There was no event of occupational diseases and no deaths of workers caused by occupational disasters in 2021. 1 case in Wiyynn HQ, 4 cases in Tainan Branch, and 16 cases in WYMX were reported. The total injury index FSI was below 0.65 with a majority of injuries in cuts, burns, bruises, contusion, etc. An immediate medical care was given at the moment when accidents happened. In addition, correction measures were carried out through interviews with relevant personnel, such as advocacy through meetings and training to raise employees' awareness have to fulfill our commitment in workplace safety.



Occupational Injury Statistics and Analysis

	Wiyynn HQ			Tainan Branch			WYMX
	2019	2020	2021	2019 (Note 2)	2020	2021	2021 (Note 3)
Number of Injuries (Events)	1	1	1	0	2	4	16
Days of Loss (Days)	2	3	3	0	4	0	198
Total Working Hours (HR)	1,174,400	1,386,552	1,625,952	536,519	1,949,323	2,092,578	2,706,396
FR (Disabling Frequency Rate)	0.85	0.72	0.61	0	1.02	1.91	5.91
SR (Disabling Injuries Severity Rate)	1	2	1	0	2	0	73
FSI (Total Injury Index)	0.02	0.03	0.02	0	0.04	0	0.65

Note:

1. Not including traffic accident.
2. Tainan Branch commenced its operation from the second half of 2019.
3. Our subsidiary in Mexico, WYMX, expanded its operation and human resources. In July 2021, it became a subsidiary that has the capacity of manufacturing. The statistics were included from the second half year in 2021.

Fulfillment of Occupational Injury and Illness Management and Preventive Conducts

Physical and Chemical Management	Ergonomic and Mental Management	Maternity Health Management	Contractor Management
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Physical and Chemical Hazards Management

Routine operation detections have been conducted in accordance with operation environment hazards evaluations.

Item	Frequency	2020 Assessment Result
CO ₂ concentration and lighting detection in office areas	At least once every half a year	Meeting statutory requirements
Noise detection at the laboratory area in Wiyynn HQ	Continuous monitoring	Meeting statutory requirements. The decibel meter has been installed to enable workers to grasp the status of the operation environment and evaluate the exposure status.
Detecting methanol, isopropanol, tin, and noise at the production line area in Tainan Plant to grasp the status of the operation environment and evaluate the exposure status.	At least once every half a year	Meeting statutory requirements; relevant protective gears have provided for employees to use.
Low-voltage switchboard inspection	Once every year	Meeting statutory requirements; completed testing at Q3 2021.
Fire safety equipment inspection: all inspection items shall be properly completed to prevent fires and maintain public safety	At least once every year	Wiyynn HQ has completed defect improvement in Q3 2021. Tainan Branch has completed defect improvement in Q4 2021.
Air conditioning maintenance in office areas and the R&D test area	Self-regulated air conditioning- once every month/ Central air conditioning- once every half a year	Completed
Drinking fountain maintenance/drinking water testing to ensure the quality of drinking water and maintain the health of employees	Wiyynn HQ: Once every month/ once every quarter Tainan Branch: Once every month/ once every 2 months	Completed; sampling rate over 12.5%; a full-quantity inspection has been completed 100% in 2021.
Disinfection of public areas in Taipei office building	Once every month	Completed

For proper management of chemicals, the Company has set up a special area for placement of explosion-proof safety cabinets. Each cabinet is kept a safe interval with next one. For hazardous chemicals, they are all labelled clearly and adopted necessary communication measures with a safety data sheet prepared for inquiry as well as 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, to help them carrying out timely protection measures.



Ergonomic and Mental Hazard Management

Prevention Programs for Musculoskeletal Diseases Induced by Repetitive Operations
 The Company implemented the questionnaire survey of the four major labor health protection programs to screen out high-risk cases based on the survey results of the musculoskeletal pain scale. The results revealed a total of 71 people whose pain index is ≥ 3 points. In the combination of feedback from physicians, occupational nurses, occupational therapists, and OSH personnel, we first clarified the problems that these cases encounter before carrying out on-site operation observation according to manual material handling checklist (KIM Form) followed by personnel care interviews and provision of health education guidance to prevent occupational diseases.

Prevention Programs for Diseases Induced by Abnormal Workload
 Based on the investigation via fatigue scale and the results of employee annual health examination, the risk of cardiovascular disease within ten years is calculated. According to calculation done by the data of the risk level and the interview recommendation table, we detected a total number of 10 medium-risk cases a total number of 5 cases requiring further interview arrangement. Through the interview with the doctor, we provide employees instructions and suggestions related to medical health education and will continue tracing and caring for the status of these employees.

Operation Program for Prevention of Unlawful Infringements During Performance of Duties:
 We collect cases through questionnaire surveys done at each department and human resources notifications, and there were 880 copies of questionnaires recalled (none of them is with abnormality). If there is any abnormality, we will immediately launch unlawful infringement prevention work plans and work with human resources unit and the occupational care unit to understand the employee's work status and confirm the details of unlawful infringements. We provide victims mental health consultation, put forward relevant health guidance, work adjustments or replacements and other physical and mental health evaluation and recommendations. Through appropriate configuration and planning, we expect to reduce unlawful infringements.
 We hosted EAP legal seminar, Say No to Unlawful Infringement, in 2021, to 61 participants.



Maternal Health Management

The maternity health protection project is initiated after receipt of notification. Each pregnant employee who notifies the Company is entitled to apply for the Cheer-up Gift provided by the Company. In 2021, a total of 26 employees were listed as objects of maternity health protection. We check the risk level in terms of the working environment and work content, care for their health condition, provide health education instruction, and arrange consultation and interview with the doctor. Among them, 6 were suggested by the doctor to submit an application to their supervisors adjust their working shift or location, such as transferring from the night shift to day shift or avoiding exposure to ionizing radiation. The consultation rate and improvement rate achieved 100%. In addition, maternity scooter/ car parking spaces were established after interview with the employees.

Contractor Management

Before contracting operators enter the factory for work, they are required to join the contractor labor safety and health agreement managed by the Company and conduct coordination meetings. Safety and Health Office will carry out hazard notification and the educational training on the code of safety to the contractor to enhance their safety protection awareness. Beside, irregular audits will be conducted. If there is any violation, it will be required to improve within a specific time. All the relevant improvements have been checked and completed in 2021.

	2019		2020		2021	
	Wiyynn HQ	Tainan Branch	Wiyynn HQ	Tainan Branch	Wiyynn HQ	Tainan Branch
Number of contractor employees trained	36	259	40	320	22	324
Number of violations	1	0	1	5	0	2
Number of violations rectified within the specific time	1	0	1	5	0	2

Note: Contractor training hours is 1 hour/employee.



Health Monitoring and Promotion Events

We use systematic methods to carry out workplace health promotion. After Taipei HQ was awarded the certification in 2020, our Tainan Branch also received Healthy Workplace Certification by Health Promotion Administration in 2021, MOHW. We continue formulating health promotion management programs through annual health examination results and the questionnaire survey of the four major labor health protection programs.

Health Checkup

Wiwynn organizes employee health checkups on an annual basis by the end of each year. In addition to general health checkups, 310 employees who are required to undergo special health checkups due to noise in the working environment or exposure to ionizing radiation. For those who are qualified for the examination under the labor insurance, they have all completed special health checkups in 2021.

Management by different levels is carried out according to the results of the annual health checkup, and a total of 132 employees were required to receive health management tracking and treatment. In 2022, we will complete health counseling in sequence through the consultation service of physicians and the guidance of factory health education.



	Number of employees
Number of employees receiving general health checkup	4,128
Number of employees receiving special health checkup	310

Resident Clinic Service

We arrange doctors as part of the resident clinic service to provide personal health consultation, help improving the working environment, and promote the physical and mental health of workers in the workplace. The service includes health management, consultation on abnormal health examination reports, employee post-injury care and reinstatement counseling and evaluation, preventive health care, chronic disease diagnosis and prevention, and counseling on physical and mental issues. A total of 193 employees received consultation in 2021.

Employee Assistance Program (EAP)

We introduced the EAP program and established an employee assistance hotline to provide 24-hour employee assistance programs. All the consultations are protected by the privacy policy. In 2021, a total of 23 employees used the consultation/counseling assistance system to seek assistance in aspects of interpersonal relations, career development, legal advice, and family parenting.

Activities of Health Promotion

The Company hosted several sessions of WaCare online live health promotion courses in 2021. We invited physical therapists, sports experts, and counseling psychologists to host courses related to soreness and pain relieving and workplace mental pressure releasing to enhance employees' health knowledge. It is to help them understand emotion management and pressure adjustment and further apply the practical skills in their daily life and at work. The course satisfaction achieved 92.6%.

Region	Course/ Activity	Session/ Number of people/ Hours
Taiwan	WaCare online live health promotion course	50 sessions
	Enjoyable walk for health: health challenge of 5,000 steps every day	1,268 people
Mexico	Job, mental, and social risks- identification, analysis, and prevention	1,364 people; 682 hours

Moreover, the Company establishes "Healthcare" zone on the portal website for health promotion. In 2021, we held 33 sessions of health promotion, including health education related to epidemic prevention notification, health promotion, and preventive healthcare.



Employee Care and Human Rights Management

Based on people orientation, Wiwynn fulfills respect, equality and inclusiveness to build a friendly workplace and environment.

Policy	Formulating human rights policy, promoting employee relationship management and fulfilling labor rights protection.
Commitment	Maintaining labor human rights, respecting labor rights, complying with the "Wiwynn RBA Code of Conducts Commitment" to perform our commitment in social responsibility as well as supporting and encouraging the affiliated first-tier suppliers to follow the same guidelines.
Resources	Introducing EAP employee assistance program, providing multiple communication platforms and channels, establishing "Wiwynn RBA Management Committee", implementing external validated audit process, and carrying out education training on social responsibility management systems.
Grievance Mechanism	Dedicated hotline and email address are available on the internal portal of the Company. Stakeholders can make grievances through the phone and email address provided at " Stakeholders' Section " of Wiwynn's official website.
Evaluation Mechanism	Employees Relations Promotion Committee, RBA SQA Self-Evaluation, External Audit Verification (VAP)

Wiwynn complies with the labor and human rights regulations specified in the "Labor Standards Act" and "RBA Responsible Business Alliance Code of Conducts" as well as the International Human Rights Code to formulate a number of management procedures and regulations. We promise to guarantee labor human rights. If the employment relation has to be terminated due to significant operational changes, it will be given notice in advance according to law to protect labor rights and interests. We will continue extending the influence to suppliers and requesting them to comply with the same RBA Code of Conducts.

Management Procedure and Regulations

Human Resources Management Rules	Anti-Discrimination Management Procedure	Ban on Child Labor and Mis-employment Redemption Procedure	Youth Labor Management Procedure
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

Each year, a self-evaluation questionnaire (SAQ) designed by Responsible Business Alliance (RBA) is used to assess social, environmental, and ethical risks. The SAQ evaluation scores in Wiwynn HQ and Tainan Branch in 2021 both reached an average score over 99 points, which are under low risks (≥ 85 points are referred to low risks). Other than the SAQ annual evaluation, Tainan Branch was implemented the External Validated Audit Process by a third-party verification agency in 2021 and obtained a gold certificate. The relevant information is disclosed transparently 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
	2020	2021	2020	2021	
Wiwynn HQ	99.2	99.3	-	-	
Tainan Branch	93.9	100	200	186.1	

Note: WYMX is expected to implement RBA in 2022.

Issues	Evaluation	Risks Mitigation	Risks Analyses						
Safe and Healthy Working Environment	Prevention of occupational illness to provide employees a safe and healthy working environment	<ul style="list-style-type: none"> We arrange health checkup for general employees every year and specific health checkup for employees having operations under noisy environment or in contact of ionizing radiation. Implemented health advocacy and occupational safety educational training. Introduced ISO 45001 Occupational Safety and Health Management System. Health Management Center was established in 2020 to enhance healthcare to employees. Occupational Safety and Health Committee are regularly convened. 	<p>Based on the development of COVID-19, we adjust measures for epidemic prevention timely as well as include them to the business continuity plans for monitoring and management. The result of risk evaluation is low risks.</p> <table border="1"> <tr> <th>Region</th> <th>Coverage rate of the second dose</th> </tr> <tr> <td>Taiwan</td> <td>85%</td> </tr> <tr> <td>Mexico</td> <td>91.7%</td> </tr> </table>	Region	Coverage rate of the second dose	Taiwan	85%	Mexico	91.7%
Region	Coverage rate of the second dose								
Taiwan	85%								
Mexico	91.7%								
Ban on Child Labor and Youth Labor Management	To effectively control the non-recruitment and non-support of child labor and guarantee the employment conditions of youth labor	<ul style="list-style-type: none"> Stipulation of "Ban on Child Labor and Mis-Employment Redemption Management Procedure" and "Youth Labor Management Procedure" Recruitment and employment procedure in compliance with applicable laws. Complying with labor laws and regulations to ensure the employment of young workers e.g. work content without danger or harm, 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 2021, there was no event of misusing child labors or events in violation of Labor Standards Act.</p> <p>Identified as low risks in risks evaluation.</p>						
Anti-Discrimination, Equal Working Opportunities	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	<ul style="list-style-type: none"> Promulgation 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. Fulfillment of performance appraisal and two-way communication to ensure clarity and fairness in performance evaluation. Establishing grievance channels for supervision and management. 	<p>In 2021, there was no event of employee grievance.</p> <p>Identified as low risks in risks evaluation.</p>						

Ban on Forced Labor	It is forbidden to impose illegal or inhumane disciplinary measures and forced labor on employees	<ul style="list-style-type: none"> Promulgation 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. 	In 2021, there was no event of employee grievance. Identified as low risks in risks evaluation.
Freedom of Association	Respecting employee's freedom of association, and rights to join in labor union and group negotiation	<ul style="list-style-type: none"> Promulgation of "Management Procedure for Requirements in Freedom of Association and Religions and Beliefs" Employees elect among themselves the employee representative through the election system to regularly hold the Employees Relations Promotion Committee meetings. 	In 2021, several employee relationship promotion meetings were convened. It revealed good communications. Identified as low risks in risks evaluation.
Sexual Harassment Prevention	Building a gender-friendly workplace and rejecting sexual harassment at workplace	<ul style="list-style-type: none"> Promulgation of "Workplace Sexual Harassment Grievance and Discipline Regulations" Perform sexual harassment prevention advocacy on the TV walls in the Company. Established sexual harassment event grievance channels and sexual harassment prevention hotline 8301-xxxx / 8311-xxxx 	In 2021, we received complaints from employees. A dedicated team was called immediately for investigation and handling. By the end of 2021, the cases were all closed. We will continue strengthening the promotion of creating a friendly working environment.
Physical and Mental Health & Balance Between Work and Life	Assisting employees to maintain physical and mental health and work-life balance	<ul style="list-style-type: none"> We regularly arrange "one-on-one doctor consultation" service, providing employees health management, preventive health care, chronic disease diagnosis 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 according to the privacy policy. Employee Assistance Hotline 0800-025-008 service@ffceap.com.tw 	<p>A total of 193 employees applied for one-on-one doctor consultation in 2021. The consultation includes health management, consultation of the abnormality on the health report, preventive health care, chronic disease diagnosis and prevention, and counseling on physical and mental issues.</p> <p>In 2021, a total of 23 employees used the consultation/counseling assistance system to seek assistance in aspects of interpersonal relations, career development, legal advice, and family parenting.</p> <p>In 2021, we hosted EAP legal seminar, Say No to unlawful infringement. There were 61 participants.</p>
Suppliers Human Rights Management	Complying with RBA conduct specifications, encouraging and supporting the affiliated first-tier suppliers to follow the same guidelines	<ul style="list-style-type: none"> Conflict mineral due diligence investigation and management Suppliers RBA on-site audit We held regular Supplier Business Review (SBR) meetings with suppliers of important parts and establish stakeholders grievance channels, which was disclosed on the Company's official website. 	For more information, please refer to "Supply Chain Management".

Educational Training and Advocacy

To help employees understand their own rights and interests as well as the policies and practices on issues such as labor, human rights, health and safety, environment, and ethics implemented by the Company through training courses, a number of RBA related courses have been introduced since 2020. We aim for completing trainings on all of our employees and including compulsory course for new employees. In 2021, we continued carrying out refresher training and implementing new employee training.

Year	Name of the course	Participant (people)	Hours
2019	RBA related courses	1,275	212
2020	RBA related courses	1,528	1,075.7
2021	RBA related courses (Note 1)	5,140	2,879.9
	Cultural inclusiveness and respect (Note 2)	5,154	2,577

Note 1: It includes the employees received training in WYMX.

Note 2: The course only for WYMX.

In addition, to maintain Wiwynn's workplace safety and enhance the knowledge of the Company's human rights policy among security personnel, we carried out educational training related to human rights on all the security personnel in the Tainan Plant in 2021. There were 9 people received the training with the training hour of 2.5 hours, and the training completion rate was 99%.

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 a harmonious relationship between the labors and the management. In 2021, WYMX hosted educational trainings to promote communication channels to employees and ensure they understand any issue related to occupational safety, laboring, or ethics can be effectively reflected and suggested. The number of employees received the training was 1,364 people with a total training hour of 682 hours.



Internal Communications Meetings for Each Unit/Daily Work Meeting	Irregular/Every day
Management Team Weekly Meeting	Weekly
One-on-One Meeting - Senior Supervisors and Department Heads	Monthly
Kick-off /Mid-Year Meeting	Twice every Year
Employees Relations Promotion Committee	At least 3-4 times every year
New Employee Symposium	At least 3-4 times every year
Electric Message Delivery - Internal Portal EIP - Official Website "Wiwynn News Center"	Irregular
Educational Training	Irregular

Employees can obtain the contract person, telephone number, and email address for all channels through internal portal and TV wall.

Employee Grievance Hotline	Material management defects, discrimination, and forced labor, etc.
Integrity Policy Hotline	Violation against ethical conducts and integrity policies
Employee Assistance Hotline	Assistance relevant to work or physical/mental state
Sexual Harassment Prevention Hotline	Sexual harassment related issues
Health Management Hotline	Health related issues



In 2021, Employees Relations Promotion Committee was hosted for four times.

Summary of Discussion
Issues related to regulations specified in Labor Standards Act
Issues of public health
Issues of overtime
Issues concerning rights of resigned employees
Labor/Management Meeting Convening and Operations Principle
Flexible working hours/female nighttime work/working hours
Flexible working slots
Environment and facilities



Special: Global Job Leveling



Creating Global Consistent Job Grade and Career Structure to Provide Employees Opportunity of Diverse Development

Wiwynn acts actively in expansion in the past few years, and we have customers all over the world. The rapid pace of development urges us to face the current organizational levels and structures are not sufficient. To make sure we keep our pace with the global markets and speed up our link internationally, we re-establish a global job leveling structure that is able to connect to the famous manufacturers in the world. It also makes Wiwynn's cross-regional and cross-border organization and talents management more efficient.

Therefore, Wiwynn started to plan the global job leveling structure that is exclusively to us in December 2019. It is applicable to talents in every part of the world. Besides, the establishment of common language of roles and duties benefits talent rotation, promotion, and development in order to empower our employees. To make sure the structure objectively describes job duties at each level as the reference for employees' future promotion and development, we have to revise internal career routes for professional duties and management duties at the same time. Under the structure, we are able to establish a rewarding system that is based on duties and contribution and with market competitiveness.

After the discussion in more than 60 meetings, we clarify the development strategies for Wiwynn's operation, organization, and talent. During the process, we found out the expectation of senior managers on the employee career development through interviews. Based that, we revised the hierarchical structure exclusively to Wiwynn. After confirming the structure, the events of internal promotion launched in April 2021. We hosted nearly 10 sessions of internal employee communication presentation to ensure each employee understand the meanings of job grade and career level redefined. It also provides a more specific goal of the route for future career development discussed between managers and employees. Moreover, to ensure the structure of global job grade and career level absorbed by employees, we produced a promotional video in Chinese and in English to help employees understand the Company's ambition on establishing the global consistent structure through the video.



Under the global job leveling structure, each on-duty employee is able to understand duty and contribution better. It is to encourage employees making early preparation to their career development (vertical + horizontal). They can also enhance their capability of self-development through the opportunities of talent development or rotation. Besides, the promoted employees will be able to understand the challenges and duties that they undertake better.

Recognizing diverse talents and provide opportunities to link with the workplace

Wiwynn launched the first internship project in 2019. Through the communication and establishment of our internal team, intern students participating in the project are impressed by Wiwynn. In 2020, our reputation started to spread out among campus. We received a lot of inquiry on the Campus Recruitment Expo. Along with the project progressed to 2021, our team continued revising the implementation method for each opportunity flexibly. Based on the situation of not being affected by the epidemic, our internal team worked hard to promote the opportunities for diverse talents linking to the workplace.



The internship project continues expanding inside Wiwynn. Managers at different departments witness the effectiveness of the project and join the internship project in 2021, including R&D, Sales & Account Management, Quality Engineering, Legal, and Human Resources. However, we also understand the severity of the epidemic. We implemented online enrolment for intern students for the first time. We carried out direct instruction through online remote educational training and provided all the students care and attention offline. Through returning to the workplace, we provided diverse and interesting interaction and meeting for the students to know or get familiar with their managers or mentors better without growing apart due to the epidemic.

We carry the concept that intern students shall be able to explore the opportunities for their future career development during the internship, learn the precious experience at workplace, and accumulate life development experience. With the leadership of dedicated mentors, they are able to get familiar with the operating mode in the department and learn professional knowledge in depth. During the internship, we also provide students a stage to show themselves and actually participate in the internal project to absorb practical experience so that they can present themselves bravely and confidently at the stage as well as enjoy the proud moment the same as full-time employees.

Thoughts and feedback received from internship projects:

- All the tasks I encountered during the internship were solid, and they are helpful for my future career!
- In response to the ever-changing technology, the automatic testing of software or BMC can be the future trend and the direction for my future career.
- If I can strengthen the interaction with people, understand the types of different engineers in the company, and their duties, it will be very helpful for my future decision making.
- The Docker skills I learnt from the internship project are very useful. I am going to use them on the source code for the research in my dissertation to maintain the wide deployment of source code package.
- With the actual industrial experience related to servers, especially the work content of AM, I have a better idea of the direction for my future career.
- The problem solving and analytical process during the internship allow me to use them in my future research. I am able to remember the knowledge learnt deeply, and it is helpful for circuit analysis. If I need to use experimental tools for my study at the graduate school or at work in the future, I will be more proficient than other people. I also understand the measurement and verification related to the issues.



Year	Female	Male	Total
2019	2	2	4
2020	5	13	18
2021	4	11	15





Wiwynn ESG Sustainable Map

Shared good with the society;
expense: NT\$1,885,335

Promotion of public welfare 54%

Worked with 3 public interest groups
>2,000 purchases for public welfare



Everyone fights against the epidemic; Wiwynn supports medical and nursing personnel

In the mid of 2021, the situation of epidemic became severe, medical and nursing personnel stood at the first line for epidemic prevention in front of us. On the feeling of the devotion of medical and nursing personnel in Taiwan, Wiwynn donated meals to them to cheer them up!

Besides, we worked with vulnerability caring and public welfare groups, including Bear House, Syin-Lu Social Welfare Foundation, and Taiwan Foundation for the Blind to purchase gifts for activities or traditional festivals. Through the delivery of love and hope, it becomes a power to push the society forwards.



A healthy enterprise and friendly workplace

The care of epidemic prevention and friendly measures provided by Wiwynn to all the employees was recognized by Labor Affairs Department, New Taipei City Government. We were invited to the Friendly Workplace Seminar. Chief of Human Resources of the Company represented us to share Wiwynn's vision in the balance between workers' family life and work and the relevant measure we implemented to create a healthy and friendly workplace.

Shortening urban-rural gaps 13%

>100 rural schools
>1,000 monthly magazines
>1,000 students benefited



Shortened the urban-rural gap and enhanced the power of knowledge

In 2021, we continued participating in the public welfare project, "Sowing Reading Seeds- Giving Children a Great Future", hosted by Global Views Educational Foundation. We donated monthly magazine "Children for the Future" to 100 elementary schools in rural areas all over Taiwan to develop their interests in reading and learning as well as open up the window to knowledge. Wiwynn believes each child has unlimited potentials. Through the promotion of the project, the gap of "quantity and quality" and "time" of knowledge between urban students and rural students can be reduced and it will bring a better future for children.

Environmental protection and education 33%

Our CEO led more than 40 managers and employees to plant 800 trees

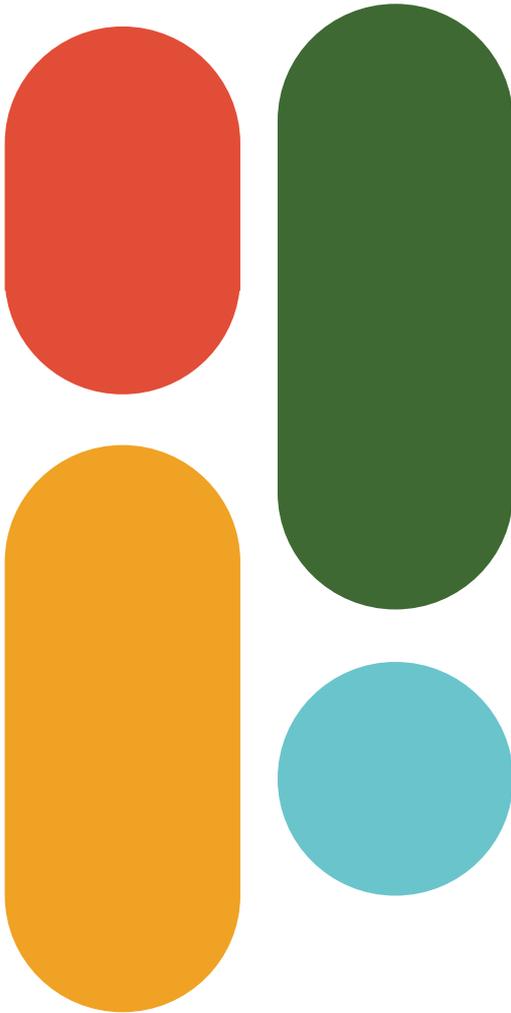
>2000 participants for environmental education

Shared good with communities



Shared good with the ecology and communities

Wiwynn's first stop of creating forests along the coast. Through protecting the coast line in Taiwan, safeguarding the diversity of onshore and offshore living beings, slowing down the territory disappearance caused by the rising of sea level due to climate change, and blocking the impacts to the inner lands caused by northeast monsoon, sea salt, and blowing sands, we protect the life quality for the residents in the community.



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GRI Standards Comparison Table

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206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Regulations and Voluntary Compliance	p. 26
GRI 301: Materials 2016			
301-1	Materials used by weight or volume	Sustainable Products	p. 45
301-2	Recycled input materials used	Sustainable Products	p. 45
GRI 302 : Energy 2016			
302-1	Energy consumption within the organization	Climate Change Strategies and Energy Management	p. 41
302-4	Reduction of energy consumption	Climate Change Strategies and Energy Management	p. 41

Item No.	Topic of the disclosed item	Corresponding chapter in the report	Page
GRI 305 : Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	Climate Change Strategies and Energy Management	p. 41
305-2	Energy indirect (Scope 2) GHG emissions	Climate Change Strategies and Energy Management	p. 41
305-3	Other indirect (Scope 3) GHG emissions	Climate Change Strategies and Energy Management	p. 41
305-5	Reduction of GHG emissions	Climate Change Strategies and Energy Management	p. 41
305-6	Emissions of ozone-depleting substances (ODS)	Climate Change Strategies and Energy Management	p. 41
305-7	Nitrogen (NOx), sulfur oxides (Sox), and other significant air emissions	Climate Change Strategies and Energy Management	p. 41
GRI 306 : Waste 2020			
306-1	Waste generation and significant waste-related impacts	Waste Management	p. 47
306-2	Management of significant waste-related impacts	Waste Management	p. 47
306-3	Waste generated	Waste Management	p. 47
306-4	Waste diverted from disposal	Waste Management	p. 47
306-5	Waste directed to disposal	Waste Management	p. 47
GRI 307 : Environmental Compliance 2016			
307-1	Non-compliance with environmental laws and regulations	Regulations and Voluntary Protocol Compliance	p. 26
GRI 308 : Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	Supply Chain Management	p. 26
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management	p. 26
GRI 401 : Employment 2016			
401-1	New employee hires and employee turnover	Talent Attraction and Retention	p. 52
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Attraction and Retention	p. 52
401-3	Parental leave	Talent Attraction and Retention	p. 52
GRI 402 : Labor/Management Relations 2016			
402-1	Minimum notice periods regarding operational changes	Employee Care and Human Rights Management	p. 66
GRI 403 : Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Occupational Safety and Health	p. 61
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Safety and Health	p. 61
403-3	Occupational health services	Occupational Safety and Health	p. 61
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Safety and Health	p. 61
403-5	Worker training related to occupational health and safety	Occupational Safety and Health	p. 61
403-6	Promotion of worker health	Occupational Safety and Health	p. 61
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Safety and Health	p. 61
403-8	Workers covered by an occupational health and safety management system	Occupational Safety and Health	p. 61
403-9	Work-related injuries	Occupational Safety and Health	p. 61
403-10	Work-related ill health	Occupational Safety and Health	p. 61
GRI 404 : Training and Education 2016			
404-1	Average hours of training per year per employee	Human Capital Development	p. 58

Item No.	Topic of the disclosed item	Corresponding chapter in the report	Page
404-2	Programs for upgrading employee skills and transition assistance programs	Talent Attraction and Retention Human Capital Development	p. 52 p. 58
404-3	Percentage of employees receiving regular performance and career development reviews	Human Capital Development	p. 58
GRI 405 : Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Corporate Governance Talent Attraction and Retention	p. 19 p. 52
405-2	Ratio of basic salary and remuneration of women to men	Talent Attraction and Retention	p. 52
GRI 406 : Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	Employee Care and Human Rights Management	p. 66
GRI 410 : Security Practices 2016			
410-1	Security personnel trained in human rights policies or procedures	Employee Care and Human Rights Management	p. 66
GRI 412 : Human Rights Assessment 2016			
412-1	Operations that has been subject to human rights reviews or impact assessment	Employee Care and Human Rights Management	p. 66
412-2	Employee training on human rights policies or procedures	Employee Care and Human Rights Management	p. 66
GRI 414 : Supplier's Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	Supply Chain Management	p. 26
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management	p. 26
GRI 416 : Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of products and services categories	Customer Health and Safety	p. 35
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Health and Safety	p. 35
GRI 417 : Marketing and Labeling 2016			
417-1	Requirements for product and service information and labelling	Customer Health and Safety	p. 35
417-2	Incidents of non-compliance concerning product and service information and labelling	Customer Health and Safety	p. 35
417-3	Incidents of non-compliance concerning marketing and communication	Customer Health and Safety	p. 35
GRI 418 : Customer Privacy 2016			
418-1	Substantiated complaints concerning breach of customer privacy or losses of customer data	Customer Privacy and Information Security	p. 36
GRI 419 : Socioeconomic Compliance 2016			
419-1	Non-compliance with laws and regulations in the social and economic area	Regulations and Voluntary Protocol Compliance	p. 26
Disclosure of Self-Defined Topics			
Self-defined topic 01	Taxation Management	Taxation Management	p. 23
Self-defined topic 02	Innovations in Products, Services and R&D	Innovations in Products, Services and R&D	p. 33
Self-defined topic 03	Intellectual Property Rights	Intellectual Property Rights	p. 34

Sustainable Accounting Standard for “Electronic Manufacturing Services and Original Design Manufacturing”

Item No.	Standard Description and Response	Corresponding Chapter in the Report	Page																
Water Management																			
TC-ES-140a.1	<p>Standard description: Total water withdrawn, total water consumed, and impacts on high or extremely high baseline water stress regions.</p> <p>The operation in Wiwynn mainly uses domestic household water, and the sources are from tap water, rainwater recycling, and underground water. There is no significant impact on the natural water sources, and the wastewater generated is only general domestic wastewater. In 2021, the water consumption was 124,333M³.</p> <p>The operating location of Wiwynn is not at the high or extremely high baseline water stress regions.</p>	Climate Change Strategies and Energy Management	p. 41																
Waste Management																			
TC-ES-150a.1	<p>Standard description: Total amount of hazardous waste and its recycling ratio.</p> <p>According to the harmful waste defined in “Standards for Defining Hazardous Industrial Waste”, the total amount was 160.114 tons, of which 8.90% was recyclable. The ratio of incineration was 91.10%.</p>	Waste Management	p. 47																
Labor Practices																			
TC-ES-310a.1	<p>Standard description: Number of people in work stoppage and total days idle.</p> <p>It is not applicable because there was no work stoppage or strike in Wiwynn in 2021.</p>	-																	
Labor Conditions																			
TC-ES-320a.1	<p>Standard description: Incident rate, injury-free rate.</p> <p>In 2021, there was no case of occupational disease in Wiwynn nor the death caused by occupational disaster. The statistic of relevant occupational injury is as below:</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <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>0.61</td> <td>1</td> <td>0.02</td> </tr> <tr> <td>Tainan Branch</td> <td>1.91</td> <td>0</td> <td>0</td> </tr> <tr> <td>WYMX</td> <td>5.91</td> <td>73</td> <td>0.65</td> </tr> </tbody> </table>		FR (disabling injury frequency rate)	SR (disabling injury severity rate)	FSI (frequency-severity indicator)	Wiwynn HQ	0.61	1	0.02	Tainan Branch	1.91	0	0	WYMX	5.91	73	0.65	Occupational Safety and Health	p. 61
	FR (disabling injury frequency rate)	SR (disabling injury severity rate)	FSI (frequency-severity indicator)																
Wiwynn HQ	0.61	1	0.02																
Tainan Branch	1.91	0	0																
WYMX	5.91	73	0.65																
TC-ES-320a.2	<p>Standard description: Percentage of RBA Validated Audit Process (VAP) and percentage of high risk; the deficiency rate identified during RBA Validated Audit Process (VAP) and the corrective action rate measures for priority deficiency and other defects.</p> <p>1. In 2021, Wiwynn HQ and Tainan Branch achieved an average score of 99 in SAQ assessment, both locations were in the scope of low risk (≥ 85 is regarded as low risk). Other than annual assessment, an external Validated Audit Process (VAP) was implemented by the third-party verification institution in Tainan Branch in 2021. A gold certificate was awarded. Please refer to RBA-Online platform transparent disclosure for relevant information.</p> <p>2. In 2021, 84% of Wiwynn’s suppliers passed RBA external Validated Audit Process (VAP) or carried out annual self-evaluation.</p> <p>3. Wiwynn established Wiwynn Responsible Supplier Code of Conduct according to RBA Code of Conduct. We set up supplier audit plans based on the risk evaluation every year. In 2021, on-site assessment was carried out on 33 suppliers. The main defects were in the dimensions of human rights and safety & health. After communication and guidance, they were improved. The completion rate was 100%.</p>	Employee Care and Human Rights Management	p. 66																
TC-ES-320a.3		Supply Chain Management	p. 26																
Product Lifecycle Management																			
TC-ES-410a.1	<p>Standard description: Weight of end-of-life products and e-waste recovered, and the percentage of recycling.</p> <p>Based on Waste Electrical and Electronic Equipment Directive (WEEE), Wiwynn designed products that are easy to disassemble and recyclable. All the products developed in 2021 followed operating procedure to implement WEEE-3R evaluation and verification. The design of products meets the requirements of 3R (Reuse and Recycled rate=80%, Recovery rate=85%), and WEEE Recycling Mark is labeled on the products. It is forbidden to discard electronic products carelessly.</p> <p>Around 40% of Wiwynn products were implemented recycled plastic materials in 2021, and 89% of plastics used in the products were replaced by recycled plastics. The accumulated volume of recycled plastics used was 3.2 tons, and it was equivalent to reduce 5.12 tons of carbon oxide emission. We will continue implement it to other products and fulfill circular economy with responsible production to create positive effects to the environment.</p>	Sustainable Products	p. 45																
		Waste Management	p. 47																
Materials Sourcing																			
TC-ES-440a.1	<p>Standard description: Description of the management of risks associated with the use of critical materials.</p> <p>Based on the consideration of supply chain safety and risk diversification, we activate re-layout of global supply chain. “Multi-region” and “localization” will become the development direction of supply chain management carried out by Wiwynn in the future. We encourage suppliers of key components to “decentralize” and implement global production capacity deployment. In the future, we will promote more than 80% of suppliers of key components to support local manufacturing strategies.</p>	Supply Chain Management	p. 26																

UN Sustainable Development Goals (SDGs) Comparison Table

SDGs	Secondary goals	Corresponding chapter	Page
 <p>3 GOOD HEALTH AND WELL-BEING</p> <p>Ensure healthy lives and promote well-being for all at all ages.</p>	3.7 By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programs	Diverse and Inclusive Society - Talent Attraction and Retention - Occupational Safety and Health	p. 52
	3.8 Achieve universal health coverage (UHC), including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all		p. 61
 <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 - Employee Care and Human Rights Management - Wiwynn ESG Sustainable Map	p. 58
	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. 66
	4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development		p. 71
 <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. 52
	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. 45
	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. 41
 <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 - Wiwynn ESG Sustainable Map	p. 52
	8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training		p. 66
	8.7 Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms		p. 61
	8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment		p. 71
 <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 (based on the calculation of per 1 million people) as well as public and private research and development spending	Sustainable Innovation - Innovations in Products, Services and R&D - Intellectual Property Rights	p. 33
			p. 34
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>Ensure sustainable consumption and production patterns.</p>	12.2 By 2030, achieve the sustainable management and efficient use of natural resources	Sustainable Environment - Sustainable Products - Waste Management - Climate Change Strategies and Energy Management	p. 45
	12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment		p. 47
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse		p. 41
	12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle		
 <p>13 CLIMATE ACTION</p> <p>Take urgent action to combat climate change and its impacts.</p>	13.2 Integrate climate change measures into national policies, strategies and planning	Sustainable Environment - Climate Change Strategies and Energy Management	p. 41
	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning		
 <p>14 LIFE BELOW WATER</p> <p>Conserve and sustainably use the oceans, seas and marine resources for sustainable development.</p>	14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans	Sustainable Environment - Special: Ocean Hugs and sharing good with the ecology	p. 49

SDGs	Secondary goals	Corresponding chapter	Page
 <p>15 LIFE ON LAND</p> <p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.</p>	<p>15.B Mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation</p>	<p>Sustainable Environment</p> <p>- Special: Ocean Hugs and sharing good with the ecology</p>	p. 49
 <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>	<p>16.5 Substantially reduce corruption and bribery in all the forms</p> <p>16.6 Develop effective, accountable and transparent institutions at all levels</p> <p>16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels</p> <p>16.B Promote and enforce non-discriminatory laws and policies for sustainable development</p>	<p>Sustainable Governance</p> <p>- Ethical Management</p> <p>Diverse and Inclusive Society</p> <p>- Occupational Safety and Health</p> <p>- Employee Care and Human Rights Management</p>	<p>p. 21</p> <p>p. 61</p> <p>p. 66</p>
 <p>17 PARTNERSHIPS FOR THE GOALS</p> <p>Strengthen the means of implementation and revitalize the global partnership for sustainable development.</p>	<p>17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships</p>	<p>Sustainable Environment</p> <p>- Special: Ocean Hugs and sharing good with the ecology</p>	p. 49

Independent Third-Party Assurance Opinion Statement



INDEPENDENT ASSURANCE OPINION STATEMENT

2021 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 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 2021 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 the 2021 Wiwynn sustainability report provides a fair view of the Wiwynn sustainability programmes and performances during 2021. The sustainability 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 the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate Wiwynn's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability 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 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.
- 22 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 continually 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 the information of Environment, Social and Governance (ESG) 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 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 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 sustainability 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.

For and on behalf of BSI:


Peter Pu, Managing Director BSI Taiwan

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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